

Risk Factors Comparison 2025-02-28 to 2024-03-04 Form: 10-K

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Our business is subject to numerous risks and uncertainties, including those further described below in Part I, Item 1A “ Risk Factors ” in this Annual Report on Form 10- K, that represent challenges that we face in connection with the successful implementation of our strategy and the growth of our business. In particular, the following considerations, among others, may offset our competitive strengths or have a negative effect on our business strategy, which could materially adversely affect our business, financial conditions, results of operations, future growth prospects or cause a decline in the price of our common stock: • We 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. • Our 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. • Medical device development is costly and involves continual technological change, which may render our current or future products obsolete. • We will be dependent upon the success of our sales and customer acquisition and retention strategies. • Our research and development efforts may not succeed in developing commercially successful products and technologies, which could adversely affect our business. • 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. • 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 operate in highly competitive markets, competition may increase in the future, and our industry may be further disrupted. • We 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. • We are subject to complex and evolving U. S. and foreign laws and regulations regarding privacy, data protection, and other matters. Many of these laws and regulations are subject to change and uncertain interpretation, and could result in claims, changes to our business practices, monetary penalties, increased cost of operations, or declines in customer growth or engagement, or otherwise harm our business. • 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 • If 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 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. • The Company’ s outstanding warrants became exercisable for the Company’ s Class A common stock on May 26, 2021. If the Company’ s stock price reaches or exceeds \$ 11. 50, and outstanding warrants are exercised, the number of shares eligible for future resale in the public market will increase and result in dilution to our stockholders. • 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 face the risk of product liability claims and may be subject to damages, fines, penalties and injunctions, among other things. • We are currently subject to a securities class action lawsuit and stockholder derivative actions, the unfavorable outcome of which may have a material adverse effect on our financial condition, results of operations and cash flows. These and other material risks we face are described more fully in Item 1A, Risk Factors, which investors should carefully review prior to making an investment decision with respect to the Company or its securities. PART I All brand names or trademarks appearing in this report are the property of their respective holders. Use or display by us of other parties’ trademarks, trade dress, or products in this report is not intended to, and does not, imply a relationship with, or endorsements or sponsorship of, us by the trademark or trade dress owners. Unless the context requires otherwise, references in this report to the “ Company, ” “ we, ” “ us, ” and “ our ” refer to Butterfly Network, Inc. and its wholly-owned subsidiaries. Item 1. BUSINESS Overview We are an innovative digital health business transforming care through a unique combination of portable, semiconductor- based ultrasound technology, intuitive software, services and educational offerings that can make medical imaging more accessible than ever before. Due to its one- of- a- kind Ultrasound- on- Chip TM technology, Butterfly’ s solution enables the practical application of ultrasound information into the clinical workflow through affordable hardware that fits in a healthcare professional’ s pocket and is paired with cloud- connected software that is easily accessed through a mobile application. While Butterfly is in the point- of- care ultrasound (“ POCUS ”) category, our technology is fundamentally different from incumbent POCUS devices, which we view as mere extensions of cart- based hospital workflows. In contrast, Butterfly is designed for true mobility, not just because it is a single, portable imaging device suitable for any doctor, nurse, and eventually, qualified chronic care patient, but also because it is powered by AI- driven tools, cloud connectivity, and seamless hospital integration. This combination of advanced, cloud- connected software and portable hardware is the key to mobility, allowing Butterfly to

support large health systems while also functioning independently of them in remote or resource- limited settings. Wherever a doctor, nurse, or patient braves to go, Butterfly delivers imaging that adapts to their environment and remains securely connected. With this proprietary, comprehensive portable ultrasound solution, that is protected by a robust intellectual property portfolio, we are on a mission to democratize healthcare by increasing access and use of ultrasound information wherever care is being delivered – whether a large healthcare system, a rural clinic, a global conflict zone or beyond. We are helping streamline and optimize deployment of ultrasound at scale across hospital systems with our Compass™ software that integrates into health system infrastructures, and connects across all departments and specialties. Furthermore, we envision a future where Butterfly’s imaging technology is fully integrated into hospital- at- home workflows, improving remote monitoring and management of patients’ health conditions from the comfort of their homes. We market and sell the Butterfly solution to healthcare systems, as well as to physicians and healthcare providers through a direct sales force, distributors, and our eCommerce channel. We generated total revenue of \$ 82. 1 million and \$ 65. 9 million in the years ended December 31, 2024 and 2023, respectively. We also incurred net losses of \$ 72. 5 million and \$ 133. 7 million for the years ended December 31, 2024 and 2023, respectively. We employ approximately 190 employees as of January 31, 2025 and sell our products in over 30 countries through our sales force and independent distributors and directly to physicians through our eCommerce channel. Outside of our core commercial geographies, Butterfly iQ is also being utilized in over 70 low resource settings around the world through global health partnerships. Butterfly iQ3 is currently FDA- cleared for sale in the United States and CE marked in Europe. Corporate History and Information The Company, formerly known as Longview Acquisition Corp. (“ Longview ”), was incorporated in Delaware in 2020 as a blank check company formed for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination with one or more businesses. Longview and Butterfly Network, Inc. (“ Legacy Butterfly ”), which was founded in 2011, completed a business combination (the “ Business Combination ”) on February 12, 2021, following which Longview was renamed Butterfly Network, Inc., and the business of Legacy Butterfly became our business. Since our founding, Butterfly and our disruptive technology has been recognized by Prix Galien USA, Fierce50, TIME’ s Best Inventions, Fast Company’ s World Changing Ideas, CNBC Disruptor 50, and MedTech Breakthrough Awards, among other accolades. We have wholly- owned subsidiaries organized in Australia, Germany, the Netherlands, the United Kingdom and Taiwan. Our principal executive offices are located at 1600 District Avenue, Burlington, Massachusetts 01803 and our telephone number is (781) 557- 4800. The Evolution of Ultrasound Digital health is systematically changing the way healthcare practitioners deliver care by providing information that informs better decision- making, while increasing access and significantly reducing patient- care costs. Butterfly devices are designed for this new wave of medical care with an easy- to- use interface that displays ultrasound information on your smartphone or tablet in real- time. Historically, the global ultrasound market has been dominated by traditional cart- based devices. These devices are accessible only to highly specialized, highly trained technicians and are located predominantly in hospitals, imaging centers, and physicians’ offices. Many healthcare institutions throughout the world lack the facilities and capital necessary to acquire and maintain expensive cart- based devices and cannot afford the highly trained individuals required to operate them. Traditional cart- based equipment typically ranges from \$ 30, 000 to \$ 120, 000 or more per new device, plus specialized labor. More recently, we have seen the introduction of POCUS and handheld devices with an average price point of \$ 10, 000, based on \$ 3, 000 to \$ 7, 000 per probe, with some requiring three or more probes to cover a comparable range of cleared indications to the single Butterfly probe, and those devices often require an upfront software investment for access to advanced imaging modes (e. g. pulsed- wave Doppler) and workflow (e. g. cloud storage) that can reach upwards of \$ 2, 000. Further, these incumbent POCUS devices operate off the same 60- year- old, analog piezoelectric crystal technology as traditional cart- based ultrasound, which we believe limits the opportunity for future progress. Further, most piezoelectric crystals that are utilized in these incumbent ultrasound devices contain lead at levels deemed hazardous by regulators. In fact, the lead included in many traditional piezoelectric crystal ultrasound systems exceeds the allowable amount of lead under the EU’ s Restrictions of Hazardous Substances Directive (“ RoHS ”), requiring many of our competitors to rely upon an exemption to RoHS specifically permitting lead in single crystal piezoelectric materials for ultrasound transducers in order to commercialize their products in the EU. In contrast, Butterfly’ s Ultrasound- on- Chip™ technology allows us to offer much more versatile imaging capabilities on just one affordable probe without exceeding these limitations. We believe the transition from traditional piezoelectric crystal sensors to semiconductor chip in ultrasound also gives us a competitive advantage because it allows our devices to benefit from Moore’ s Law. Moore’ s Law is a guiding principle of the semiconductor industry that states that the number of transistors on an integrated circuit will double every two years – meaning the computer processing power of a chip doubles every two years with minimal rise in cost. Much like the photography industry, when the digital camera’ s image quality became equal to that of analog cameras, digital took over because it brought many other benefits – such as affordability, miniaturization, and advanced features for ease of use. Butterfly is on a path to driving that same transformation for the ultrasound industry toward more versatile, smaller, and consumer- friendly form factors. Today, regulations still require a trained healthcare practitioner to operate our devices, but we are developing a technology roadmap to make it easier for users of all skill levels to use the device. We are focused on increasing the use of imaging during preventive care with the aim of providing the right information earlier in the care process for better, more rapid clinical decision making. As we continue to educate and empower ease- of- use, we believe that adoption of ultrasound information as a clinical assessment tool will grow and, in time, we will change the paradigm of care delivery. We believe that this information delivered through imaging with an intuitive user interface will further drive costs down and expand the use of imaging at clinical point- of- care. Changing standards of care doesn’ t happen overnight, but our goal

