

## Risk Factors Comparison 2024-04-16 to 2023-04-07 Form: 10-K

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We have identified the following risks and uncertainties that may have a material adverse effect on our business, financial condition, results of operations or reputation. The risks described below are not the only risks we face. Additional risks not presently known to us or that we currently believe are not material may also significantly affect our business, financial condition, results of operations or reputation. Our business could be harmed by any of these risks. In assessing these risks, you should also refer to the other information contained in this Annual Report ~~on Form 10-K~~ including, but not limited to, the sections entitled “ Cautionary Note Regarding Forward- Looking Statements ”, ~~and~~ “ Item 7. Management’ s Discussion and Analysis of Financial Condition and Results of Operations ” and our consolidated financial statements and related notes.

**Business Risks** **Our pending merger creates incremental business risks. On February 16, 2024, the Company entered into a definitive agreement to be acquired by affiliates of the CORE Investors. The Merger Agreement by and among Parent, Company Merger Sub, LLC Merger Sub, Fathom OpCo and the Company provides for the Merger, with the Company surviving the Merger as a wholly owned subsidiary of Parent. Because the CORE Investors, which beneficially own approximately 62.6 % of our outstanding common stock, have committed to vote their shares in favor of approval of the Merger Agreement and the Merger at the pending special stockholders meeting, the requisite stockholder approval of the transaction is expected to be obtained. However, the proposed transaction is subject to customary closing conditions and involves important risks, including, among others: the risk that we are unable to satisfy all of the conditions required to consummate the proposed transaction on the proposed terms and schedule; the potential impact of the announcement and / or consummation of the proposed transaction on Company relationships, including with employees, suppliers, clients and competitors; the risk that we will not have the ability to continue to hire and retain key personnel; the risk of potential litigation associated with the proposed transaction; the fact that the Merger Agreement subjects the Company to various restrictions on its operations between signing and closing; the risk of disruptions from the proposed transaction that impact our business, including current plans and operations; the risk of adverse effects on the market price of the Company’ s Class A common stock and the Company’ s operating results for any reason; and other risks described in the Company’ s SEC filings, including definitive additional materials, the merger proxy statement and other filings generally applicable to significant transactions that are or will be filed with the SEC. Our Credit Agreement, as amended, requires us to pay down \$ 50 million of Term Loan debt on July 31, 2024 (the “ Term Loan Paydown ”) with the proceeds of qualified equity capital (or, if earlier, on the date the pending Merger is consummated or the date that the Merger Agreement and the related transaction documents are terminated). If we are unable to make the Term Loan Paydown when due or otherwise restructure or refinance the Credit Agreement, the lenders could declare a default and exercise their right to accelerate the repayment of all of our indebtedness under the Credit Agreement. Accordingly, our ability to continue as a going concern is subject to material uncertainty and dependent on our ability to obtain sufficient qualified equity capital. Our ability to continue as a going concern is subject to material uncertainty and dependent on our ability to obtain sufficient qualified equity capital. Our credit agreement, dated December 23, 2021 with JP Morgan Chase Bank, N. A., as administrative agent (as amended through the Fourth Amendment (as defined herein), the “ Credit Agreement ”), requires us to make the \$ 50 million Term Loan Paydown on or before July 31, 2024 with the proceeds of qualified equity capital (or, if earlier, on the date the pending Merger is consummated or the date that the Merger Agreement and related transaction documents are terminated). In connection with the execution of the Merger Agreement, the CORE Investors and their managing partner, an affiliate of CORE Industrial Partners, entered into an equity commitment letter (the “ Equity Commitment Letter ”) with Parent whereby they agreed, subject to the terms and conditions thereof, to provide equity financing to Parent in the aggregate amount set forth therein to facilitate consummation of the Transactions (as defined in the Merger Agreement), the payment of the Term Loan Paydown and certain other payments. The CORE Investors’ obligations under the Equity Commitment Letter are subject to certain terms and conditions, including consummation of the pending Merger, and there is no assurance that such terms and conditions will be satisfied. The current financing environment in the United States is challenging and is impacted by factors beyond our control, including inflation, interest rates and volatile market conditions influenced by political events, war, and terrorism. For these reasons, among others, we cannot be certain that sufficient qualified equity capital on acceptable terms will be available if the funding of Parent contemplated by the Equity Commitment Letter is not obtained. Moreover, if such equity financing is available, it may be on terms that adversely affect the interests of our existing stockholders. If we are unable to obtain sufficient qualified equity capital to enable us to make the Term Loan Paydown when due, or otherwise restructure or refinance the Credit Agreement in those circumstances, the lenders could declare a default and exercise their right to accelerate the repayment of all of our indebtedness under the Credit Agreement.** We face significant competition and expect to face increasing competition in many aspects of our business, which could cause our operating results to suffer. The digital manufacturing industry in which we operate is fragmented and highly competitive. We compete for customers with a wide variety of custom parts manufacturers and methods. Some of our current and potential competitors include captive in- house production capabilities, other custom parts manufacturers, brokers of custom parts and additive manufacturing vendors, including those utilizing 3D printing processes. Moreover, some of our existing and potential competitors are researching, designing, developing, and marketing other types of products and manufacturing capabilities. We also expect that future competition may arise from the development or improvement of allied or related

techniques for digital manufacturing, including from the issuance of patents to other companies that may inhibit our ability to compete effectively. Furthermore, our competitors may attempt to adopt and improve upon key aspects of our business model, such as development of technology that automates much of the manual labor conventionally required to quote and manufacture custom parts, implementation of interactive web-based and automated user interface and quoting systems and / or building scalable operating models specifically designed for efficient custom parts production. Third-party Computer Aided Design ("CAD") software companies may develop software that mold-makers, injection molders and CNC machine shops could use to compete with our business model. Additive manufacturers may develop stronger, higher temperature resins or introduce other improvements that could more effectively compete with us on part quality. We may also, from time to time, establish alliances or relationships with other competitors or potential competitors, including 3D printer Original Equipment Manufacturers ("OEMs"). To the extent companies terminate such relationships and establish alliances and relationships with our competitors, our business could be harmed. Existing and potential competitors may have substantially greater financial, technical, marketing and sales, manufacturing, distribution and other resources and name recognition than us, as well as experience and expertise in intellectual property rights, any of which may enable them to compete effectively against us. For example, a number of companies that possess substantial resources have announced that they are beginning digital manufacturing initiatives, which will further strengthen the competition we face. Though we plan to continue to expend resources to develop new technologies, processes, and manufacturing capabilities, we cannot assure you that we will be able to maintain our current competitive position or continue to compete successfully against current and future sources of competition. One challenge in developing new business opportunities is identifying custom parts categories for which our automated quotation and digital manufacturing processes offer an attractive value proposition, and we may not be able to identify any new custom parts categories with favorable economics similar to our existing offerings. If we do not keep pace with technological change, demand for our offerings may decline and our operating results may suffer. Our success depends on our ability to deliver on-demand manufacturing capabilities and custom parts that meet the needs of our customers and to effectively respond to changes in our industry. We derive almost all of our revenue from the manufacture and sale to our customers of quick-turn, low volume custom parts for prototyping, support of internal manufacturing and limited quantity product release up to mid volume production requirements. Our business has been and, we believe, will continue to be, affected by changes in our customers' new product and product line introductions, requirements and preferences, rapid technological change and the emergence of new standards and practices, any of which could render our technology and manufacturing capabilities less attractive, uneconomical, or obsolete. To the extent that our customers' need for quick-turn to mid-volume production parts decreases significantly for any reason, it would likely have a material adverse effect on our business and operating results and harm our competitive position. In addition, CAD simulation and other technologies may reduce the demand for physical prototype parts. Therefore, we believe that to remain competitive, we must continually expend resources to enhance and improve our technology and manufacturing capabilities. In particular, we plan to continue to focus a significant portion of those efforts to further develop our technology in areas such as our interactive project management platform and manufacturing processes, technology offerings and broaden the range of parts that we are able to manufacture. We believe successful execution of this part of our business plan is critical for our ability to compete in our industry and grow our business, and there are no guarantees we will be able to do so in a timely fashion, or at all. Broadening the range of parts and technologies that we are able to manufacture and offer is of particular importance because limitations in manufacturability are the primary reason we are not able to fulfill many quotation requests. There are no guarantees that the resources we devote to executing on this aspect of our business plan will improve our business and operating results or result in increased demand for our custom parts and manufacturing capabilities. Failures in this area could adversely impact our operating results and harm our reputation and brands. Even if we are successful in executing in this area, our industry is subject to rapid and significant technological change, and our competitors may develop new technologies and manufacturing capabilities that are superior to ours. Any failure to effectively meet the needs of our customers or respond to changes in our industry on a cost-effective and timely basis, or at all, would likely have a material adverse effect on our business and operating results and harm our competitive position. Our failure to meet our customers' expectations regarding quick turnaround time, price or quality could adversely affect our business and results of operations. We believe many of our customers are facing increased pressure from global competitors to be first to market with their finished products, often resulting in a need for quick turnaround of custom parts. We believe our ability to quickly quote, manufacture and ship custom parts has been an important factor in our results to date. There are no guarantees we will be able to meet customers' increasing expectations regarding quick turnaround time. If we fail to meet our customers' expectations regarding turnaround time in any given period, our business and results of operations will likely suffer. Demand for our custom parts and manufacturing capabilities is sensitive to price. We believe our competitive pricing has been an important factor in our results to date. Therefore, changes in our pricing strategies can have a significant impact on our business and ability to generate revenue. Many factors, including our production and personnel costs and our competitors' pricing and marketing strategies, can significantly impact our pricing strategies. If we fail to meet our customers' price expectations in any given period, demand for our custom parts and manufacturing capabilities could be negatively impacted and our business and results of operations could suffer. Most of our customers have a need for specific quality of quick-turn, on-demand custom parts. We believe our ability to create parts meeting our customers' specifications and quality expectations is an important factor in our results to date. We cannot assure you that we will be able to continue to consistently manufacture custom parts that achieve the production specifications and quality that our customers expect. If we fail to meet our customers' specifications and quality expectations in any given period, demand for our custom parts and manufacturing capabilities could be negatively impacted and our business and results of operations could suffer. The strength of our brands is important to our business, and any failure to maintain and enhance our brands would hurt our ability to retain and expand our customer base as well as further penetrate existing customers. Because our custom parts and manufacturing capabilities are sold primarily through our website, the success of our business depends in

part upon our ability to attract new and repeat customers to our website in order to increase business and grow our revenue. Customer awareness and the perceived value of our brands will depend largely on the success of our marketing efforts, as well as our ability to consistently provide quality custom parts within the required timeframes and positive customer experiences, which we may not do successfully. A primary component of our business strategy is the continued promotion and strengthening of our brands. We may choose to increase our branding expense materially, but we cannot be sure that this investment **will** **would** be profitable. If we are unable to successfully maintain and enhance our brands, this could have a negative impact on our business and ability to generate revenue. Sales efforts to large customers involve risks that may not be present or that are present to a lesser extent with respect to sales to smaller organizations. Attracting and retaining business from large enterprise customers is an element of our business strategy. Sales to large customers involve risks that may not be present or that are present to a lesser extent with sales to smaller organizations, such as longer sales cycles, more complex customer requirements, substantial upfront sales costs, less predictability in completing some of our sales and extended payment terms. A number of factors influence the length and variability of our sales cycle, including the need to educate potential customers about the uses and benefits of our platform, our various technologies and manufacturing capabilities, the longer period of time typically taken by large customers to evaluate and test our project management platform prior to making a purchase decision and placing an order, the discretionary nature of purchasing and budget cycles and the competitive nature of evaluation and purchasing approval processes. As a result, the length of our sales cycle, from identification of the opportunity to deal closure, may vary significantly from customer to customer, with sales to large enterprises typically taking longer to complete. Moreover, larger organizations may demand more customization, which would increase our upfront investment in the sales effort with no guarantee that these customers will seek to use our manufacturing capabilities widely enough across their organization to justify our substantial upfront investment. A portion of these customers may purchase our offerings on payment terms, requiring us to assume a credit risk for non-payment in the ordinary course of business. If we fail to effectively manage these risks associated with sales to large customers, our business, financial condition, and results of operations may be **adversely** affected. Our business depends in part on our ability to process a large volume of new custom part designs from a diverse group of customers and successfully identify significant opportunities for our business based on those submissions. We believe the volume of new custom part designs we process and the size and diversity of our customer base give us valuable insight into the needs of our prospective customers. We utilize this industry knowledge to determine where we should focus our development resources. If the number of new custom part designs we process or the size and diversity of our customer base decrease, our ability to successfully identify significant opportunities for our business and meet the needs of existing or prospective customers could be negatively impacted. In addition, even if we do continue to process a large number of new custom part designs and work with a significant and diverse customer base, there are no guarantees that any industry knowledge we extract from those interactions will be successfully utilized to help us identify significant business opportunities or better understand the needs of our existing or prospective customers. Wage increases and pressure in certain geographies may prevent us from sustaining our competitive advantage and may reduce our profit margin. Measures are being taken in the U. S. and globally to increase minimum wages, and there is a shortage of skilled labor in certain locations leading to increased wage pressure. Similarly, with an increased global focus on environmental, social, and corporate-governance concerns and sustainability, input costs have been steadily rising. Accordingly, we may need to increase the levels of labor compensation more rapidly than in the past to remain competitive in attracting and retaining the quality and amount of labor that our business requires. To the extent that we are not able to control or recoup wage increases through our pricing, wage increases may reduce our margins and cash flows, which could adversely affect our business. **The loss of one or more key members of our management team or other personnel, including the recent departure of our Chief Executive Officer and President, or our failure to attract, integrate and retain additional personnel in the future, could harm our business. Changes to management, including turnover of our top executives, could have a negatively adverse effect on our business. Our business has experienced significant executive management changes. In October 2023, we announced the departure of our former President and Chief Executive Officer (" CEO") and the appointment of Mr. Carey Chen, a member of our board of directors, to serve as President and CEO. In addition, we have experienced departures and transitions of other senior leadership positions. These leadership changes may be inherently difficult to manage and may hamper our ability to meet successfully grow our financial and operational goals as new management becomes familiar with their roles and the business. We are highly** **Such changes may also result in added costs, uncertainty concerning our future direction, decreased employee morale, and the loss of personnel with deep institutional knowledge and industry relationships. Any of the foregoing could result in significant disruptions to our operations and impact our ability to execute on our strategy and pursue strategic initiatives. Further, we have increased our dependent dependency upon on the remaining continued service and performance of the key members of our executive management team to facilitate a smooth transition in leadership roles. Since our executive officers are at-will employees, they could terminate their employment with us at any time, and any such departure could be particularly disruptive in light of the recent leadership changes. If we are unable to mitigate these or other personnel similar risks, our business, results of operations and financial condition may be adversely affected.** The loss of any of these individuals, each of whom is “ at will ” and may terminate his or her employment relationship with us at any time, could disrupt our operations and significantly delay or prevent the achievement of our business objectives. We believe that our future success will also depend in part on our continued ability to identify, hire, train and motivate qualified personnel. High demand exists for qualified senior management and other key personnel (including technical, engineering, product, finance, and sales personnel) in the digital manufacturing industry. A possible shortage of qualified individuals in the regions where we operate might require us to pay increased compensation to attract and retain key employees, thereby increasing our costs. In addition, we face intense competition for qualified individuals from numerous companies, many of whom have substantially greater financial and other resources and name recognition than us. We may be unable to attract and retain suitably

qualified individuals who are capable of meeting our growing operational, managerial, and other requirements, or we may be required to pay increased compensation in order to do so. For example, our failure to attract and retain shop floor employees may inhibit our ability to fulfill production orders for our customers. Our failure to attract, hire, integrate and retain qualified personnel could impair our ability to achieve our business objectives. ~~All of our employees are at-will employees, meaning that they may terminate their employment relationship with us at any time, and their knowledge of our business and industry would be extremely difficult to replace. We generally enter into non-competition agreements with our employees and certain consultants. These agreements prohibit our employees and applicable consultants from competing directly with us or working for our competitors or customers while they work for us, and in some cases, for a limited period after they cease working for us. We may be unable to enforce these agreements under the laws of the jurisdictions in which our employees and applicable consultants work and it may be difficult for us to restrict our competitors from benefiting from the expertise that our former employees or consultants developed while working for us. If we cannot demonstrate that our legally protectable interests will be harmed, we may be unable to prevent our competitors from benefiting from the expertise of our former employees or consultants and our ability to remain competitive may be diminished.~~ One element of our growth strategy relies on business acquisitions. We may not realize the anticipated benefits of such acquisitions, and any acquisition, strategic relationship, joint venture, or investment could disrupt our business and harm our operating results and financial condition. Our business and customer base have been built in part through organic growth, but also through acquisitions of businesses that increase market share in our current markets or expand into other markets, or broaden our technology, intellectual property, or product line capabilities. We have completed 13 acquisitions during the last ~~three~~ **four** years, and we intend to continue to aggressively pursue attractive opportunities to enhance or expand our offerings through acquisitions, strategic relationships, joint ventures, or investments that we believe may allow us to implement our growth strategy. For example, in December 2019, we acquired ICO Mold, LLC ("ICOMold") to enable us to expand our existing Search Engine Optimization ("SEO") and Search Engine Marketing ("SEM") capabilities. During 2020 and 2021, we completed six acquisitions that added CNC machining to our manufacturing capabilities, and three acquisitions that added precision sheet metal fabrication to our offerings. We cannot forecast the number, timing or size of any future acquisitions or other similar strategic transactions, or the effect that any such transactions might have on our operating or financial results. We may not be able to successfully identify future acquisition opportunities or complete any such acquisitions if we cannot reach agreement on commercially favorable terms, if we lack sufficient resources to finance such transactions on our own and cannot obtain financing at a reasonable cost or if regulatory authorities prevent such transactions from being completed. Restrictions in the **Merger Agreement and Credit Agreement** (as defined in ~~Item 7-~~ **Item 7**, Management's Discussion and Analysis of Financial Condition and Results of Operations- Liquidity and Capital Resources- Borrowings and Lines of Credit ~~:-~~) also limit our ability to complete new acquisitions. Although we have substantial experience engaging in these types of transactions, such transactions may be complex, time consuming and expensive, and may present numerous challenges and risks including: • an acquired company, asset or technology not furthering our business strategy as anticipated; • difficulties entering and competing in new product or geographic markets and increased competition, including price competition; • integration challenges; • challenges in working with strategic partners and resolving any related disagreements or disputes; • high valuation for a company, asset or technology, or changes in the economic or market conditions or assumptions underlying our decision to make an acquisition; • significant problems or liabilities associated with acquired businesses, assets, or technologies, including increased intellectual property and employment-related litigation exposure; • acquisition of a significant amount of goodwill, which could result in future impairment charges that would reduce our earnings; and • requirements to record substantial charges and amortization expense related to certain purchased intangible assets, deferred stock compensation and other items, as well as other charges or expenses. Any one of these challenges or risks could impair our ability to realize any benefit from our acquisitions, strategic relationships, joint ventures, or investments after we have expended resources on them, as well as divert our management's attention. Any failure to successfully address these challenges or risks could disrupt our business and harm our operating results and financial condition. Moreover, any such transaction may not be viewed favorably by investors or other stakeholders. If we proceed with a particular acquisition, we may have to use cash, issue new equity securities with dilutive effects on existing stockholders, incur indebtedness, assume contingent liabilities, or amortize assets or expenses in a manner that might have a material adverse effect on our financial condition and results of operations. Acquisitions will also require us to record certain acquisition-related costs and other items as current period expenses, which would have the effect of reducing our reported earnings in the period in which an acquisition is consummated. In addition, we could also face unknown liabilities or write-offs due to our acquisitions, which could result in a significant charge to our earnings in the period in which they occur. We have recorded, and in the future will be required to record any goodwill or other long-lived asset impairment charges in the periods in which they occur, which could result in a significant charge to our earnings in any such period. Achieving the expected returns and synergies from future acquisitions will depend, in part, upon our ability to integrate the products and services, technology, administrative functions and personnel of these businesses into our offering lines in an efficient and effective manner. We cannot assure you that we will be able to do so, that any acquired businesses will perform at levels and on the timelines anticipated by our management or that we will be able to realize these synergies. In addition, acquired technologies and intellectual property may be rendered obsolete or uneconomical by our own or our competitors' technological advances. Management resources may also be diverted from operating our existing businesses to certain acquisition integration challenges. If we are unable to successfully integrate acquired businesses, our anticipated revenues and profits may be lower. Our profit margins may also be lower, or diluted, following the acquisition of companies whose profit margins are less than those of our existing businesses. In addition, from time to time we may enter into negotiations for acquisitions, relationships, joint ventures, or investments that are not ultimately consummated. These negotiations could result in significant diversion of management time, as well as substantial out-of-pocket costs. ~~If we are unable to manage our growth and expand our operations successfully, our reputation and brands may be damaged, and our~~

business and results of operations may be harmed. Over the past several years, we have experienced rapid growth. For example, we have grown from 44 full-time employees as of October 31, 2018 to 708 full-time employees as of December 31, 2022. Our ability to effectively manage our anticipated growth and expansion of our operations will require us to do, among other things, the following: • enhance our operational, financial and management controls and infrastructure, human resource policies, and reporting systems and procedures; • effectively scale our operations, including accurately predicting the need for floor space, equipment, and additional staffing; and • successfully identify, recruit, hire, train, develop, maintain, motivate, and integrate additional employees. These enhancements and improvements will require significant capital expenditures and allocation of valuable management and employee resources. Furthermore, our growth has placed, and will continue to place, a strain on our operational, financial and management infrastructure. Our future financial performance and our ability to execute on our business plan will depend, in part, on our ability to effectively manage any future growth and expansion. There are no guarantees we will be able to do so in an efficient or timely manner, or at all. Our failure to effectively manage growth and expansion could have a material adverse effect on our business, results of operations, financial condition, prospects, reputation and brands, including impairing our ability to perform to our customers' expectations. We may not timely and effectively scale and adapt our existing technology, processes, and infrastructure to meet the needs of our business. A key element to our continued growth is the ability to quickly and efficiently quote an increasing number of customer submissions across geographic regions and to manufacture the related custom parts. This will require us to timely and effectively scale and adapt our existing technology, processes, and infrastructure to meet the needs of our business. With respect to our website, project management platform and quoting technology, it may become increasingly difficult to maintain and improve their performance, especially during periods of heavy usage and as our solutions become more complex and our user traffic increases across geographic regions. Similarly, our manufacturing automation technology may not enable us to process the large numbers of unique designs and efficiently manufacture the related custom parts in a timely fashion to meet the needs of our customers as our business continues to grow. Any failure in our ability to timely and effectively scale and adapt our existing technology, processes and infrastructure could negatively impact our ability to retain existing customers and attract new customers, damage our reputation and brands, result in lost revenue, and otherwise substantially harm our business and results of operations. The implementation of our reorganization plan could result in greater costs and fewer benefits than we anticipate, which could materially harm our business, financial condition, and operating results. On July 7, 2022, the Board approved a reorganization plan (the "Reorganization"), designed to consolidate the Company's national footprint, streamline legacy leadership and centralize core business functions following the completion of 13 acquisitions by Fathom since 2019. These measures include consolidation of leadership and other roles through a net workforce reduction of approximately 6%, consolidation of our Oakland, California facility into our Hartland, Wisconsin headquarters, the establishment of a technology center in Fremont, California, and streamlining of certain of our administrative processes. On February 17, 2023, the Company committed to additional actions to continue and expand the reorganization plan. The additional actions include closing and consolidation a Texas location in and consolidating into another Texas location, reducing the Company's workforce by an additional 14%, and prioritizing investments and operations in line with near-term revenue generation. We expect to substantially complete this reorganization plan by the first half third quarter of fiscal year 2023, but the process Company expanded the Reorganization to include further workforce reductions at our Hartland and Miami facilities. On January 19, 2024, the Board authorized and directed management to close the Company's Miami Lakes, Florida manufacturing facility as a result of persistent and continuing profitability challenges experienced at the facility. The Company expects to complete these activities by the end of the second quarter 2024 reorganization initiatives could take more time, and could be more costly than anticipated. In addition, these initiatives have placed and could place substantial additional demands on our management, which could lead to the diversion of management's attention from other business priorities. These initiatives could also lead to unanticipated work stoppages, low employee morale, decreased productivity, and a failure to deliver under existing and future commitments to third parties, which could harm our business. As a result of these or any other factors, we could fail to realize the anticipated benefits associated with the reorganization initiatives, which could in turn materially harm our business, financial condition, and operating results. We may require additional capital to support business growth, and this capital might not be available on acceptable terms, if at all. If we are unable to raise additional capital when needed, our financial condition could be adversely affected, and we may not be able to execute our growth strategy. We intend to continue to make acquisitions and other investments to support our business growth and may require additional funds to respond to business challenges, including the need to complement our growth strategy, increase market share in our current markets or expand into other markets, or broaden our technology, intellectual property, or manufacturing capabilities. Accordingly, we may need to obtain equity or debt financings to secure additional funds. If we raise additional funds through future issuances of equity or convertible debt securities, our existing stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences, and privileges superior to those of holders of our common stock. The Credit Agreement and any debt financing we secure in the future could involve restrictive covenants relating to our capital raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities, including potential acquisitions. In addition, we may not be able to obtain additional financing on terms favorable to us, if at all. If we are unable to obtain adequate financing or financing on terms satisfactory to us when we require it, our ability to continue to support our business growth and to respond to business challenges could be significantly impaired, and our business may be adversely affected. Numerous factors may cause us not to maintain the revenue growth that we have historically experienced. Although our revenue has grown from \$ 20.6 million for the year ended December 31, 2019 to \$ 161.131.12 million for the year ended December 31, 2022-2023, we may not be able to maintain our historical rate of revenue growth. We believe that our future revenue growth will depend on many factors, a number of which are out of our control, including among others, our ability to: • retain and further penetrate existing