is to make this change happen much faster. We believe AI integration will be one key to accelerating the transition to handheld ultrasound, as it enables ease of use and automation, thereby removing barriers to adoption. To accelerate this process, we maintain an AI partnership ecosystem, Butterfly Garden™, that opens our software development kit (“SDK”) so third-party companies and developers can build and deploy new AI applications on our imaging platform, reaching our large installed base. For Butterfly, this model allows us to continue to broaden our base. As each of these companies develop on our platform, we believe we will have more of their customers buying Butterfly, while existing Butterfly customers will have access to even more capabilities. We are also committed to accelerating adoption of POCUS through clinical education, not only by empowering the next generation of medical professionals with ultrasound skills and clinical integration knowledge via probe and software sale into medical schools for use in curriculum, but through our innovative collection of educational services and offerings. Market Opportunity We are on a journey to address a potential new market that we estimate exceeds \$ 100 billion. We believe our solution addresses an unmet need across an addressable market of over 40 million healthcare practitioners, including approximately 10 million medical doctors, 30 million nurses and midwives, and 2 million veterinarians and veterinary technicians worldwide. Ultimately, our north star is to reach patients in alternative and home care settings, potentially with future, differentiated form factors intended to enable ease of use in the home, subject to receipt of required marketing authorizations. In the near term, we are first driving adoption with healthcare practitioners, including doctors and nurses in healthcare systems and a focused group of initial customers in the veterinary market, comprised of companion animal, mixed animal, equine veterinarians, and veterinary academic institutions. Our newest Butterfly iQ3 device has demonstrated impressive uptake since its release in February 2024, driving further penetration into the market, with best-in-class image quality that has brought more ultrasound users over to Butterfly. As we look ahead, we will leverage the quality of Butterfly iQ3 and benefits of our Compass™ enterprise software to continue our focus on driving and expanding further into the hospital segment. With our advanced digital capabilities made possible by our proprietary Ultrasound-on-Chip™ technology, we believe we can not only address this market, but move beyond the restrictions of the existing ultrasound market. Our affordable holistic solution provides valuable clinical information and workflow efficiency that is attractive to any healthcare systems that seek to improve care at lower cost. These attributes also may allow the use of our Butterfly devices beyond traditional health system environments to where health systems look to evolve, such as the home. The advantages of our Ultrasound-on-Chip™ technology align with recent industry trends, including the shift to outside-the-hospital or in-home medical care, affordability, harnessing of AI and deep learning, collaboration through the cloud, disruptive medical innovation, and increasing access to care. In addition, by expanding the settings in which medical imaging can be done, the Butterfly device may provide opportunities for earlier detection and prevention of disease, while reducing cost. This aligns with the focus on consumer health empowerment, wellness, and acceleration of value-based care, all of which are important themes in the healthcare industry today. Business Strategy We believe that, with our current products and solutions, we have created a new standard for medical imaging, and we are focused on staying at the leading edge of technical innovation. We believe our current portfolio is only the first step in our development and we plan to continually improve it and expand our product and service offerings. We have a strong leadership team with disruptive healthcare and commercial expertise that energized and reoriented the organization in 2024. Under this leadership, we have established a focused path by:

- Nurturing and growing our core capabilities and clinical pathways.
- Capturing new and adjacent markets.
- Leveraging our Ultrasound-on-Chip™ technology into non-competitive markets through partnerships.
- Optimizing our resources.

As we execute on these strategies, Butterfly has become a more efficient business while simultaneously investing in long-term growth and innovation. Importantly, our expense reduction and cash preservation activities were paired with a continued commitment to increased productivity and efficiency. Because Butterfly devices are mobile and easy-to-use, healthcare practitioners can have access to ultrasound information outside of traditional settings. We continue to focus on the utility of our devices in global health contexts, including for building sustainable healthcare models in the developing world and for responding to natural and man-made humanitarian crises. For example, thousands of Butterfly devices have been distributed throughout the Ukraine, Gaza, and Israel via over 40 global health partnerships to support combat medics on the frontlines. We also remain committed to developing patient-focused delivery models, and we believe ultrasound imaging may find a market in home care settings with at-home medical personnel. These modalities have the potential to improve health outcomes, while avoiding expensive treatments, therefore generating economic value for both the patient and payor, which is aligned with the healthcare mega-trend of value-based care. In March 2024, we introduced our Butterfly HomeCare Services Business, which strives to support caregivers with patient management outside the hospital for certain chronic conditions. In January 2025, Butterfly initiated its first pilot program for virtual chronic care management services with a major at-risk Medicare Advantage provider in the United States. The goal is to reduce readmissions of their congestive heart failure patient population through frequent AI-powered imaging. If successful, it will be our first foray into a services model. Future phases of the HomeCare Services Business envision use of wearable devices and patient-performed scanning – all subject to appropriate regulatory approvals and authorizations. As our future devices one day reach new markets and enable more direct interaction with patients (e. g., remote patient monitoring), we believe this trend can accelerate, further improving outcomes and reducing costs. This reduction of costs has the potential to create economic value for the whole healthcare system across clinical applications and markets where ultrasound scanning is used. We will work diligently to validate target at-home applications through focused clinical trials and will seek additional regulatory authorizations, as needed. Products Our current product portfolio includes a combination of hardware and software, including Butterfly iQ3, Butterfly iQ, Butterfly iQ Bladder, and Butterfly iQ Vet devices, software subscriptions, and professional services. We offer cloud-based software solutions to