customers, as well as attract new customers; • consistently execute on custom part orders in a manner that satisfies our customers' product needs and provides them with a superior experience; • develop new technologies or manufacturing processes and broaden the range of custom parts we offer; • capitalize on customers' product expectations for access to comprehensive, user-friendly e-commerce capabilities 24 hours per day, 7 days per week; • increase the strength and awareness of our brands across geographic regions; • respond to changes in customers' needs, technology, and our industry; • react to challenges from existing and new competitors; and • respond to an economic slowdown which negatively impacts manufacturers' ability to innovate and bring new products to market. We cannot assure you that we will be successful in addressing the factors described above and continuing to grow our business and revenue. Errors or defects in the software we use or custom parts we manufacture could cause us to incur additional costs, lose revenue and business opportunities, damage our reputation, and expose us to potential liability. The sophisticated software we use and the often complex custom parts we manufacture may contain errors, defects, or other performance problems at any point in the life of the software or custom parts. If errors or defects are discovered in our current or future software or in the custom parts we manufacture for customers, we may not be able to correct them in a timely manner or provide an adequate response to our customers. We may therefore need to expend significant financial, technical and management resources, or divert some of our development resources, in order to resolve or work around those errors or defects. Particularly in the medical sector, errors or defects in our software or custom parts we manufacture could lead to claims by patients against us and our customers and expose us to lawsuits that may damage our and our customers' reputations. Claims may be made by individuals or by classes of users. Our product liability and related insurance policies may not apply or sufficiently cover any product liability lawsuit that arises from defective software we may use or the custom parts we manufacture. Customers such as our collaboration partners may also seek indemnification for third party claims allegedly arising from breaches of warranties under our collaboration agreements. Errors, defects, or other performance problems in the software we use or custom parts we manufacture may also result in the loss of, or delay in, the market acceptance of our platform and digital manufacturing capabilities. Such difficulties could also cause us to lose customers and, particularly in the case of our largest customers, the potentially substantial associated revenue which would have been generated by our sales to companies participating in our customer supply chains. Technical problems, or the loss of a customer with a particularly important national or global reputation, could also damage our own business reputation and cause us to lose new business opportunities. Interruptions to or other problems with our website, project management platform, information technology systems, manufacturing processes or other operations could damage our reputation and brands and substantially harm our business and results of operations. The satisfactory performance, reliability, consistency, security and availability of our website and interactive project management platform, information technology systems, manufacturing processes and other operations are critical to our reputation and brands, and to our ability to effectively service customers. Any interruptions or other problems that cause any of our website, interactive project management platform or information technology systems to malfunction or be unavailable, or negatively impact our manufacturing processes or other operations, may damage our reputation and brands, result in lost revenue, cause us to incur significant costs seeking to remedy the problem and otherwise substantially harm our business and results of operations. A number of factors or events could cause such interruptions or problems, including among others: human and software errors, design faults, challenges associated with upgrades, changes or new facets of our business, power loss, telecommunication failures, fire, flood, extreme weather, political instability, acts of terrorism, war, break-ins and security breaches, contract disputes, labor strikes and other workforce-related issues, capacity constraints due to an unusually large number of customers and potential customers accessing our website or project management platform or ordering parts at the same time, and other similar events. These risks are augmented by the fact that our customers come to us largely for our quick-turn low to mid-volume manufacturing capabilities and that accessibility and turnaround speed are often of critical importance to these customers. We are dependent upon our facilities through which we satisfy all of our production demands and in which we house all of the computer hardware necessary to operate our website and systems as well as managerial, customer service, sales, marketing, and other similar functions, and we have not identified alternatives to these facilities or established fully redundant systems in multiple locations. In addition, we are dependent in part on third parties for the implementation and maintenance of certain aspects of our communications and production systems, and therefore preventing, identifying, and rectifying problems with these aspects of our systems is to a large extent outside of our control. Moreover, the business interruption insurance that we carry may not be sufficient to compensate us for the potentially significant losses, including the potential harm to the future growth of our business that may result from interruptions in our offerings and manufacturing processes as a result of system failures. If a natural or man-made disaster strikes any of our manufacturing facilities, we may be unable to manufacture our products for a substantial period of time and our sales will decline. We manufacture the majority of our products in 12-11 manufacturing facilities located in the U. S. and the rest is manufactured through our supply chain partners. These facilities and the manufacturing equipment we use would be costly to replace if damaged by a natural or man-made disaster, and could require substantial lead time to repair or replace. Our facilities may be harmed by natural or man-made disasters, including, without limitation, earthquakes, floods, tornadoes, fires, hurricanes, tsunamis, nuclear disasters, terrorist attacks, or as a result of a pandemic such as the ongoing recent COVID-19 pandemic. In the event any of our facilities are affected by a disaster, we may: • be unable to meet the shipping deadlines of our customers; • experience disruptions in our ability to process submissions and generate quotations, manufacture, and ship parts, provide marketing and sales support and customer service and otherwise operate our business, any of which could negatively impact our business; • be forced to rely on third-party manufacturers; • need to expend significant capital and other resources to address any damage caused by the disaster; and • lose customers and be unable to reacquire those customers. Although we possess insurance for damage to our property and the disruption of our business from casualties, this insurance may not be sufficient to cover all of our potential losses and may not continue to be available to us on acceptable terms, or at all. If our present single or limited source suppliers become unavailable or inadequate, our customer relationships, results of operations and financial

condition may be adversely affected. We acquire substantially all of the manufacturing equipment and certain of our materials that are critical to the ongoing operation and future growth of our business from third parties. We do not have long- term supply contracts with any of our suppliers and operate on a purchase- order basis. While most manufacturing equipment and materials for our products are available from multiple suppliers, certain of those items are only available from single or limited sources. Should any of our present single or limited source suppliers for manufacturing equipment or materials become unavailable or inadequate, or impose terms unacceptable to us such as increased pricing terms, we could be required to spend a significant amount of time and expense to develop alternate sources of supply, and we may not be successful in doing so on terms acceptable to us, or at all. Natural disasters, such as hurricanes or tornadoes, may affect our supply of materials, particularly resins, from time to time, and we may purchase larger amounts of certain materials in anticipation of future shortages or increases in pricing. In addition, if we were unable to find a suitable supplier for a particular type of manufacturing equipment or material, we could be required to modify our existing manufacturing processes and offerings to accommodate the situation. As a result, the loss of a single or limited source supplier could adversely affect our relationship with our customers and our results of operations and financial condition. We are subject to payment- related risks. We accept payments using a variety of methods, including credit card, customer invoicing, physical bank check and payment upon delivery. As we offer new payment options to our customers, we may be subject to additional regulations, compliance requirements and fraud risk. For certain payment methods, including credit and debit cards, we pay interchange and other fees, which may increase over time and raise our operating costs and lower profitability. We rely on third parties to provide payment processing services, including the processing of credit cards, debit cards or electronic checks, and it could disrupt our business if these companies become unwilling or unable to provide these services to us. We are also subject to payment card association operating rules, certification requirements and rules governing electronic funds transfers, which could change or be reinterpreted to make it difficult or impossible for us to comply. If we fail to comply with these rules or requirements, we may be subject to fines and higher transaction fees and lose our ability to accept credit and debit card payments from our customers, process electronic funds transfers, or facilitate other types of online payments, and our business and operating results could be adversely affected. Workplace accidents or environmental damage could result in substantial remedial obligations and damage to our reputation. Accidents or other incidents that occur at our manufacturing and other facilities or involve our personnel or operations could result in claims for damages against us. In addition, in the event we are found to be financially responsible, as a result of environmental or other laws or by court order, for environmental damages alleged to have been caused by us or occurring on our premises, we could be required to pay substantial monetary damages or undertake expensive remedial obligations. The amount of any costs, including fines or damages payments that we might incur under such circumstances, could substantially exceed any insurance we have to cover such losses. Any of these events, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations and could adversely affect our reputation. Interruptions, delays in service or inability to increase capacity at third- party data center facilities could adversely affect our business and reputation. Our business, brands, reputation, and ability to attract and retain customers depend upon the satisfactory performance, reliability, and availability of our project management platform, and depend upon the availability of the internet and our third- party service providers. We rely on third party data center facilities operated by Amazon Web Services (“ AWS ”), Ace Cloud Hosting (“ Ace ”), and Right Networks (“ Right Networks ”) to host our main servers. We do not control the operation of any of AWS, Ace’ s, or Right Networks’ data center hosting facilities, and they may be subject to damage or interruption from earthquakes, floods, fires, power loss, telecommunications failures, terrorist attacks and similar events. They may also be subject to interruptions due to system failures, computer viruses, software errors or subject to breaches of computer hardware and software security, break- ins, sabotage, intentional acts of vandalism and similar misconduct. And while we rely on service level agreements with our hosting providers, if they do not properly maintain their infrastructure or if they incur unplanned outages, our customers may experience performance issues or unexpected interruptions and we may not meet our service level agreement terms with our customers. We have experienced, and expect that in the future we may experience interruptions, delays and outages in service and availability from time to time due to a variety of factors, including infrastructure changes, human or software errors, website hosting disruptions and capacity constraints. These and other similar events beyond our control could negatively affect the use, functionality, or availability of our services. Any damage to, or failure of, our systems, or those of our third- party providers, could interrupt or hinder the use or functionality of our website or project management platform. Resulting impairment of or interruptions of our business may reduce revenue, subject us to claims and litigation, cause customers to terminate their contracts and adversely affect our ability to attract new customers. If we are forced to switch hosting facilities for our main servers, we may not be successful in finding an alternative service provider on acceptable terms or in hosting the computer servers ourselves. Our business will also be harmed if customers and potential customers believe our systems are unreliable. We are subject to risks related to corporate social responsibility. We and our offerings face increasing public scrutiny related to environmental, social and governance (“ ESG ”) activities, including diversity and inclusion, environmental stewardship, support for local communities, corporate governance, and transparency. Before making an investment on behalf of our products, we analyze a wide array of considerations, risks, and potential rewards related to the prospective investment. Among the pecuniary considerations we analyze are the present and future material ESG implications of investments. It is expected that investor demands and the prevailing legal environment will require us to spend additional resources and place increasing importance on ESG matters in our review of prospective investments and management of existing ones. Devoting additional resources to ESG matters could increase the amount of expenses we or our businesses are required to bear. Further, emphasis on ESG criteria in evaluating an investment by us or our offerings and products could lead to reduced profits. ESG matters have been the subject of increased focus by certain U. S. regulators, among others. As a result of this regulatory focus and any related legislative and regulatory initiatives, we may be required to provide additional disclosure with respect to ESG matters. This exposes us to increased disclosure risks, for example due to a lack of available or credible

data, and the potential for conflicting disclosures may also expose us to an increased risk of misstatement litigation or mis-selling allegations. Failure to manage these risks could result in a material adverse effect on our business in a number of ways. Climate change, or legal, regulatory or market measures to address climate change, may materially adversely affect our financial condition and business operations. There is evidence of global climate change, which could present risks to our future operations from natural disasters and extreme weather conditions, such as hurricanes, tornadoes, earthquakes, wildfires, or flooding. Such extreme weather conditions could pose physical risks to our facilities and disrupt operation of our supply chain and our customers and may increase operational costs. Concern over climate change will likely result in new legal or regulatory requirements designed to identify or mitigate the effects of climate change on the environment. For example, in the U. S., the SEC is actively engaged in climate- related rulemaking. These proposed rules, depending on how they are finally adopted, as well as other changes the government might implement, could impose significant new burdens on us and our suppliers, with significant costs and operational impacts, and adversely impact our ability to win business and operate successfully. If such laws or regulations are more stringent than current legal or regulatory requirements, we may experience increased compliance burdens and costs to meet the regulatory obligations, and raw material sourcing, manufacturing operations and the distribution of our products may be affected.

**Industry Risks** We face various risks related to health epidemics, pandemics, and similar outbreaks, which may have material adverse effects on our business, financial position, results of operations and / or cash flows. We face a wide variety of risks related to health epidemics, pandemics, and similar outbreaks, especially of infectious diseases, **such as including COVID- 19. Since first reported in late 2019, the recent COVID- 19 pandemic has. Since first reported in late 2019, the COVID- 19 pandemic** dramatically impacted the global health and economic environment, including millions of confirmed cases and deaths, business slowdowns or shutdowns, labor shortages, supply chain challenges, changes in industrial product development spending, regulatory challenges, inflationary pressures, and market volatility. **As discussed in our prior and current Form 10- K and 10- Q filings, our operations have been and we expect will continue to be impacted by the COVID- 19 pandemic and its related economic challenges. However, we have worked hard to address and mitigate adverse impacts from COVID- 19, and we do not currently anticipate significant additional direct impacts from the pandemic itself on our operations. Nonetheless, we cannot predict the future course of events. If, for example, the COVID- 19 pandemic worsens, due to spread, new or additional variants, or if** a new health epidemic or outbreak were to occur, we likely would experience broad and varied impacts, including potentially to our workforce and supply chain, with inflationary pressures and increased costs (which may or may not be fully recoverable or insured), schedule or production delays, market volatility and other financial impacts. If any or all of these events were to occur, we could experience adverse impacts on our overall performance, operations, and financial results. Given the tremendous uncertainties and variables, we cannot at this time predict the impact of **the global COVID- 19 pandemic, or** any future health epidemics, pandemics, or similar outbreaks, but any one of such events could have a material adverse effect on our business, financial position, results of operations and / or cash flows. If demand for our offerings and manufacturing capabilities does not grow as expected, or if market adoption of digital manufacturing does not continue to develop, or develops more slowly than expected, our revenues may stagnate or decline and our business may be adversely affected. The industrial manufacturing market, which today is dominated by conventional manufacturing processes that do not involve digital manufacturing technology, is undergoing a shift towards digital manufacturing. We may not be able to develop effective strategies to raise awareness among potential customers of the benefits of digital manufacturing technologies or our offerings and manufacturing capabilities may not address the specific needs or provide the level of functionality required by potential customers to encourage the continuation of this shift towards digital manufacturing. If digital manufacturing technology does not continue to gain broader market acceptance as an alternative to conventional manufacturing processes, or if the marketplace adopts digital manufacturing technologies and capacities developed by our competitors, we may not be able to increase or sustain the level of sales of our offerings and our operating results would be adversely affected as a result. We could face liability if our digital manufacturing solutions are used by our customers to print dangerous objects. Customers may use our digital manufacturing offerings to produce parts that could be used in a harmful way or could otherwise be dangerous. For example, there have been news reports that 3D printers were used to print guns or other weapons. We have little, if any, control, or knowledge over the parts we manufacture for our customers using our offerings, and it may be difficult, if not impossible, for us to monitor and prevent customers from having certain components of weapons or other dangerous objects manufactured with our services. While we have never digitally manufactured weapons for customers, there can be no assurance that we will not be held liable if someone were injured or killed by a weapon or other dangerous object containing a component part or parts manufactured for a customer using one of our offerings. Because the digital manufacturing market is rapidly evolving, forecasts of market growth may not be accurate. Market opportunity estimates and growth forecasts included in this Annual Report **on Form 10- K** are subject to significant uncertainty and are based on assumptions and estimates that may not prove to be accurate. The forecasts and estimates in this Annual Report **on Form 10- K** relating to the expected size and growth of the markets for digital manufacturing technology and other markets in which we participate may prove to be inaccurate. Even if these markets experience the forecasted growth described in this Annual Report **on Form 10- K**, we may not grow our business at similar rates, or at all. Our future growth is subject to many factors, including continued market adoption of our offerings, which is subject to many risks and uncertainties. Accordingly, the forecasts and estimates of market size and growth described in this Annual Report **on Form 10- K** should not be taken as indicative of our future growth. **In addition, these forecasts do not consider the impact of the ongoing global COVID- 19 pandemic, and we cannot assure you that these forecasts will not be materially and adversely affected as a result.** Unfavorable global economic conditions and changes, including changes in inflation, interest rates and geopolitical matters, could adversely affect our business, financial condition, or results of operations. Heightened levels of inflation and the potential worsening of macroeconomic conditions, including slower growth or recession, further changes to federal government fiscal or monetary policies, tighter credit and higher interest rates, present risks for us, our suppliers, and the stability of the broader manufacturing industrial base. We have experienced pricing increases from our suppliers, and we have



increased compensation to our employees to help ensure employee retention. To the extent inflation or other factors increase our business costs, it may not be feasible to pass price increases on to our customers or offset higher costs through manufacturing efficiencies. Inflation could also adversely affect the ability of our customers to purchase our products and higher interest rates could adversely affect the ability of our customers to invest in product innovation and development that generate demand for our custom parts. 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. In addition, the ongoing trade war between the U. S. and China may impact the cost of raw materials, finished products or other materials used in our offerings and our ability to sell our offerings in China. Overall, the U. S.- China trade relationship remains stalled as economic and national security concerns continue to be a challenge. Other changes in U. S. social, political, regulatory, and economic conditions or in laws and policies governing foreign trade, manufacturing, development, and investment could also adversely affect our business. We could experience interruptions in production due to the processing of customs formalities or reduced customer spending in the wake of weaker economic performance. If global economic conditions remain volatile for a prolonged period our results of operations could be adversely affected.

**Intellectual Property and Infrastructure- Related Risks** We may not be able to adequately protect or enforce our intellectual property rights, which could impair our competitive position. Our success and future revenue growth will depend, in part, on our ability to protect our intellectual property. We rely primarily on patents, licenses, trademarks, and trade secrets, as well as non- disclosure agreements and other methods, to protect our proprietary technologies and processes globally. Despite our efforts to protect our proprietary technologies and processes, it is possible that competitors or other unauthorized third parties may obtain, copy, use or disclose our technologies and processes. We cannot assure you that any of our existing or future patents will not be challenged or invalidated in court or patent office proceedings that could be time-consuming, expensive and distract us from operating our business. In addition, competitors could circumvent our patents by inventing around them. As such, any rights granted under these patents may not provide us with meaningful protection. We may not be able to obtain foreign patents corresponding to our U. S. patents. Even if foreign patents are granted, effective enforcement in foreign countries may not be available. If our patents and other intellectual property do not adequately protect our proprietary technology, our competitors may be able to offer product lines similar to ours. Our competitors may also be able to develop similar technology independently or design around our patents. Any of the foregoing events would lead to increased competition and lower our revenue or gross margin, which would adversely affect our net income. We may incur substantial costs enforcing or acquiring intellectual property rights and defending against third- party claims as a result of litigation or other proceedings. Our failure to expand our intellectual property portfolio could adversely affect the growth of our business and results of operations. We may incur substantial expense and costs in protecting, enforcing and defending our intellectual property rights against third parties. Intellectual property disputes may be costly and can be disruptive to our business operations by diverting attention and energies of management and key technical personnel and by increasing our costs of doing business. Third- party intellectual property claims asserted against us could subject us to significant liabilities, require us to enter into royalty and licensing arrangements on unfavorable terms, prevent us from providing our offerings to customers, subject us to injunctions prohibiting or restricting our sale of our offerings, or require us to redesign our offerings, causing severe disruptions to our operations or the marketplaces in which we compete or require us to satisfy indemnification commitments with our customers, including contractual provisions under various license arrangements. In addition, we may incur significant costs in acquiring the necessary third- party intellectual property rights for use in our offerings. Any of these could have an adverse effect on our business and financial condition. Patent applications in the U. S and most other countries are confidential for a period of time until they are published, and the publication of discoveries in scientific or patent literature typically lags actual discoveries by several months or more. As a result, the nature of claims contained in unpublished patent filings around the world is unknown to us, and we cannot be certain that we were the first to conceive inventions covered by our patents or patent applications or that we were the first to file patent applications covering such inventions. Furthermore, it is not possible to know in which countries patent holders may choose to extend their filings under the Patent Cooperation Treaty or other mechanisms. In addition, we may be subject to intellectual property infringement claims from individuals, vendors, and other parties, including those that are in the business of asserting patents, but are not commercializing products or services in the field of digital manufacturing, or our customers may seek to invoke indemnification obligations to involve us in such intellectual property infringement claims. Furthermore, although we maintain certain procedures to screen custom parts we manufacture on behalf of customers for infringement on the intellectual property rights of others, we cannot be certain that our procedures will be effective in preventing any such infringement. Any third- party lawsuits or other assertion to which we are subject, alleging infringement of trademarks, patents, trade secrets or other intellectual property rights either by us or by our customers may have a significant adverse effect on our financial condition. Cybersecurity risks and cyber incidents, including cyber- attacks, could adversely affect our business by causing a disruption to our operations, a compromise or corruption of our confidential information and confidential information in our possession and damage to our business relationships, any of which could negatively impact our business, financial condition, and operating results. There has been an increase in the frequency and sophistication of the cyber and security threats we face, with attacks ranging from those common to businesses generally to those that are more advanced and persistent, which may target us due to our substantial reliance on information technology. Cyber- attacks and other security threats could originate from a wide variety of sources, including cyber criminals, nation state hackers, hacktivists, and other outside parties. As a result of the generally increasing frequency and sophistication of cyber- attacks, and our substantial reliance on technology, we may face a heightened risk of a security breach or disruption with respect to sensitive information resulting from an attack by computer hackers, foreign governments or cyber terrorists. The operation of