healthcare systems, teleguidance, in- app educational tutorials as well as our ScanLab™ education- only app, formal education programs through our Butterfly Academy™ software and Butterfly Certified™ courses, as well as professional services for large scale deployments. Butterfly iQ and iQ3 In 2018, Legacy Butterfly commercially launched Butterfly iQ, the world's first handheld, single- probe, whole- body ultrasound system using semiconductor technology. The company has continued to innovate, leveraging the benefits of Moore's Law, to launch its second generation Butterfly iQ in 2020 and third generation iQ3 in 2024 – each with increased processing power and performance enhancements. We have over 145, 000 unique Butterfly users to date. Butterfly has two portable ultrasound devices on the market: our second- generation Butterfly iQ and third- generation Butterfly iQ3. Butterfly iQ / iQ3 are both powered by our Ultrasound- on- Chip™ technology, allowing them to power whole- body imaging on a single handheld probe using digital semiconductor technology. Both of these small, handheld devices are priced competitively compared to incumbent, piezoelectric crystal- based ultrasound handhelds and carts. Butterfly iQ is our most affordable whole- body scanner offered, listed at approximately \$ 2, 700. Butterfly iQ3 – powered by our most advanced P4. 3 chip which has double the processing power for best- in- class image quality, new advanced 3D imaging tools for easier use, and a smaller, more ergonomic design – is valued higher at approximately \$ 3, 900 per device, but still remains one of the lowest- cost handheld ultrasound devices on the market. Both of our devices are incredibly versatile, allowing providers to access over 20 anatomical presets, 6 imaging modes, and a suite of AI and other calculation tools via Butterfly's simple mobile application interface, the availability of which are often dependent upon local marketing clearances and therefore availability may differ by country. Our software is designed to make the product easy to use and fully integrated with the clinical workflow, accessible on a user's smartphone, tablet, and almost any hospital computer system connected to the Internet. Our Butterfly iQ / iQ3 devices connect directly to a compatible iPhone or Android smartphone or tablet to provide their imaging and software features for approximately two consecutive hours, according to average use as determined from field data analytics. Under normal conditions, the Butterfly iQ3 charges to full battery in two hours, and the Butterfly iQ in approximately five hours. The devices have over 20 ready- to- use anatomical presets generated in part with AI that are designed to optimize images obtained from scanning different areas of the body. Within the Butterfly application, users can utilize up to six imaging modes, including B- Mode, Color Doppler, M- Mode, Power Doppler, Pulsed- Wave Doppler, and Biplane Imaging™, as well as advanced tools iQ Slice™ and iQ Fan™. In addition, advanced measuring tools can be used for a variety of specialties, including nursing and obstetrics. These features allow healthcare practitioners to perform surface area and volume measurements on the anatomical objects that are imaged and can use color Doppler to identify movement of fluid, similar to features provided by legacy products in the market. • For obstetric clinicians, our devices' tools can perform gestational age and amniotic fluid index calculations. • The devices' tools can provide automated bladder volume calculations with 3D visualizations, enable easier line placements using NeedleViz™ technology and Biplane Imaging™, or produce a B- line count (an indicator of wetness in the lungs) from just a six second ultrasound clip using the Auto B- line Counter. • Using TeleGuidance™, healthcare practitioners can perform ultrasound remotely, providing real- time guidance by connecting with a novice user or peer directly from the Butterfly app. Through our TeleGuidance™ feature, healthcare practitioners can control the settings of the application while the device is in use and help the user identify the image. • On the Butterfly iQ3, users can also access new automated image capture modes: iQ Slice™ and iQ Fan™. iQ Slice™ automatically steers the beam to scan an organ and capture up to 46 ultrasound slices at a time across a wide angle. iQ Fan™ is a dedicated lung tool that further builds on the core iQ Slice technology to allow providers to benefit from real- time, back- and- forth virtual fanning, making it easier to visualize A- lines and other lung conditions. We believe these pre- set settings and intuitive operation features through smartphones will enable healthcare practitioners to adopt our devices, expanding our user base beyond the traditional ultrasound user base. This traditional base of ultrasound users has been limited because existing ultrasound devices often require unique environments and extensive training to operate, while the Butterfly devices were designed to be used by general and other healthcare practitioners across the healthcare industry. Butterfly devices consist of both durable hardware and dynamic software solutions designed to make ultrasound imaging accessible to all healthcare practitioners, including nurses. We also sell accessories for our devices including cases, adaptors, and carts. Software Subscriptions We believe that the software and analytics capabilities of our solution, coupled with the Butterfly devices, empower smarter and expanded scanning, quality assurance, credentialing, documentation, and billing that can generate incremental revenue for both healthcare systems and independent practitioners but also reduce costs for payers from earlier detection and prevention of adverse downstream events due to suboptimal care decisions or treatment complications. We currently offer different software membership plans, including Core Technology, our base software membership for individual users that is priced at approximately \$ 300 per year, and Advanced Technology, our complete ultrasound solution for individual users that is priced at approximately \$ 420 per year. In addition, we offer other membership plans that are specific to customer needs, including iQ Care for bladder scanner and vascular access application solutions, integrated software enterprise solutions to enable ultrasound deployments at scale, and medical education subscriptions for universities. Through our software subscription options, users can upload scanned images to our HIPAA- compliant cloud, which has unlimited storage and links to electronic medical records (" EMRs ") on hospital and office systems, allowing for seamless transfer of images that can also be accessed from a desktop computer. In May 2024, we introduced our first specialty product, iQ Bladder, in the United States. With iQ Bladder, we expand outside of our core point- of- care ultrasound market to better serve the bladder scanning market with our proprietary Ultrasound- on- Chip™ technology. The bundled bladder solution includes an iQ Bladder probe, streamlined software, compact rolling cart, tablet, and power splitter, paired with premium assembly. The rolling cart features storage space and a probe charging dock for enhanced convenience and readiness, and a large

tablet is mounted to the cart with tilted brackets that rotate 360 ° and pan 180 ° for optimum viewing and positioning. The probe is paired with streamlined software, designed to address the specific needs of nurses and other providers who regularly conduct bladder scans. The application has a user- friendly interface, with no login or configurations necessary, allowing for immediate access to quick and intuitive scans. To empower confident, accurate measurement, the solution offers walkthrough guidance for proper probe placement, and it also leverages Butterfly' s advanced bladder visualization capabilities, including 3D rendering to confirm true bladder anatomy. Butterfly for Enterprises In 2022, we introduced an updated system- wide platform designed to support the scaled integration and deployment of our ultrasound hardware and Compass™ software across hospitals and health systems to empower image- informed clinical decisions from the bedside and encounter- based workflow. Leveraging Butterfly' s unique combination of a whole- body handheld ultrasound device, software, and services, our enterprise platform supports hospitals and health systems with a complete ultrasound solution. This system- wide offering promotes improved patient care via accessible imaging across multiple disciplines and care settings. Our device- agnostic software securely integrates into health systems' clinical and administrative systems and workflows (e. g., Picture Archiving and Communication System (" PACS ") and EMR), including with non- Butterfly devices. The Butterfly enterprise platform is built for organizations, including hospital systems, medical schools and residency programs. With this platform, institutions can rapidly and easily access ultrasound- enabled insights and oversight of their entire ultrasound program on one streamlined software solution. Benefits include, but are not limited to: • Streamlined documentation & QA workflows, • Increased billable exams, • Centralized governance and program management, • Cloud storage access, • Ensured interoperability, and • Education, proficiency, and credentialing management. Educational Tools In January 2024, ScanLab™ went live in the Apple App Store. Our AI- powered, educational ScanLab™ app provides written walkthroughs and reference imagery to guide real- time educational scanning. Enhancing the learning process are AI image quality indicators that provide real- time feedback for image adjustment and interactive AI labeling to help learners locate key anatomy. Our platform features education tools to enable users to quickly gain proficiency in conducting exams, including hundreds of educational videos taught by experts. In 2023, we launched Butterfly Certified™, a complete set of virtual and in- person POCUS courses designed to provide practitioners with the skillsets necessary to meet local training or privileging requirements, delivered in collaboration with the Global Ultrasound Institute (" GUSI "). The hands- on training packages, which are expert- led and include tailored tracks across specialties that can be scaled for individual or department use, are available in the United States through direct Butterfly sales representatives. In 2021, we launched Butterfly Academy™, which provides embedded education and training to enable clinicians across care settings, to support long- term scaling of Butterfly throughout a healthcare system and for use in medical education applications. In 2021, we launched Butterfly iQ Vet, a handheld ultrasound system that leverages the technology developed for our other iQ devices and is designed to bring value to veterinarians in a variety of care settings, helping to usher in a new standard for veterinary medicine. As of December 31, 2024, iQ Vet is available in approximately 20 international markets, bringing first- of- its- kind innovation to veterinarians. The product includes a specially designed animal- specific probe for ease of use and maneuvering, Color- Doppler, and NeedleViz. We are changing the way that veterinarians deliver care, providing more information through imaging at the point- of- care, particularly since their patients do not speak. When Butterfly launched its Auto B- Line Counter for human care in 2023, our Vet business saw an opportunity to use it in production cattle. There are one million cattle producers in the U. S. alone. They often prophylactically give their cattle expensive antibiotics to control disease spread and protect their herds. Our device has now been validated through publications affirming its utility in earlier detection of bovine respiratory disease to reduce antibiotic use – which could ultimately save time and money and has implications for supporting more sustainable upkeep of our cattle food supply. Marketing and Sales We market our products worldwide, in the U. S. through our targeted sales organization and internationally through both our direct sales force and our distributors. In the U. S., our sales organization is engaged in sales efforts and promotional activities primarily to healthcare institutions through direct sales and distributor partnerships. In the United States, Butterfly has been purchased by a clinician in most of the 100 largest healthcare systems. We use a variety of marketing tools to drive adoption, foster continued usage, and establish brand loyalty for our devices and software. We recognize the importance of the role of education in accelerating adoption of our products by those medical professionals without existing ultrasound skills. We sell through three main channels: • A targeted, regional, direct sales force focused on large healthcare system- wide implementations. • An eCommerce website through which we sell our Butterfly devices to healthcare practitioners and veterinarians in these geographies, where allowed by local law. • Distributor, veterinary, and affiliate relationships to unlock additional channels to supplement our direct and eCommerce sales. Because healthcare institutions often make decisions to purchase on a system- wide level, we believe enterprise sales can generate economies of scale with larger volumes and larger numbers of users, while also increasing user retention. The health system channel also yields more comprehensive software subscriptions, which further increases our revenue from devices and subscriptions sold. We are working towards increasingly integrated solutions to maximize our value to large healthcare customers, as well as continuing to improve our sales and support infrastructure. Our ability to connect and integrate with traditional third- party ultrasound systems gives enterprise customers a solution to the governance and workflow challenges that may have previously limited the utilization and billing of point of care imaging devices. Health system customers deploying our solution can benefit from a streamlined clinical workflow that reduces the exam documentation burden typically associated with traditional ultrasound systems. By adopting Butterfly' s enterprise solution, customers can responsibly manage and optimize value from their fleets of point of care imaging devices. Our international sales organization is focused on expanding access to innovative ultrasound technology through a strategic mix of direct sales, distribution partnerships, and e- commerce. We continue to refine our