our business is dependent on computer hardware and software systems, as well as data processing systems and the secure processing, storage, and transmission of information, which are vulnerable to security breaches and cyber incidents. A cyber incident is considered to be any adverse event that threatens the confidentiality, integrity, or availability of our information resources. These incidents may be an intentional attack or an unintentional event and could involve gaining unauthorized access to our information systems for purposes of misappropriating assets, stealing confidential information, corrupting data, or causing operational disruption. In addition, we and our employees may be the target of fraudulent emails or other targeted attempts to gain unauthorized access to proprietary or other sensitive information. The result of these incidents may include disrupted operations, misstated or unreliable financial data, fraudulent transfers, or requests for transfers of money, liability for stolen information, increased cybersecurity protection and insurance costs, litigation, and damage to our business relationships, causing our business and results of operations to suffer. Our reliance on information technology is substantial, and accordingly the risks posed to our information systems, both internal and those provided by third-party service providers are critical. We have implemented processes, procedures and internal controls designed to mitigate cybersecurity risks and cyber intrusions and rely on industry accepted security measures and technology to securely maintain confidential and proprietary information maintained on our information systems; however, these measures, as well as our increased awareness of the nature and extent of a risk of a cyber-incident, do not guarantee that a cyber-incident will not occur and / or that our financial results, operations or confidential information will not be negatively impacted by such an incident, especially because the cyber-incident techniques change frequently or are not recognized until launched and because cyber- incidents can originate from a wide variety of sources. Those risks are exacerbated by the rapidly increasing volume of highly sensitive data, including our and our customers' proprietary business information and intellectual property, and personally identifiable information of our employees and customers, that we collect and store in our data centers and on our networks. The secure processing, maintenance and transmission of this information are critical to our operations. A significant actual or potential theft, loss, corruption, exposure, fraudulent use or misuse of employee, customer or other personally identifiable or our or our customers' proprietary business data, whether by third parties or as a result of employee malfeasance (or the negligence or malfeasance of third party service providers that have access to such confidential information) or otherwise, non-compliance with our contractual or other legal obligations regarding such data or intellectual property or a violation of our privacy and security policies with respect to such data could result in significant remediation and other costs, fines, litigation or regulatory actions against us and significant reputational harm. Our proprietary digital manufacturing software contains third-party open source software components. Our use of such open source software may expose us to additional risks and harm our intellectual property and failure to comply with the terms of the underlying open source software licenses could restrict our ability to sell our offerings. Our proprietary digital manufacturing software contains components that are licensed under so-called "open source," "free" or other similar licenses. Open source software is made available to the general public on an "as-is" basis under the terms of a non-negotiable license. We currently combine our proprietary software with open source software, but not in a manner that we believe requires the release of the source code of our proprietary software to the public. We do not plan to integrate our proprietary software with open source software in ways that would require the release of the source code of our proprietary software to the public; however, our use of open source software may entail greater risks than use of third-party commercial software. Open source licensors generally do not provide warranties or other contractual protections regarding infringement claims or the quality of the code. In addition, if we combine our proprietary software with open source software in a certain manner, we could, under certain open source licenses, be required to release to the public or remove the source code of our proprietary software. As is standard practice among technology companies, Fathom leverages open source software in the development of its internal software. Open source software is commonly used as a foundation to which Fathom develops upon, allowing us to customize the software based on the specific needs of Fathom. This approach enables faster development of high quality software. We may also face claims alleging noncompliance with open source license terms or infringement or misappropriation of proprietary software. These claims could result in litigation, require us to purchase a costly license or remove the open source software. In addition, if the license terms for open source software that we use change, we may be forced to re-engineer our solutions, incur additional costs, or discontinue the sale of certain of our offerings if re-engineering could not be accomplished on a timely basis. Although we monitor our use of open source software to avoid subjecting our offerings to unintended conditions, there is a risk that these licenses could be construed in a way that could impose unanticipated conditions or restrictions on our ability to commercialize our offerings. We cannot guarantee that we have incorporated open source software in our proprietary software in a manner that will not subject us to liability or in a manner that is consistent with our current policies and procedures. Compliance-Related Risks Government regulation of the Internet and e-commerce is evolving, and unfavorable changes or failure by us to comply with these regulations could substantially harm our business and results of operations. We are subject to general business regulations and laws as well as regulations and laws specifically governing the Internet and e-commerce. Existing and future laws and regulations may impede the growth of the Internet or other online services. These regulations and laws may cover taxation, restrictions on imports and exports, customs, tariffs, user privacy, data protection, pricing, content, copyrights, distribution, electronic contracts and other communications, consumer protection, the provision of online payment services, broadband residential Internet access and the characteristics and quality of the types of custom parts we manufacture or may manufacture in the future. It is not clear how existing laws governing issues such as property use and ownership, sales and other taxes, fraud, libel, and personal privacy apply to the Internet and e-commerce, especially where these laws were adopted prior to the advent of the Internet and do not contemplate or address the unique issues raised by the Internet or e-commerce. Those laws that do reference the Internet are being interpreted by the courts and their applicability and reach are therefore uncertain. The costs of compliance with these regulations may increase in the future as a result of changes in the regulations or the interpretation of them. Further, any failures on our part to comply with these regulations may subject us to significant liabilities. Those current and future laws and

regulations or unfavorable resolution of these issues may substantially harm our business and results of operations. Aspects of our business are subject to privacy, data use and data security regulations, which may impact the way we use data to target customers. Privacy and security laws and regulations may limit the use and disclosure of certain information and require us to adopt certain cybersecurity and data handling practices that may affect our ability to effectively market our manufacturing capabilities to current, past, or prospective customers. In many jurisdictions consumers must be notified in the event of a data security breach, and such notification requirements continue to increase in scope and cost. The changing privacy laws in the U. S., Europe and elsewhere, including the General Data Protection Regulation (" GDPR") in the European Union, which became effective May 25, 2018, and the California Consumer Privacy Act of 2018, which was enacted on June 28, 2018 and became effective on January 1, 2020, create new individual privacy rights and impose increased obligations, including disclosure obligations, on companies handling personal data. The impact of these continuously evolving laws and regulations could have a material adverse effect on the way we use data to digitally market and pursue our customers. Our business involves the use of hazardous materials, and we and our suppliers must comply with environmental, health and safety laws and regulations, which can be expensive and restrict how we do business. Our business involves the controlled storage, use and disposal of hazardous materials. We and our suppliers are subject to federal, state, and local laws and regulations governing the use, manufacture, storage, handling, and disposal of these hazardous materials. Although we believe that the safety procedures utilized by us and our suppliers for handling and disposing of these materials comply with the standards prescribed by these laws and regulations, we cannot eliminate the risk of accidental contamination or injury from these materials. In the event of an accident, federal, state, or local authorities may curtail our use of these materials and interrupt our business operations. We do not currently maintain hazardous materials insurance coverage. If we are subject to any liability as a result of activities involving hazardous materials, our business and financial condition may be adversely affected, and our reputation and brands may be harmed. If we are unable to meet regulatory quality standards applicable to our manufacturing and quality processes for the parts we manufacture, our business, financial condition or operating results could be harmed. As a manufacturer of CNC- machined and injection- molded custom parts, we conform to certain international standards, including International Organization for Standardization (" ISO"), 9001: 2015 for our injection molding facilities and the AS9100: 2016 standard for our CNC- machining facilities in Hartland, WI, Pflugerville, TX, Tempe, AZ, Newark, NY. We conform to the ISO 9001: 2015 standard for our plastics manufacturing and the AS9100: 2016 standard for our metals manufacturing in Hartland, WI, Pflugerville, TX, Tempe, AZ, and Newark, NY. We conform to the ISO 9001: 2015 for our sheet metal custom parts and the AS9100: 2016 standards for our CNC- machined custom parts in Hartland, WI, Pflugerville, TX, Tempe, AZ, and Newark, NY. We also conform to international standard ISO 9001: 2015 at our manufacturing facilities in Hartland, WI, Newark, NY, Pflugerville, TX, Denver, CO, Round Rock, TX, Tempe, AZ, Miami Lakes, FL, and Elk Grove, IL. We conform to the NIST800- 171 standard at our facilities in Oakland, CA and Tempe, AZ. We conform to the ITAR standard at our facilities in Hartland, WI, Ithaca, NY, Denver, CO, Tempe, AZ, and Newark, NY. Additionally, we conform to international standard ISO 13485 at our manufacturing facilities in Round Rock, TX and Miami Lakes, FL. If any system inspection reveals that we are not in compliance with applicable standards, regulators may take action against us, including issuing a corrective action request or discontinuing our certifications. If any of these actions were to occur, it could harm our reputation as well as our business, financial condition, and operating results. We are subject to environmental, health and safety laws and regulations related to our operations and the use of our digital manufacturing systems and consumable materials, which could subject us to compliance costs and / or potential liability in the event of non-compliance. We are subject to environmental laws and regulations governing our manufacturing operations, including, but not limited to, emissions into the air and water and the use, handling, disposal, and remediation of hazardous substances. A certain risk of environmental liability is inherent in our production activities. These laws and regulations govern, among other things, the generation, use, storage, registration, handling and disposal of chemicals and waste materials, the emission and discharge of hazardous materials into the ground, air or water, the cleanup of contaminated sites, including any contamination that results from spills due to our failure to properly dispose of chemicals and other waste materials, and the health and safety of our employees. Under these laws, regulations, and requirements, we could also be subject to liability for improper disposal of chemicals and waste materials. Accidents or other incidents that occur at our facilities or involve our personnel or operations could result in claims for damages against us. In the event we are found to be financially responsible, as a result of environmental or other laws or by court order, for environmental damages alleged to have been caused by us or occurring on our premises, we could be required to pay substantial monetary damages or undertake extensive remedial obligations. If our operations fail to comply with such laws or regulations, we may be subject to fines and other civil, administrative, or criminal sanctions, including the revocation of permits and licenses necessary to continue our business activities. In addition, we may be required to pay damages or civil judgments in respect of third- party claims, including those relating to personal injury (including exposure to hazardous substances that we generate, use, store, handle, transport, manufacture or dispose of), property damage or contribution claims. Some environmental laws allow for strict and joint and several liabilities for remediation costs, regardless of fault. We may be identified as a potentially responsible party under such laws. The amount of any costs, including fines or damages payments that we might incur under such circumstances, could substantially exceed any insurance we have to cover such losses. Any of these events, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations and could adversely affect our reputation. The cost of complying with current and future environmental, health and safety laws applicable to our operations, or the liabilities arising from past releases of, or exposure to, hazardous substances, may result in future expenditures. Any of these developments, alone or in combination, could have an adverse effect on our business, financial condition, and results of operations. We are subject to anti- corruption laws, trade controls, economic sanctions and similar laws and regulations. Our failure to comply with these laws and regulations could subject us to civil, criminal, and administrative penalties and harm our reputation. We service customers located in a number of countries. Doing business with foreign customers subjects us to U. S. and other anti- corruption laws and regulations imposed by

governments around the world with jurisdiction over such commerce with foreign customers, including the U. S. Foreign Corrupt Practices Act and the U. K. Bribery Act 2010, as well as the laws of the countries where we do business. Failure to comply with these anti- corruption laws and regulations could subject us to civil, criminal, and administrative penalties and harm our reputation. We are also subject to various U. S., international, and regional trade laws, including trade and economic sanctions and export controls, imposed by governments around the world with jurisdiction over our commerce with foreign customers. We are also subject to embargoes, sanctions, and trade and export controls imposed by the U. S. and other governments restricting or prohibiting sales to or transactions with specific persons or jurisdictions or the provision of certain items, based on their classification, to certain jurisdictions or persons or for certain end use purposes. Failure to comply with these embargoes, sanctions, and trade and export controls could subject us to civil, criminal, and administrative penalties and harm our reputation. These embargoes, sanctions, and trade and export controls can change rapidly with little to no notice, and therefore, our current and future offerings could become subject to heightened restrictions, which could increase our compliance costs and our risks of potential non- compliance in these areas. Risks of Being a Public Company Our management team has limited experience managing a public company. Most members of our management team have limited experience managing a publicly traded company, interacting with public company investors, and complying with the increasingly complex laws pertaining to public companies. Our management team may not successfully or efficiently manage being a public company that is subject to significant regulatory oversight and reporting obligations under the federal securities laws and the continuous scrutiny of securities analysts and investors. These new obligations and constituents will require significant attention from our senior management and could divert their attention away from the day- to- day management of our business, which could harm our business, results of operations and financial condition. The requirements of being a public company may strain our resources, divert management' s attention, and affect its ability to attract and retain qualified board members. As a public company listed in the U. S., we are subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the " Exchange Act "), the Sarbanes- Oxley Act of 2002 (the " Sarbanes- Oxley Act ") and any rules promulgated thereunder, as well as the rules of The New York Stock Exchange (" NYSE "). The requirements of these rules and regulations increase our legal and financial compliance costs, make some activities more difficult, time- consuming, or costly, and increase demand on its systems and resources. The Sarbanes- Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal controls for financial reporting. In order to maintain and, if required, improve our disclosure controls and procedures and internal control over financial reporting to meet this standard, significant resources and management oversight will be required and, as a result, management' s attention may be diverted from other business concerns. These rules and regulations can also make it more difficult for us to attract and retain qualified independent members of our board of directors. Additionally, these rules and regulations make it more difficult and more expensive for us to obtain director and officer liability insurance. We may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. The increased costs of compliance with public company reporting requirements and our potential failure to satisfy these requirements could have a material adverse effect on our operations, business, financial condition, or results of operations. We have identified material weaknesses in our internal control over financial reporting, resulting from pervasive control deficiencies in our process level controls. Failure to achieve and maintain effective internal control over financial reporting could result in our failure to accurately or timely report our financial condition or results of operations, which could have a material adverse effect on our business and stock price. We are required to comply with the SEC rules implementing Sections 302 and 404 of the Sarbanes- Oxley Act, which require management to certify financial and other information in our quarterly and annual reports and provide an annual management report on the effectiveness of our controls over financial reporting. ~~We Although we are required to disclose changes made in our internal controls and procedures on a quarterly basis, we were not required to make an our first annual assessment of our internal controls over financial reporting pursuant to Section 404 until this Annual Report on Form 10- K for the fiscal year ending December 31, 2022.~~ This assessment includes disclosure of certain material weaknesses identified by our management in our internal control over financial reporting. Our independent registered public accounting firm will not be required to attest to the effectiveness of our internal control over financial reporting until our first annual report required to be filed with the SEC, following the later of the date we are deemed to be an " accelerated filer " or a " large accelerated filer, " each as defined in the Exchange Act, or the date we are no longer an emerging growth company, as defined in the Jumpstart Our Business Startups Act of 2012 (" JOBS") Act. ~~As previously disclosed in our Quarterly Reports on Form 10- Q filed with the SEC during 2022, we identified material weaknesses in our internal control over financial reporting. During 2022 we implemented remediation measures related to the previously disclosed material weaknesses and concluded that these have been remediated. As of December 31, 2022-2023,~~ based on the Company' s implementation of a structured internal controls design and testing process during ~~2022-2023~~, we have identified material weaknesses in certain components of the 2013 COSO framework, including the control environment and control activities. • **Our information technology general controls intended to restrict access to data and application were not adequate resulting in appropriate access and improper segregation of duties at both the system (pervasive) and end user levels across multiple locations. Management determined that ineffective information technology general controls represent a material weakness.** • A comprehensive system of formal policies, procedures and controls has not been fully designed or implemented to ensure appropriate document retention and achieve complete, accurate and timely financial accounting, reporting and disclosures. **Management determined that the ineffective pervasive controls represent a material weakness.** • Management determined that the Company has design deficiencies over revenue and expenditures, specifically around (i) customer and supplier onboarding; (ii) document retention; and (iii) a lack of evidence to support control performance. Management determined that the collective ineffective controls over revenue and expenditures constitute a material weakness. • Management determined that the Company did not maintain effective controls over the completeness, existence, accuracy, and presentation and disclosure of the accounting for income taxes and related liabilities, including (i) quarterly and year- end income tax

provision and reporting; (ii) significant transactions and business events; (iii) uncertain tax positions; (iv) the Tax-tax Receivable receivable Agreement-agreement liability valuation derived from our Up- C tax structure; (v) and tax related disclosures. Management determined that the ineffective controls over income tax accounting constitute a material weakness. • Management determined that the Company has design deficiencies over the completeness, accuracy, existence, and presentation and disclosure of inventory. Specifically, we did not maintain effective controls related to (i) validation of the inventory costing, including unit of measure; (ii) consistent verification of inventory existence throughout the year on a timely basis; and (iii) reconciliation of inventory accounts. Management determined that the ineffective controls over inventory accounting constitute a material weakness. A “material weakness” is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our consolidated financial statements will not be prevented or detected on a timely basis. The Company has a remediation plan for the identified material weaknesses that will dedicate resources and priority to accounting and finance reporting controls over revenue, expenditures, income taxes, and inventory. The remediation actions are subject to ongoing senior management review, as well as Audit Committee oversight. The Company will not be able to conclude whether the steps to be taken will fully remediate the material weaknesses in internal controls over financial reporting until remediation efforts are completed, tested, and evaluated for effectiveness. Until these weaknesses are remediated, the Company plans to continue to perform additional analyses and other mitigating procedures to ensure that the consolidated financial statements are prepared in accordance with U. S. GAAP. The CORE Investors have substantial influence over our management and policies, and their interests may conflict with ours or yours in the future. The CORE investors have entered into a Support Agreement with the Company in connection with our pending merger which will ensure stockholder approval of the Merger Agreement and Merger at the pending special stockholders meeting. CORE Industrial Partners Fund I, L. P. and CORE Industrial Partners Fund I Parallel, L. P. (the “CORE Investors”) beneficially own approximately 63-62.46 % of our Class A common stock and Class B common stock, which generally vote together as a single class on matters submitted to a vote of our stockholders, including the election of directors. As a result, the CORE Investors have the ability to influence our business and affairs through their ability to control matters generally submitted to our stockholders for approval, including the election of directors, “negative control” rights through their ownership of our common stock combined with certain supermajority voting provisions of our certificate of incorporation (our “Charter”) and amended and restated bylaws (our “Bylaws”), and the provisions in the Investor Rights Agreement described below. If the other holders of our Class A common stock are dissatisfied with the performance of our board of directors, they have no ability to remove any of our directors, unless for cause and then only upon the affirmative vote of holders of 66- 2/3 % of our outstanding Class A common stock and Class B common stock, voting as a single class. The CORE Investors and their managing partner, an affiliate of CORE Industrial Partners, entered into a Support Agreement with Fathom and Parent pursuant to which, among other things, the CORE Investors have agreed to take certain actions required by Fathom subject to the terms, conditions and limitations set forth therein, including to (i) vote all shares of Fathom Common Stock beneficially owned by the CORE Investors in favor of the Merger Agreement and the Merger at the pending special stockholders meeting to consider and approve the Merger Agreement and the Merger, (ii) not exercise dissenters’ rights, appraisal rights or vote in favor of an alternative proposal or other action that would reasonably be expected to prevent, interfere with, adversely affect or delay the Merger and (iii) not sell, assign, transfer, encumber or otherwise dispose of any shares of Fathom held by the CORE Investors, or enter into any contract, option or other arrangement or understanding with respect to the sale, assignment, transfer, encumbrance or other disposition of any shares of Fathom Common Stock held by the CORE Investors, other than as provided under certain customary exceptions. Accordingly, the Support Agreement is expected to result in a majority of outstanding shares of Fathom Common Stock being voted in favor of the proposal to approve and adopt the Merger Agreement at the pending special stockholders meeting, with the result that such proposal will be adopted. In addition, in connection with Fathom OpCo’s previous business combination with Altimar Acquisition Corp. II (the “Business Combination”), we entered into the Investor Rights Agreement with the CORE Investors which provides for an initial ten- person board of directors, consisting of nine individuals designated by the CORE Investors, and one independent director mutually agreed by the CORE Investors and Altimar the Sponsor H, LLC (the “Sponsor”). The CORE Investors have certain continued nomination rights for a number of directors ranging from the majority of the board of directors to one director, while they beneficially own shares of common stock in excess of certain ownership percentage of the amount owned by the CORE Investors at the closing of the Business Combination (“Closing”), as determined in accordance with the Investor Rights Agreement. In addition, for so long as the CORE Investors beneficially own shares of common stock representing at least 5 % of the amount owned by the CORE Investors at Closing, the CORE Investors will have the right to designate a person to attend meetings of our board (including any meetings of any committees thereof) in a non-voting observer capacity. See “Certain Relationships and Related Party Transactions, and Director Independence—Investor Rights Agreement” in our proxy statement for our 2023 annual meeting of stockholders which is expected to be filed with the SEC on or before May 1, 2023, for more details with respect to the Investor Rights Agreement. The CORE Investors and their affiliates engage and will continue to engage in a broad spectrum of activities, including investments in the manufacturing and industrial industries generally, and engage and may continue to engage in the same or similar activities or related lines of business as those in which we are engaged or may engage in, directly or indirectly. In the ordinary course of their business activities, the CORE Investors and their affiliates may engage in activities in which their interests conflict with our interests or those of our other shareholders, such as investing in or advising businesses that directly or indirectly compete with certain portions of our business or are suppliers or partners of ours. Our Charter provides that none of the CORE Investors, any of their affiliates or any director who is not employed by us (including any non- employee director who serves as one of our officers in both his director and officer capacities) or its affiliates will have any duty to refrain from engaging, directly or indirectly, in the same business activities or similar business activities or lines of business in which we operate. The CORE Investors and their