global go- to- market approach by optimizing our distribution network, investing in partner training, and ensuring regulatory compliance in key markets. Our international growth strategy prioritizes market expansion, healthcare provider education, and commercial execution, driving increased adoption across diverse healthcare ecosystems worldwide. We sell directly in Germany and the United Kingdom, and, through our distribution partnerships and e-commerce platform, our commercial footprint extends to approximately 40 countries. We continue to develop our sales and marketing organization, which consists of a dedicated sales team, sales operations and sales support personnel that are complemented by a marketing team. As of January 31, 2025, we had approximately 60 people employed globally in sales, sales support, and marketing. Geographic Areas Butterfly is being used in over 100 countries. Outside of our core commercial geographies, Butterfly is also being utilized through collaborations with non- governmental organizations (“ NGOs ”) like the Gates Foundation to deliver our technology to underserved communities. Currently, we have placed our device with hundreds of NGOs, entities, and healthcare professionals that align with our mission to deliver care around the world and bring potentially lifesaving medical imaging to patients, often for the first time. POCUS capabilities have been commercially available for decades, yet adoption in low- and- middle income countries is minimal. Butterfly’ s global health program seeks to upend that paradigm by leveraging our technology to democratize medical imaging for marginalized and vulnerable populations around the world. In 2024, we completed the second phase of the world’ s largest rapid POCUS deployment to sub- Saharan Africa, funded by a \$ 5 million grant from the Gates Foundation. The initiative has brought 1, 000 Butterfly iQ probes and ultrasound training to a region of the world that has disproportionately high rates of maternal mortality. Preliminary findings from the first phase of deployment in Kenya demonstrate, among other findings, that:

- 95 % of the participant providers in Kenya are now using Butterfly to detect high- risk conditions and inform treatment decisions.
- 80 % of the participant providers have trained at least 2 other providers at their hospital to drive further wide scale use.
- 80 % of surveyed mothers reported experiencing happiness upon seeing their baby on screen.

We see our work in the areas of maternal and fetal health as the building blocks for continued impact toward better clinical assessment overall, and we believe our model is applicable to many more geographies and specialties. We anticipate leveraging our work in sub- Saharan Africa to continue improving access to imaging in other limited resource settings, and we aim to further expand our international customer base in the future. In terms of geographic markets, for the fiscal year ended December 31, 2024, a substantial majority of our revenues were derived from sales to customers based in the United States. We believe our differentiated Butterfly handheld device and our growing user base of Butterfly practitioners, with sales to or agreements with most of the largest 100 U. S. healthcare systems and devices deployed across approximately 100 countries, position us well to compete in the existing ultrasound market and to potentially expand into emerging markets. Research and Development We plan to develop future applications, subject to appropriate marketing authorization, to leverage our unique hardware foundation and commitment to improving our software using AI. Simultaneously, we plan to enhance our software capabilities, pursuing regulatory authorizations as necessary, with new features to support clinical procedures. We also plan to further enhance workflow automations for our Compass™ software, in order to more deeply integrate our platform with healthcare systems, as we work with these customers to deploy Butterfly in their organizations. In this way, we expect our solution will continue to innovate naturally, as well as through our enhancements to our proprietary technology. In order to pave the way for future phases of our HomeCare Services Business, we anticipate we will need to validate the at- home applications through focused clinical trials and also seek additional regulatory authorizations. We believe these hardware developments, along with our software enhancements and user education initiatives, will bring ultrasound to even more healthcare systems and healthcare practitioners. We believe that with our differentiated and continually expanding solution, we have the potential to drive user adoption and change clinical behavior. Beyond these hardware and software product roadmaps, we plan to develop new innovative products, services, and software applications in partnership with healthcare systems, leveraging our core technology and platform capabilities. Through this product development, we believe we will be positioned to remain on the forefront of medical imaging with a continued focus on both enabling access to more information at low cost and reduced effort and allowing us to enable healthcare practitioners to transform care with Butterfly through our education offerings, an intuitive interface, and AI that unlock the power of point- of- care information quickly and confidently. Reimbursement While we do not bill health plans directly, practitioners can leverage pre- existing, routine Current Procedural Terminology® codes (“ CPT codes ”) that enable them to obtain per- scan reimbursement in the specialties of anesthesiology, cardiology, critical care, emergency medicine, endocrinology, and ultrasound- guided procedures. Competition Several large companies currently constitute the bulk of ultrasound sales. High regulatory, distribution, manufacturing, and service- related long- term contractual costs represent significant barriers to entry for any new player. We expect that the existing market participants will remain strong active players in the future. As a general matter, we view competition on two levels:

- Conventional ultrasound systems; and
- The development of other handheld ultrasound systems with the same or better attributes.

The primary competition comes from established market participants offering conventional ultrasound systems. While Butterfly’ s target is often non- traditional ultrasound users, we do compete with both traditional ultrasound manufacturers and other handheld ultrasound systems. However, Butterfly’ s semiconductor technology differentiates us from our competitors in many ways, including the fact that our probes do not rely upon lead- based piezoelectric crystals that many of our competitors have relied upon since inception. Our semiconductor technology similarly enables a more versatile probe capable of performing whole- body scans, which is generally not possible with handheld ultrasound systems that rely upon piezoelectric crystals. Furthermore, Butterfly’ s lack of reliance upon lead piezoelectric crystals allows us to remain RoHS- compliant in the EU without the use of the exemption from RoHS requirements for lead in single crystal piezoelectric materials in ultrasound transducers — an exemption that is not

guaranteed to continue in perpetuity and that, as of October 2024, Butterfly has formally submitted a request to revoke to the European Commission. Human Capital Resources Our employees embody our mission to democratize healthcare and to make medical imaging accessible to everyone around the world by using our proprietary technology. We are committed to growing and cultivating an environment that values the diverse perspectives, backgrounds, experiences, and geographies of our employees and other stakeholders. We believe that our people are the reason for our success, and we have organized ourselves to maximize productivity and performance. We maintain a high bar for talent and actively work to build diversity within our workforce. Demographics. As of January 31, 2025, we had approximately 190 employees. As of January 31, 2025, approximately 165 of our employees were located in the United States and approximately 25 of our employees were located outside the United States. None of our employees are represented by a labor union or are subject to a collective bargaining agreement. We supplement our employee population with independent contractors, contingent workers and temporary workforce support as needed. In July 2024, we entered into an agreement with a third- party global technology and business transformation partner to optimize and lower the cost of certain non- specialized technical functions. As part of the transition into this new partnership, a portion of the Company' s workforce will be in lower- cost geographies. Total Rewards. To attract qualified applicants to Butterfly and retain our employees, we offer a competitive total rewards package for all employees, consisting of market- competitive base salaries, annual target cash bonuses that recognize and reward company performance as well as individual results, long- term equity incentives that encourage our employees to focus on long- term value creation, and other comprehensive benefits, such as a 401 (k) plan with employer matching and an Employee Stock Purchase Plan. Employee Health. Aligned with our mission to make healthcare more accessible, we believe our employees should not have to worry about their health care costs. Butterfly offers employees medical, dental, and vision coverage that is covered at 100 %, and we provide an employer- funded health savings account for out- of- pocket expenses. Our coverage encompasses mental, physical, and emotional well- being through our employee assistance program, which provides emotional support, work- life solutions, and other personal guidance resources. We are also focused on ensuring all of our employees, as well as temporary contractors and visitors to our sites, can work safely. Manufacturing Our Butterfly devices are built using both custom- made and off- the- shelf components supplied by vendors and contract manufacturers. The key custom- made component in the Butterfly probe is the ultrasound transducer module consisting of a custom micro- electro- mechanical systems ultrasound semiconductor chip and lens which are manufactured in Taiwan and then sent to Thailand for assembly. We purchase some of our components and materials used in manufacturing, including the transducer module, from single sources. Although we believe that alternatives would be available, it would take time to identify and validate replacement components, which could negatively affect our ability to supply our products on a timely basis. We cannot give assurances that any alternative supplier would be able to recreate the manufacturing processes currently in use. To mitigate this risk, we typically carry a significant inventory of critical components. Many of our Butterfly probes are manufactured, tested and shipped by Benchmark Electronics, Inc. (“ Benchmark ”) from its facilities in Thailand. We believe that this manufacturing strategy and supply chain is efficient and conserves capital. However, in the event it becomes necessary to utilize a different contract manufacturer for our Butterfly products, we would experience additional costs and difficulties in doing so. Key Agreements Foundry Service Agreement with Taiwan Semiconductor Manufacturing Company Limited We entered into a Foundry Service Agreement (the “ FSA ”) with Taiwan Semiconductor Manufacturing Company Limited (“ TSMC ”) in March 2019, as amended on October 1, 2020, under which TSMC agreed to manufacture integrated circuits used for the semiconductor chips in our probes. The FSA allows us to place purchase orders with TSMC, which are not binding until accepted by TSMC. The FSA also provides for TSMC to use commercially reasonable efforts to manufacture our products at TSMC and for us to meet monthly minimum purchase obligations. Under the FSA, we prepaid an amount to TSMC to be used against a portion of the purchase price for future purchases once the prepayment amount is reached. To the extent that we fail to fulfill our monthly wafer consumption requirement, TSMC has the right to deduct the shortfall from payments made by us to TSMC. In addition, we are required to buy back from TSMC unused raw wafers that TSMC purchases from its supplier. The FSA also provides that TSMC will indemnify us for intellectual property infringement or misappropriation claims against us related to the wafer manufacturing process and that we will indemnify TSMC for any intellectual property infringement or misappropriation claims arising from TSMC' s compliance with our instructions, specifications, designs or requirements to manufacture, sell, or ship the wafers or arising from any harm caused by our medical device products. The FSA' s current term expires on December 31, 2026, subject to automatic renewal for successive two- year terms unless terminated by either party upon three months' notice prior to the end of the then- current term. The FSA may also be terminated by written notice at any time upon the bankruptcy or insolvency of or upon or after a material breach by the other party. Either party may terminate the FSA immediately, with or without cause, by giving the other party 12 months' prior written notice of termination. In addition, TSMC may terminate the FSA if we do not place a purchase order for a period of 12 consecutive months or upon certain change of control transactions, including a merger, consolidation or other change of control or similar transactions to which we are party involving a semiconductor provider. In connection with the FSA, we and TSMC developed a proprietary manufacturing process and continue to collaborate on manufacturing process improvements. Manufacture and Supply Agreement with Benchmark Electronics, Inc. In October 2015, we entered into a Manufacture and Supply Agreement (the “ MSA ”) with Benchmark, as amended on August 2019 and February 2021. Under the MSA, Benchmark agreed to manufacture our products pursuant to binding purchase orders, as well as non- binding forecasts. The parties have agreed to meet periodically regarding any minimum order quantities under the MSA. Under the terms of the MSA, we granted Benchmark a non- exclusive, non- transferable, revocable, fully- paid, royalty- free