affiliates also may pursue acquisition opportunities that may be complementary to our business, and, as a result, those acquisition opportunities may not be available to us. In addition, the CORE Investors and their affiliates may have an interest in pursuing acquisitions, divestitures, and other transactions that, in their judgment, could enhance their investment, even though such transactions might involve risks to you. Because we are a “controlled company” for purposes of the corporate governance requirements of the NYSE, our stockholders will not have, and may never have, the protections that these corporate governance requirements are intended to provide. Because we are a “controlled company” for purposes of the corporate governance requirements of the NYSE, we are not required to comply with the provisions requiring that a majority of our directors be independent, the compensation of our executives be determined by independent directors or nominees for election to our board of directors be selected by independent directors. If we choose to take advantage of any or all of these exemptions, our stockholders may not have the protections that these rules are intended to provide. Under SEC Rules, we are an “emerging growth company” and a “smaller reporting company” and the reduced SEC disclosure requirements applicable to emerging growth companies and smaller reporting companies may make our common stock less attractive to investors. We are an emerging growth company, as defined in the Jumpstart Our Business Startups (“JOBS”) Act. As an emerging growth company, we may follow reduced disclosure requirements and do not have to make all of the disclosures that public companies that are not emerging growth companies do. We will remain an emerging growth company until the earlier of (a) the last day of the fiscal year in which we have total annual gross revenues of \$ 1.235 billion or more (as adjusted for inflation); (b) the last day of the fiscal year following the fifth anniversary of the date of the completion of the initial public offering of Fathom; (c) the date on which we have issued more than \$ 1.0 billion in nonconvertible debt during the previous three years; or (d) the date on which we are deemed to be a “large accelerated filer” under the rules of the SEC, which means the market value of our common stock that is held by non-affiliates exceeds \$ 700 million as of the prior June 30. For so long as we remain an emerging growth company, we are permitted and intend to rely on exemptions from certain disclosure requirements that are applicable to other public companies that are not emerging growth companies. These exemptions include: • not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act; • not being required to comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor’s report providing additional information about the audit and the financial statements (i.e., an auditor discussion and analysis); • reduced disclosure obligations regarding executive compensation in our periodic reports, proxy statements and registration statements; and • exemptions from the requirements of holding a nonbinding advisory vote of stockholders on executive compensation, stockholder approval of any golden parachute payments not previously approved and having to disclose the ratio of the compensation of our chief executive officer to the median compensation of our employees. In addition, the JOBS Act provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards. This allows an emerging growth company to delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to use the extended transition period for complying with new or revised accounting standards; and as a result of this election, our financial statements may not be comparable to companies that comply with public company effective dates for any such new or revised accounting standards. We may choose to take advantage of some, but not all, of the available exemptions for emerging growth companies. We cannot predict whether investors will find our common stock less attractive if we rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our share price may be more volatile. In order to satisfy our obligations as a public company, we have hired, and may need to hire additional qualified accounting and financial personnel with appropriate public company experience. As a public company, we must establish and maintain effective disclosure and financial controls and make changes in our corporate governance practices. We have hired and may need to hire additional accounting and financial personnel with appropriate public company experience and technical accounting knowledge. It may be difficult to retain such personnel, or to recruit additional qualified personnel if needed. Our existing operating expenses and operations will be impacted by the direct costs of our employment of additional accounting and financial personnel and the indirect consequences related to the diversion of management resources from research and development efforts. The Company may be subject to securities litigation, which is expensive and could divert management attention. Following the Business Combination, the per share price of our Class A common stock or the price per Warrant has been volatile and, in the past, companies that have experienced volatility in the market price of their stock have been subject to securities litigation, including class action litigation. Litigation of this type could result in substantial costs and diversion of management’s attention and resources, which could have a material adverse effect on our business, financial condition, and results of operations. Any adverse determination in litigation could also subject the Company to significant liabilities. Because we became a publicly traded company by means other than a traditional underwritten initial public offering, the Company’s stockholders may face additional risks and uncertainties. Because we became a publicly traded company by means of consummating the Business Combination rather than by means of a traditional underwritten initial public offering, there was no independent third-party underwriter selling the shares of the Company’s Class A common stock or warrants to purchase shares of Class A common stock (“the Warrants”), and, accordingly, the Company’s stockholders do not have the benefit of an independent review and investigation of the type normally performed by an unaffiliated, independent underwriter in a public securities offering. Due diligence reviews typically include an independent investigation of the background of the company, any advisors and their respective affiliates, review of the offering documents and independent analysis of the plan of business and any underlying financial assumptions. Although Altimar II performed a due diligence review and investigation of Fathom in connection with the Business Combination, the lack of an independent due diligence review and investigation in connection with that process increases the risk of investment in the Company because Altimar II’s due diligence review and investigation may not have uncovered facts that would be important to a potential investor. In addition, because the Company did not become a publicly traded company by means of a traditional underwritten initial public offering,

security or industry analysts may not provide, or be less likely to provide, coverage of the Company. Investment banks may also be less likely to agree to underwrite secondary offerings on behalf of the Company than they might otherwise be if the Company became a publicly traded company by means of a traditional underwritten initial public offering because they may be less familiar with the Company as a result of more limited coverage by analysts and the media. The failure to receive research coverage or support in the market for the Company's Class A common stock could have an adverse effect on the Company's ability to develop a liquid market for the Company's Class A common stock. Risks Related to our Structure and Governance

Delaware law, our Charter and our Bylaws contain certain provisions, including anti-takeover provisions, which limit the ability of stockholders to take certain actions and could delay or discourage takeover attempts that stockholders may consider favorable. Our Charter and the Delaware General Corporation Law ("DGCL") contain provisions that could have the effect of rendering more difficult, delaying, or preventing an acquisition deemed undesirable by our board of directors and therefore depress the trading price of Fathom's Class A common stock. These provisions could also make it difficult for stockholders to take certain actions, including electing directors who are not nominated by the current members of our board of directors or taking other corporate actions, including effecting changes in management. Among other things, our Charter and Bylaws include provisions regarding:

- a classified board of directors with three-year staggered terms, which could delay the ability of stockholders to change the membership of a majority of our board;
- the ability of our board to issue shares of preferred stock, including "blank check" preferred stock and to determine the price and other terms of those shares, including preferences and voting rights, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquirer;
- the limitation of the liability of, and the indemnification of, Fathom's directors and officers;
- the right of our board to elect a director to fill a vacancy created by the expansion of our board or the resignation, death, or removal of a director, which prevents stockholders from being able to fill vacancies on our board;
- the requirement that directors may only be removed from our board for cause;
- the requirement that a special meeting of stockholders may be called only by our board or the chairman of our board, which could delay the ability of stockholders to force consideration of a proposal or to take action, including the removal of directors;
- controlling the procedures for the conduct and scheduling of our board and stockholder meetings;
- the ability of our board to amend the Bylaws, which may allow our board to take additional actions to prevent an unsolicited takeover and inhibit the ability of an acquirer to amend the Bylaws to facilitate an unsolicited takeover attempt; and
- advance notice procedures with which stockholders must comply to nominate candidates to our board or to propose matters to be acted upon at a stockholders' meeting, which could preclude stockholders from bringing matters before annual or special meetings of stockholders and delay changes in the composition of our board and also may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of the Company. These provisions, alone or together, could delay or prevent hostile takeovers and changes in control or changes in our board or management. In addition, as a Delaware corporation, Fathom generally is subject to provisions of Delaware law, including the DGCL, although Fathom has elected not to be governed by Section 203 of the DGCL. Any provision of our Charter, our Bylaws or Delaware law that has the effect of delaying or preventing a change in control could limit the opportunity for stockholders to receive a premium for their shares of Fathom's capital stock and could also affect the price that some investors are willing to pay for Fathom's common stock. In addition, the provisions of the Investor Rights Agreement, as described herein, provide the stockholders party thereto with certain board representation and other consent rights that could also have the effect of delaying or preventing a change in control. Our Charter designates the Court of Chancery of the State of Delaware as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by Fathom's stockholders, which could limit Fathom's stockholders' ability to obtain a favorable judicial forum for disputes with Fathom or its directors, officers, or other employees. The Charter provides that, unless Fathom consents in writing to the selection of an alternative forum, (a) any derivative action or proceeding brought on behalf of Fathom, (b) any action asserting a claim of breach of a fiduciary duty owed by any current or former director, officer, other employee, agent or stockholder of Fathom to Fathom or Fathom's stockholders, or any claim for aiding and abetting such alleged breach, (c) any action asserting a claim against Fathom or any current or former director, officer, other employee, agent or stockholder of Fathom (i) arising pursuant to any provision of the DGCL, our Charter (as it may be amended or restated) or our Bylaws or (ii) as to which the DGCL confers jurisdiction on the Delaware Court of Chancery or (d) any action asserting a claim against Fathom or any current or former director, officer, other employee, agent or stockholder of Fathom governed by the internal affairs doctrine of the law of the State of Delaware shall, as to any action in the foregoing clauses (a) through (d), to the fullest extent permitted by law, be solely and exclusively brought in the Delaware Court of Chancery; provided, however, that the foregoing shall not apply to any claim arising under federal securities laws, including the Securities Act as to which the federal district courts of the United States of America shall, to the fullest extent permitted by law, be the sole and exclusive forum. Notwithstanding the foregoing, the provisions of Article XI of our Charter will not apply to suits brought to enforce any liability or duty created by the Exchange Act, or any other claim for which the federal district courts of the United States of America shall be the sole and exclusive forum. Further, Section 22 of the Securities Act of 1933, as amended ("Securities Act"), creates concurrent jurisdiction for federal and state courts over all suits brought to enforce any duty or liability created by that act or the rules and regulations thereunder. Accordingly, there is uncertainty as to whether a court would enforce this forum selection provision as written as to claims arising under the Securities Act. This choice-of-forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with Fathom or its directors, officers, stockholders, agents, or other employees, which may discourage such lawsuits. Alternatively, if a court were to find this provision of our Charter inapplicable or unenforceable with respect to one or more of the specified types of actions or proceedings, Fathom may incur additional costs associated with resolving such matters in other jurisdictions, which could materially and adversely affect Fathom's business, financial condition and results of operations and result in a diversion of the time and resources of Fathom's management and board of directors. Our Charter does not limit the ability of the CORE Investors to compete with us. The CORE Investors and

their affiliates engage in a broad spectrum of activities, including investments in the financial services and technology industries. In the ordinary course of their business activities, the CORE Investors and their affiliates may engage in activities where their interests conflict with Fathom's interests or those of its stockholders. Our Charter provides that none of the CORE Investors, any of their affiliates or any director who is not employed by Fathom (including any non-employee director who serves as one of its officers in both his director and officer capacities) or its affiliates will have any duty to refrain from engaging, directly or indirectly, in the same business activities or similar business activities or lines of business in which Fathom operates. The CORE Investors and their affiliates also may pursue, in their capacities other than as directors of Fathom, acquisition opportunities that may be complementary to Fathom's business, and, as a result, those acquisition opportunities may not be available to Fathom. In addition, the CORE Investors may have an interest in pursuing acquisitions, divestitures, and other transactions that, in their judgment, could enhance their investment, even though such transactions might involve risks to you. We are a holding company, and our only material asset is our interest in Fathom OpCo, and we are accordingly dependent upon distributions made by Fathom OpCo to pay dividends, taxes, and other expenses, including payments under the ~~Tax Receivable Agreement ("TRA")~~. We are a holding company with no material assets other than our Class A common units in Fathom OpCo ("New Fathom Units") which correspond on a one- to- one basis with the outstanding shares of our Class A common stock. As a result, Fathom has no independent means of generating revenue or cash flow. Our ability to pay taxes, and other expenses, including payments under the TRA, described in Note 21- Income Taxes within our consolidated financial statements, will depend on the financial results and cash flows of Fathom OpCo and its subsidiaries and the distributions we receive from Fathom OpCo. Deterioration in the financial condition, earnings, or cash flow of Fathom OpCo and its subsidiaries for any reason could limit or impair Fathom OpCo's ability to pay such distributions. Additionally, to the extent that we need funds and Fathom OpCo and / or its subsidiaries are restricted from making such distributions under applicable law or regulation or under the terms of any financing arrangements, or Fathom OpCo and / or its subsidiaries are otherwise unable to provide such funds, it could materially adversely affect Fathom's liquidity and financial condition. Subject to the discussion below, Fathom OpCo will continue to be treated as a partnership for U. S. federal income tax purposes and, as such, generally will not be subject to any entity- level U. S. federal income tax. Instead, taxable income will be allocated to holders of New Fathom Units. Accordingly, we will be required to pay income taxes on our allocable share of any net taxable income of Fathom OpCo. Under the terms of the Second Amended and Restated Limited Liability Company Agreement of Fathom Holdco, LLC, dated as of December 23, 2021 (the "Fathom Operating Agreement"), Fathom OpCo is obligated to make tax distributions to holders of the New Fathom Units (including us) calculated at certain assumed tax rates. In addition to tax expenses, we will also incur expenses related to our operations, including our payment obligations under the TRA, which likely will be significant, and some of which will be reimbursed by Fathom OpCo (excluding payment obligations under the TRA). We intend to cause Fathom OpCo to make ordinary distributions and tax distributions to holders of New Fathom Units on a pro rata basis in amounts sufficient to cover all applicable taxes, relevant operating expenses, payments by us under the TRA and dividends, if any, declared by us. However, as discussed above, Fathom OpCo's ability to make such distributions may be subject to various limitations and restrictions including, but not limited to, retention of amounts necessary to satisfy the obligations of Fathom OpCo and its subsidiaries and restrictions on distributions that would violate any applicable restrictions contained in Fathom OpCo's or its subsidiaries' debt agreements, or any applicable law, or that would have the effect of rendering Fathom OpCo or a subsidiary insolvent. To the extent that Fathom is unable to make payments under the TRA for any reason, such payments will be deferred and will accrue interest until paid; provided, however, that nonpayment for a specified period may constitute a breach of a material obligation under the ~~TRA Tax Receivable Agreement~~ and therefore accelerate payments under the TRA, which could be substantial. Additionally, although Fathom OpCo and its subsidiaries generally will not be subject to any entity- level U. S. federal income tax, they may be liable for audit adjustments to prior year tax returns, absent an election to the contrary. In the event Fathom OpCo's calculations of taxable income are incorrect, Fathom OpCo, its subsidiaries and / or their respective owners, including us, in later years may be subject to material liabilities as a result of such audits. If Fathom OpCo were treated as a corporation for U. S. federal income tax or state tax purposes, then the amount available for distribution by Fathom OpCo could be substantially reduced and the value of our common stock will likely be adversely affected. An entity that would otherwise be classified as a partnership for U. S. federal income tax purposes (such as Fathom OpCo) may nonetheless be treated as, and taxable as, a corporation if it is a "publicly traded partnership" unless an exception to such treatment applies. An entity that would otherwise be classified as a partnership for U. S. federal income tax purposes will be treated as a "publicly traded partnership" if interests in such entity are traded on an established securities market or interests in such entity are readily tradable on a secondary market or the substantial equivalent thereof. If Fathom OpCo were determined to be treated as a "publicly traded partnership" (and taxable as a corporation) for U. S. federal income tax purposes, Fathom OpCo would be taxable on its income at the U. S. federal income tax rates applicable to corporations and distributions by Fathom OpCo to its partners (including Fathom) could be taxable as dividends to such partners to the extent of the earnings and profits of Fathom OpCo. In addition, we would no longer have the benefit of increases in the tax basis of Fathom OpCo's assets as a result of exchanges of New Fathom Units for shares of Fathom Class A common stock. Pursuant to the Fathom Operating Agreement, the Exchange TRA Parties (as defined in the TRA) may, from time to time, subject to the terms of the Fathom Operating Agreement, exchange their interests in Fathom OpCo and have such interests redeemed by Fathom OpCo for cash or Fathom stock. While such exchanges could be treated as trading in the interests of Fathom OpCo for purposes of testing "publicly traded partnership" status, the Fathom Operating Agreement requires us to impose restrictions on exchanges that we determine to be necessary or advisable so that Fathom OpCo is not treated as a "publicly traded partnership" for U. S. federal income tax purposes. Accordingly, while such position is not free from doubt, Fathom OpCo is expected to be operated such that it is not treated as a "publicly traded partnership" taxable as a corporation for U. S. federal income tax purposes and we intend to take the position that Fathom OpCo is not so treated as a result of exchanges of its interests pursuant to the Fathom Operating Agreement. Pursuant to the TRA, we will be required to