license, without the right to sublicense, to use our technology solely to manufacture our products. The MSA provides that we will own any right, title and interest in any improvements or modifications to our technology made in the course of performance of Benchmark's obligations under the MSA. We and Benchmark also agreed to indemnify each other against certain third-party claims. The MSA's current term expires on October 1, 2026, subject to automatic renewal for successive two-year terms unless either party gives 180 days' prior written notice before the end of the then-current term to the other party electing not to renew the MSA. The MSA or any purchase order under the MSA may be terminated by either party for convenience upon 90 days' prior written notice to the other party. The MSA may also be terminated by either party by written notice upon the occurrence of (i) a breach by the other party under the MSA which is not cured within 30 days after written notice by the terminating party, (ii) the other party becomes insolvent, dissolves, liquidates or ceases to conduct business or (iii) the occurrence of payment-related breaches. Benchmark may also terminate the MSA upon the filing of any petition against us under bankruptcy or similar laws, where such petition is not vacated within 10 days via court order. Exclusive Distribution Agreement with Cardinal Health 105, Inc. In July 2018, we entered into an Exclusive Distribution Agreement (the "Distribution Agreement") with Cardinal Health 105, Inc. ("Cardinal Health"). Under the Distribution Agreement, Cardinal Health acts as the distribution agent and authorized distributor of record of our products to our customers, including, but not limited to, wholesalers, specialty distributors, physicians, clinics, hospitals, pharmacies and other healthcare providers, in the United States. Under the Distribution Agreement, we provide Cardinal Health with forecasts of the volume of our products to be handled and distributed by Cardinal Health. We make payments to Cardinal Health for its distribution services pursuant to a fee schedule. The Distribution Agreement's current term expires on August 31, 2026. The Distribution Agreement is subject to automatic renewal for additional successive two-year terms unless terminated. Intellectual Property Protection of our intellectual property is a strategic priority for our business. We rely on a combination of patents, trademark, copyright, trade secret and other intellectual property rights protection and contractual restrictions to protect our proprietary technologies. The patents owned and in-licensed by us are generally directed to the architecture of our ultrasonic imaging devices, our microfabricated ultrasonic transducers and machine learning for ultrasound applications. We have developed a portfolio of issued patents and pending patent applications directed to commercial products and technologies for potential development. We believe that our intellectual property is a core strength of our business, and our strategy includes the continued development of our patent portfolio. As of February 13, 2025, we owned approximately 620 issued patents and pending patent applications in the United States and foreign jurisdictions, including the European Union and the United Kingdom. These issued patents and pending patent applications (if they were to be issued as patents) have expected expiration dates ranging between approximately 2030 and 2045. In addition to patents, we also rely on trademarks, trade secrets, technical know-how and continuing innovation to develop and maintain our competitive position. We seek to protect our proprietary information and other intellectual property by generally requiring our employees, consultants, contractors, suppliers, outside scientific collaborators and other advisors to execute non-disclosure and assignment of invention agreements on commencement of their employment or engagement. Agreements with our employees also forbid them from using or incorporating the proprietary rights of third parties during their engagement with us. We also generally require confidentiality or material transfer agreements from third parties that receive our confidential data or materials. License Agreements We have entered into exclusive and non-exclusive licenses in the ordinary course of business relating to our technologies or other intellectual property rights or assets. Exclusive (Equity) Agreement with Leland Stanford Junior University In June 2013, we entered into an Exclusive (Equity) Agreement (the "Stanford Agreement") with the Board of Trustees of the Leland Stanford Junior University ("Stanford"). Pursuant to the Stanford Agreement, Stanford granted us a co-exclusive, worldwide license to make, have made, use, import, offer to sell, and sell products covered by patent rights to Stanford's wafer bonding technology. The rights licensed to us are for ultrasound applications using the wafer bonding technology excluding certain applications. As of December 23, 2023, the license became nonexclusive until the last licensed patent expires. The last licensed patent is currently expected to expire in 2030. The rights licensed to us are sublicensable, subject to Stanford's prior approval. The Stanford Agreement outlines certain milestones to be met by us in connection with the development and sales of these products. Under the terms of the Stanford Agreement, we paid a one-time, non-refundable upfront royalty fee. We are required to pay Stanford low single-digit royalties on all net sales of products that use the licensed technology, as well as a portion of any sublicensing revenues, during the term of the Stanford Agreement and if certain products using the licensed technology are made, used, imported, or offered for sale before the date the Stanford Agreement terminates, and those products are sold after the termination date, we will pay Stanford an earned royalty for our exercise of rights based on the net sales of those products. We are also obligated to pay Stanford annual license maintenance fees, which are fully creditable against any royalty payments made by us for such year. We are also required to provide Stanford with periodic reports documenting our progress toward the development and commercialization of products using the licensed technology. Stanford is responsible under the agreement for preparing, filing and prosecuting patent claims and for maintaining the patents pertaining to the licensed technology. Stanford may terminate the agreement in the event that we are materially delinquent on any payment, fail to diligently develop and commercialize a product incorporating the licensed technology, materially miss a milestone under the agreement, are in material breach of any substantive provision under the agreement, or knowingly provide any false report or are materially delinquent on any report, in each case which is not remedied within the applicable cure period. In addition, if we are not diligently developing and commercializing such a product incorporating the licensed technology, materially miss a milestone or knowingly provide a false report or are delinquent on any report, and we do not cure, the agreement shall not terminate, but it remains subject to termination by Stanford. We may terminate the agreement at any time

upon at least 30 days' prior written notice. Upon termination of the agreement, all rights to the licensed technology revert to Stanford. Our obligation to pay royalties accrued or accruable survives any termination or expiration of the agreement.

Government Regulation The medical devices that we manufacture and distribute are subject to regulation by numerous regulatory bodies, including the FDA and comparable international regulatory agencies. These agencies require manufacturers of medical devices to comply with applicable laws and regulations governing the development, testing, manufacturing, packaging, labeling, marketing and distribution of medical devices. Devices are generally subject to varying levels of regulatory control, the most comprehensive of which requires that a clinical evaluation program be conducted before a device can be approved for marketing and commercial distribution. In addition, healthcare regulatory bodies in the United States and around the world impose a range of requirements related to paying for medical devices and the procedures in which they are used, including laws intended to prevent fraud, waste, and abuse of healthcare dollars. U. S. Government and Regulatory Requirements

The Food, Drug, and Cosmetic Act (" FDCA ") classifies medical devices into three classes based on risk. Butterfly devices are considered Class II devices which are considered moderate risk. There are also Class I (lowest risk) and Class III (highest risk) devices, with more stringent regulatory requirements applicable to higher- risk devices. Commercial sales of Class II (except for Class II exempt devices) and Class III medical devices in the U. S. must be preceded by either a pre- market notification filing pursuant to Section 510 (k) of the FDCA for Class II or the granting of a premarket approval for Class III. The development of a medical device typically requires extensive non- clinical testing and, for some devices, clinical testing involving human subjects. After a device is placed on the market, regardless of its classification, numerous FDA regulatory requirements apply, including establishing registration and device listing, labeling, post- market record keeping and reporting, and the Quality System Regulation. These requirements are detailed, comprehensive, and require extensive investment and resources to comply with legal and regulatory requirements. The FDA and the Federal Trade Commission (" FTC ") also regulate the advertising and promotion of our offerings to ensure that our claims are consistent with our regulatory clearances and approvals, that there is data to substantiate the claims, and that our materials are not false or misleading. Pertaining to our veterinary devices, in the United States, the FDA does not require submission of a 510 (k), PMA, or any premarket clearance or approval for devices used in veterinary medicine. Device manufacturers who exclusively manufacture or distribute veterinary devices are not required to register their establishments and list veterinary devices and are exempt from post- marketing reporting. The FDA has regulatory oversight over veterinary devices and can take appropriate regulatory action if a veterinary device is misbranded or adulterated. It is the responsibility of the manufacturer and / or distributor of these articles to assure that these veterinary devices are safe, effective, and properly labeled. The marketing, promotion, and sale of medical devices, drugs, and services are regulated by the U. S. Department of Health and Human Services (" HHS ") and comparable U. S. state and non- U. S. agencies responsible for reimbursement and regulation of the delivery of healthcare items and services, representing government' s interest in regulating the quality and cost of healthcare. Similar regulations are imposed in many global markets in which we do business. While Butterfly does not submit claims for reimbursement, the U. S. federal healthcare laws apply when our customers submit claims for items or services that are reimbursed under Medicare, Medicaid, or other federally funded healthcare programs, including laws related to kickbacks, false claims, self- referrals, and healthcare fraud and abuse. These laws apply when claims are submitted for procedures that use our products. Similar state false claims, anti- kickback, anti- self- referral, and insurance laws also apply to state- funded Medicaid and other healthcare programs and private third- party payers. Any failure to comply with these laws and regulations could subject us or our officers and employees to criminal and civil financial penalties and expose us to civil liability and risk of further enforcement action under the U. S. Anti- Kickback Statute (" AKS "), the False Claims Act (" FCA "), or other healthcare fraud and abuse laws. In addition, as a manufacturer of U. S. FDA- cleared and- approved devices and drugs reimbursable by federal healthcare programs, we are subject to the U. S. Physician Payments Sunshine Act (the " Sunshine Act "), which requires us to annually track and report to the federal government certain payments and other transfers of value we make to U. S.- licensed physicians and other healthcare professionals or U. S. teaching hospitals, and to similar state equivalents. The U. S. Foreign Corrupt Practices Act, the U. K. Bribery Act of 2010, and similar anti- corruption and anti- bribery laws in other jurisdictions generally prohibit companies from making corrupt payments to or otherwise engaging in bribery of government officials. These laws apply to many of our customer interactions, as healthcare professionals in other countries are often considered government officials, and in some cases lay out requirements of how to operationalize compliance with the legal requirements. Failure to comply with these laws may expose us to criminal and civil enforcement actions, monetary fines and penalties, and reputational harm.

International Laws and Regulations International marketing and distribution of medical devices are subject to regulation by foreign governments, and such regulations may vary substantially from country to country. The time required to obtain marketing authorization in a foreign country may be longer or shorter than that required for FDA clearance or approval, and the requirements may differ. There is a trend towards harmonization of quality system standards among the EU, United States, Canada and various other industrialized countries. All new medical devices placed on the market or put into service in the EU must be compliant with and meet the general safety and performance requirements of the Medical Device Regulation (EU) No. 2017 / 745, which was implemented on May 26, 2021. Devices that conform to these requirements can be affixed with a CE marking and commercialized throughout the European Economic Area (" EEA ") and in Switzerland (subject to certain additional requirements). Prior to affixing a CE marking, manufacturers must demonstrate that their products comply with minimum standards of performance, safety, and quality, through a conformity assessment procedure that depends on the product' s classification. The classification of a medical device is determined by its intended purpose. Devices are classified from lowest to highest risk, as either

Class I, IIa, IIb, or III. Classification is dependent on a variety of factors, including duration of use, whether the device is invasive or non-invasive, and whether the device is considered “ active.” The competent authorities of the EU countries are responsible for regulating clinical investigations of medical devices and post-market surveillance of devices once they are placed on the market. Outside of the EU, regulatory authorization needs to be sought on a country-by-country basis in order for us to market our products and each country may have its own processes and requirements for medical device licensing, approval / clearance, and regulation. Data Privacy Due to our global footprint and handling of personal data as both a data controller (on our own behalf) and data processor (on behalf of third parties, primarily customers), we are also subject to an extensive collection of global laws and regulations protecting the privacy, security and integrity of the personal data, sensitive personal data, and patient health information that we create, receive, use, and maintain as a business. Among the most relevant and material to our business, based on the volume and sensitivity of the data at issue, are: the U. S. Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information and Technology for Economic and Clinical Health Act (collectively “ HIPAA ”); the EU General Data Protection Regulation (Regulation (EU) 2016 / 679) (“ GDPR ”), similar U. K. legislation resulting from the European Union (Withdrawal) Act of 2018 (“ U. K. GDPR ”), and other EU country-level laws. In addition, there are also various U. S. state-level laws (e. g., the California Consumer Privacy Act), country regional laws, and proposed legislation that we monitor for applicability and impact to our business. These laws present a continuing challenge to businesses to structure their data collection, storage, use, and cross-border transmission in a compliant manner. Many of these laws impose a significant compliance burden on organizations within their scope, and failure to comply can result in a variety of sanctions, including administrative fines for the most serious compliance failures up to 4- 5 % of a company’s total annual revenue of the preceding fiscal year (e. g., GDPR, U. K. GDPR, China PIPL). While there have been some recent enforcement actions by EU country-level data protection authorities resulting in substantial fines pursuant to GDPR, there remains uncertainty as to how data protection authorities throughout the rest of the globe will choose to interpret and enforce violations of applicable privacy and cybersecurity laws and regulations. Furthermore, these laws and regulations are continuously evolving, and further clarification in the form of implementing rules, guidelines, and related guidance from the data protection authorities is necessary to paint a full picture of the compliance obligations imposed on businesses within their scope. Information Available on the Internet Our internet address is [www. butterflynetwork. com](http://www.butterflynetwork.com), to which we regularly post copies of our press releases as well as additional information about us. We recognize our website as a key channel of distribution to reach public investors and as a means of disclosing material non-public information to comply with our disclosure obligations under Securities and Exchange Commission (“ SEC ”) Regulation FD. Our annual reports on Form 10- K, quarterly reports on Form 10- Q, current reports on Form 8- K, including exhibits, proxy, and information statements and all amendments to those reports, will be available to you free of charge through the Investors section of our website as soon as reasonably practicable after such materials have been electronically filed with, or furnished to, the SEC. The SEC maintains an internet site ([www. sec. gov](http://www.sec.gov)) that contains reports, proxy, and information statements and other information regarding issuers that file electronically with the SEC. We include our website address in this Annual Report on Form 10- K only as an inactive textual reference. Information contained in our website is not meant to be incorporated into, and does not constitute a part of, this Annual Report on Form 10- K or any of our other filings with the SEC. Item 1A. RISK FACTORS This Annual Report on Form 10- K contains forward-looking statements that involve risks and uncertainties. These statements include projections about our finances, plans and objectives for the future, future operating and economic performance, and other statements regarding future performance. These statements are not guarantees of future performance or events. Our actual results could differ materially from those discussed in this report. Factors that could cause or contribute to these differences include, but are not limited to, those discussed in the following section, as well as those discussed in Part II, Item 7 entitled “ Management’s Discussion and Analysis of Financial Condition and Results of Operations ” and elsewhere throughout this report. 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 Requirements We – Requirements Since inception, we have a limited devoted substantially all of our financial resources to develop our products and related services. We have financed our operating operations primarily through history on which to assess the prospects for our business, we issuance of equity and convertible debt securities. We have generated limited revenue from the sales sale of our products, and we services to date and have incurred significant losses since inception. 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 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. 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 , and our third product, Butterfly iQ3, in 2024 . Since commercialization of the Butterfly iQ, we have 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 \$ 72. 5 million, \$ 133. 7 million, and \$ 168. 7 million, and \$ 32. 4 million in the years ended December 31, 2024, 2023, and 2022 , and 2021, respectively. Our accumulated deficit as of December 31, 2023-2024 was \$ 729,802, 6-1 million. We do not know whether or when we will become profitable. Our ability to generate revenue 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 23 operating 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 Operations Our --- Operations 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 and Butterfly iQ3 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. 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. ~~24~~ We ~~we~~ 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 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; ● 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. ~~25~~ Our research and development efforts may not succeed in developing commercially successful products and technologies, which could adversely 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, 2024, 2023, and 2022, and 2021, approximately 23 %, 21 %, and 30 %, and 31 %, respectively, of our total 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: ● 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 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; ● 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; and • potentially adverse tax consequences, tariffs, customs charges, bureaucratic requirements, and other trade barriers. Furthermore, the new U. S. presidential administration has publicly expressed support for greater restrictions on free trade and the increase of tariffs on goods imported into the United States. 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. If we are unable to attract, recruit, train, retain, motivate, and 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 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 we will be successful in retaining existing personnel or recruiting new personnel. 26 From -- 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. 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, our ability to attract and retain diverse talent can impact our corporate reputation and have adverse consequences to our business. The loss of one or more key employees, our inability to attract or develop additional qualified employees, and any delay in hiring key personnel could have a material adverse effect on our business results, cash flows, financial condition, or prospects. 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 Geopolitical tensions between Taiwan and China have risen steadily in recent months. War or other military conflict in or near Taiwan, if we were to lose component suppliers pandemics, and certain natural disasters, such as earthquakes which are commonplace in Taiwan, may result in the destruction or disruption of TSMC's ability to supply wafers and have downstream implications for our Company. If we were to lose TSMC as a component supplier, 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 27 in in 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. 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 **2022-2024** , 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 ~~28replacement~~ **replacement** 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 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 , **or other strategic transactions** 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 , **or other strategic initiatives. For example, in November 2024, we announced our plan to form Octiv, LLC, a wholly- owned subsidiary dedicated to bringing our proprietary chip to new non- competitive markets. However, we may not be successful in achieving this objective** . 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 **or other strategic transaction** may not materialize. Future acquisitions ~~or~~ , dispositions , **or other strategic initiatives** 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 other strategic transactions, 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. 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' our devices 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. 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. 29 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 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. 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. We operate in highly competitive markets, competition may increase in the future, and our industry may be further disrupted. Healthcare markets are characterized by rapidly evolving technology, frequent introduction of new products, intense 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 or product enhancements by competitors;
- the development of new technology or the application of known or unknown technology;
- a failure to satisfy local market conditions and regulations, such as mandatory IP transfers, protectionist measures, and other government policies supporting increased local competition;
- the emergence of new market entrants;
- a failure to maintain or expand relationships with existing customers or attract new customers;
- 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;
- the perception of our brand and image in the market;
- a failure to successfully enter new geographic or adjacent product markets;
- changing regulatory standards, legal requirements, or enforcement rigor; or
- consolidation among customers, suppliers, channel partners, or competitors.

Our inability to obtain and maintain regulatory authorizations for, and supply commercial quantities of, our offerings as quickly and effectively as our competitors are able to could limit market acceptance. Furthermore, our markets are continually evolving and thus revenues and income are difficult to forecast. Any of these competitive factors could adversely affect our pricing, margins, and market share and have a material adverse effect on our business results, cash flows, financial condition, or prospects. 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. 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 laws and regulations 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, cash flows, or financial condition. We are unable to predict what tax reforms may be proposed or enacted in the future or what effect such changes would have on our business; however, such changes could potentially result in higher tax expense and payments, along with increasing the complexity, burden, and cost of compliance. 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, 2023-2024, we had federal net operating loss (“NOL”) carryforwards of approximately \$ 609-634. 7-8 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. 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. 31-We-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 Matters-We- - Matters We 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. We cannot assure that any new medical devices or new uses or modifications for our FDA- cleared or CE- marked devices will be cleared or approved in a timely or cost- effective manner, if cleared or approved at all. In the event we are unable to leverage existing or predicate devices for future products, we may experience delays and additional costs to obtain FDA approval or CE marking for such future products. Even if such clearances or approvals are received, they may not be 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 unannounced inspections by the FDA to determine our compliance with FDA requirements. FDA inspections can result in inspectional observations on Form FDA 483s, warning letters, untitled letters, or other forms of more significant enforcement action. If the FDA concludes that we failed to comply with any regulatory requirements during an inspection, it could have a material adverse effect on our business and financial condition. We could incur substantial expense and harm to our reputation, and our ability to introduce new or enhanced products in a timely manner could be adversely affected. Any interruption in the operations of our manufacturing facilities, or our suppliers’ or customers’ facilities, may impair our 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 or other financial distress, production constraints or difficulties, unscheduled downtimes, war, severe weather and natural disasters, fires and explosions, accidents, mechanical failures, 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 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 a material adverse

effect on our business results, cash flows, financial condition, or prospects. 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. 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. 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. 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. In February 2020, we initiated a voluntary recall of two software tools after being notified by the FDA that each of them required 510(k) clearance. The FDA evaluated the recall and subsequently terminated it in June 2020. 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. 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 the FDA and other applicable laws and regulations, including the prohibition of the promotion of unapproved, or off-label, uses. 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, in addition to legal consequences, which may include fines, penalties, product liability claims, and other legal actions. 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. 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 our 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 them. We ~~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 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, ~~Latin~~ **Latin** 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 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 for 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 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 our 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 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, 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 unauthorized access, 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 our installed base of products, products we currently sell, new products we will introduce in the future, and older technology that we no longer ~~sell~~ **sell** 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 services could disrupt treatment being delivered to patients or interfere with our customers’ operations, and could lead to the loss of, damage to, or public disclosure of our employees’ and customers’ stored information, including personal data, such as ~~individually identifiable health information (“ protected health information ” or “ PHI ”)~~ **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 or use of our offerings by customers, harm to our reputation, and time-consuming and expensive litigation, any of which 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 an 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 conflict in the Middle East**, 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 and challenges, including the possibility of creating new attack methods for adversaries. The use of AI to support business operations carries inherent risks related to 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 these cyber-attacks vary widely and may include, among other things, unauthorized access to 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 may allow others to exploit persistent potential exposures within our 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 such cyber-attacks. Any of the above could have a material adverse effect on our business results, cash flows, financial condition, or prospects, and on the timeliness of reporting our operating results. We rely on software, SaaS, hardware, and other material components from a number of third parties to manufacture our products. If a material cyber incident impacting a supplier were to result in its prolonged inability to use, manufacture, and / or ship such components, this could impact our ability to manufacture and / or use our products. In addition, third-party sourced software components, malicious code, or a critical vulnerability emerging within such software could expose our customers to increased cyber risk. While we have undertaken efforts to mitigate cybersecurity risks, these efforts may not prevent all incidents. If we were to experience a significant cybersecurity breach of our information systems or data, the costs associated with the investigation, remediation, and potential notification of the breach to customers, regulators, and counterparties, as well as any related litigation expenses, fines, penalties, or damages, could be material. In addition, our remediation efforts may not be successful. The data privacy and IT security insurance coverage we currently maintain may be inadequate. In addition, the market for such insurance continues to evolve and, in the future, our data privacy and IT security insurance coverage may be prohibitively expensive or not available on acceptable terms or in sufficient amounts, or at all.

~~36~~**Broad** -- **Broad** - 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. 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. 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 for some customers, which has led to downward pricing pressure for medical device companies. Risks Related to Butterfly's Intellectual **Property** If **Property** 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~~ **February 13, 2025**, we owned approximately ~~900~~ **620** issued patents and pending patent applications in the United States and foreign jurisdictions, including ~~the Australia, Canada, Europe, European Union, Japan, China, Taiwan, Korea and India~~ **the United Kingdom**. 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~~ **2045**. 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 **been** 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 ~~37~~ **defending** 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; ● 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 ~~jurisdictions~~ **jurisdictions 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. 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. 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 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. For these and other reasons, our intellectual property may not provide us with any competitive advantage. 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~~ **on a non-exclusive basis** to us from Stanford ~~on a~~ **until the end of December 2023, at which time the license becomes non-exclusive basis**. 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. 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.~~ In addition to agreements

pursuant to which we in-license intellectual property, we have in the past, and we 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. 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. 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 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. 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. 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.

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. 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. The AIA is the primary governing legislation in the United States, 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, which may either adversely or beneficially impact our ability to enforce our patent and intellectual property rights within the United States and elsewhere. The laws governing patent prosecution and enforcement are subject to change in unpredictable ways, 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 enforce the rights of our existing patents. **40** **If** 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 could 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.

Risks Related to Our Securities and to Being a Public Company The 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 Company's stock price reaches or exceeds \$ 11. 50, and outstanding warrants 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 **13, 2023** **2025**, 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. In addition, as of February 1 **13, 2023** **2025**, there were 6, 853, 333 private ~~41 placement~~ **placement** warrants outstanding exercisable for 6, 853, 333 shares of our Class A common stock at an exercise price of \$ 11. 50 per share. 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 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. 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 may be required to have our independent registered public accounting firm attest to the effectiveness of our internal control over financial reporting. 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. 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. 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, or 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. 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 anti-takeover provisions, 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 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 or 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 Risks We 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 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 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, and results of operations. We are currently subject to a securities class action lawsuit and stockholder derivative actions, the unfavorable outcome-outcomes 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 that, as amended, alleges violations of the Securities Act, 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, January 12, 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 technology, customer pipeline, and post- Business Combination business and financial prospects, including the impact of the COVID- 19 pandemic. Additionally, two stockholder derivative actions were filed against our board of directors and us as nominal defendant, alleging similar violations as the class action lawsuit. While we intend to vigorously defend against this these action-actions, 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 and indemnification costs of the action-actions. This These action-actions 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 Factors The 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.