make payments to Blocker TRA Parties and Exchange TRA Parties (each as defined in the ~~TRA Tax Receivable Agreement~~) for certain tax benefits we may claim, and those payments will likely be substantial. **If the pending merger is consummated, the TRA will automatically terminate in full without any tax benefit payments or early termination payment.** The Exchange TRA Parties (as defined in the TRA) may in the future exchange their New Fathom Units, together with the cancellation of an equal number of shares of Class B common stock, for shares of Fathom Class A common stock, or cash pursuant to the Fathom Operating Agreement. Such transactions are expected to result in increases in our allocable share of the tax basis of the tangible and intangible assets of Fathom OpCo and its subsidiaries. These increases in tax basis may increase (for income tax purposes) depreciation and amortization deductions and therefore reduce the amount of income or franchise tax that Fathom would otherwise be required to pay in the future had such sales and exchanges never occurred. Additionally, in connection with the closing of the Business Combination, we acquired the Blockers (as defined in the TRA) from the Blocker TRA Parties (as defined in the TRA). Certain tax assets and attributes of the Blockers may be available to reduce the amount of income or franchise tax that we would otherwise be required to pay in the future had we not acquired the Blockers. In connection with the Business Combination, we entered into the TRA, which generally provides for the payment by it of 85 % of the net cash savings, if any, in U. S. federal, state and local, income and franchise tax (computed using certain assumptions to address the impact of state and local taxes) that it actually realizes (or in certain cases is deemed to realize) as a result of tax basis in certain assets and other tax attributes of the Blockers and of Fathom at the time of the Business Combination (including as a result of any cash payments made to Fathom OpCo in exchange for New Fathom Units pursuant to the Business Combination), any increases in tax basis and other tax benefits related to the payment of cash consideration pursuant to the Business Combination Agreement and any increases in tax basis and other tax benefits resulting from any exchange of New Fathom Units for shares of Class A common stock or cash in the future and tax benefits related to entering into and making payments under the TRA. We will retain the benefit of the remaining 15 % of such tax savings. Payments under the TRA are our obligation not Fathom OpCo's. The actual increase in our allocable share of Fathom OpCo's tax basis in its assets, as well as estimating the amount and timing of any payments due to the TRA Parties based on future exchanges under the TRA, is by its nature, imprecise. For purposes of the TRA, savings in tax generally are calculated by comparing Fathom's actual tax liability (determined by using the actual applicable U. S. federal income tax rate and assumed combined state and local income tax rate) to the amount that Fathom would have been required to pay had it not been able to utilize any of the tax benefits subject to the TRA. The amounts payable, as well as the timing of any payments under the TRA will vary depending upon a number of factors, including the timing of exchanges, the market price of the Class A common stock at the time of the exchange, the extent to which such exchanges are taxable, the depreciation and amortization periods that will apply to any increases in tax basis, the U. S. federal income tax rate then applicable, and the amount and timing of the recognition of Fathom's income. ~~While many~~ **Many** of the factors that ~~will may~~ determine the amount of payments that we will make under the TRA are outside of its control. **As of December 31, we expect 2023, the Company determined that the making a future payments- payment under the TRA was not probable because the Company does not believe it will make have sufficient taxable income to utilize deductions of certain tax attributes that would generate cash savings in U. S. federal, state and local income tax or franchise tax to require a payment under the TRA will be substantial. As** At this time, we estimate that the total amount of future tax benefit payments anticipated to be made in the future as a result of, the tax basis- **Company remeasured the TRA liability at zero in the consolidated balance sheets and recorded a gain of Fathom as \$ 28, 270 in the consolidated statements of operations for the fiscal year ended** December 31, 2022-2023 will be \$ 35. 2 million. The amount of these payments is based upon the assumptions that (i) there are no changes in future income tax rates or tax laws, (ii) Fathom is able to fully utilize tax attributes arising in connection with the Business Combination in future tax periods, and (iii) there is no acceleration of amounts due under the TRA on account of early termination. Any payments made by us under the TRA will generally reduce the amount of overall cash flow that might have otherwise been available to us. To the extent that we are unable to make timely payments under the TRA for any reason, the unpaid amounts will be deferred and will accrue interest until paid; however, nonpayment for a specified period may constitute a breach of a material obligation under the TRA and therefore accelerate payments due under the TRA, as further described below. Furthermore, our future obligation to make payments under the TRA could make us a less attractive target for an acquisition, particularly in the case of an acquirer that cannot use some or all of the tax benefits that may be realized or deemed realized under the TRA. **On February 16 See** ~~Certain Relationships and Related Transactions, 2024, and Director Independence~~ **in connection with the execution of the merger agreement, the TRA was amended by the Company, Fathom OpCo and the other parties signatory to the amendment. As so amended, the TRA will automatically terminate in full without any payment, including any Tax Benefit Payment Receivable Agreement." in our- or proxy statement for our 2023 annual meeting Early Termination Payment (each capitalized term as defined in the TRA), upon the consummation of stockholders which the merger, and the merger will not constitute a Change of Control (as defined in the TRA) thereunder. The consummation of the merger is expected subject to the satisfaction or waiver (if permitted) of certain conditions as set forth in the merger agreement, and there is no assurance that the merger will be consummated** filed with the SEC on or before May 1, 2023 **upon the timetable presently contemplated**. In certain cases, payments under the TRA may exceed the actual tax benefits Fathom realizes or be accelerated. Payments under the TRA will be based on the tax reporting positions that Fathom determines under the procedures and assumptions set forth in the TRA, and the U. S. Internal Revenue Service (" IRS") or another taxing authority may challenge all or any part of the tax basis increases, as well as other tax positions that Fathom takes, and a court may sustain such a challenge. In the event that any tax benefits initially claimed by Fathom are disallowed, the Exchange TRA Parties and the Blocker TRA Parties (each as defined in the TRA) will not be required to reimburse Fathom for any excess payments that may previously have been made under the TRA, for example, due to adjustments resulting from examinations by taxing authorities. Rather, excess payments made to such holders will be netted against any future cash payments otherwise

required to be made by Fathom under the TRA, if any, after the determination of such excess. However, a challenge to any tax benefits initially claimed by Fathom may not arise for a number of years following the initial time of such payment or, even if challenged early, such excess cash payment may be greater than the amount of future cash payments that Fathom might otherwise be required to make under the terms of the TRA and, as a result, there might not be future cash payments against which to net. Actual tax benefits realized by Fathom may differ from tax benefits calculated under the TRA as a result of the use of certain assumptions in the TRA, including the use of an assumed weighted- average state and local income tax rate to calculate tax benefits. As a result, in certain circumstances Fathom could make payments under the TRA in excess of Fathom's actual income or franchise tax savings, which could materially impair Fathom's financial condition. Moreover, the TRA provides that, in certain events, including a change of control, breach of a material obligation under the TRA, or Fathom's exercise of early termination rights, Fathom's obligations under the TRA will accelerate and Fathom will be required to make a lump- sum cash payment to the Exchange TRA Parties and the Blocker TRA Parties and other applicable parties to the TRA equal to the present value of all forecasted future payments that would have otherwise been made under the TRA, which lump- sum payment would be based on certain assumptions, including those relating to Fathom's future taxable income. The lump- sum payment would likely be substantial and could exceed the actual tax benefits that Fathom realizes subsequent to such payment because such payment would be calculated assuming, among other things, that Fathom would have certain tax benefits available to it and that Fathom would be able to use the potential tax benefits in future years. Assuming no material changes in the relevant tax law, we expect that if we experienced a change of control or the TRA had been terminated at December 31, 2022-2023, the estimated lump- sum payment would be approximately \$ 43-36. 8-9 million (calculated using a discount rate equal to a per annum rate of LIBOR plus 100 basis points, applied against an undiscounted liability of approximately \$ 78-60. 9 million). There may be a material negative effect on Fathom's liquidity if the payments required to be made by Fathom under the TRA exceed the actual income or franchise tax savings that Fathom realizes. Furthermore, Fathom's obligations to make payments under the TRA could also have the effect of delaying, deferring, or preventing certain mergers, asset sales, other forms of business combinations or other changes of control. Fathom OpCo may directly or indirectly make distributions of cash to us substantially in excess of the amounts we use to make distributions to our stockholders and pay our expenses (including our taxes and payments by Fathom under the TRA). To the extent we do not distribute such excess cash as dividends to our shareholders, the direct or indirect holders of New Fathom Units would benefit from any value attributable to such cash as a result of their ownership of our stock upon an exchange of their New Fathom Units. We are entitled to receive a pro rata portion of any distributions made by Fathom OpCo. Any cash received from such distributions will first be used to satisfy any tax liability and then to make any payments required to be made by Fathom under the TRA. Subject to having available cash and subject to limitations imposed by applicable law and contractual restrictions, the Fathom Operating Agreement requires Fathom OpCo to make certain distributions to holders of New Fathom Units (including Fathom) pro rata to facilitate the payment of taxes with respect to the income of Fathom OpCo that is allocated to them. To the extent that the tax distributions we directly or indirectly receive exceed the amounts we actually require to pay taxes, TRA payments and other expenses (which is likely to be the case given that the assumed tax rate for such distributions will generally exceed our effective tax rate), we will not be required to distribute such excess cash. Our board of directors may, in its sole discretion, choose to use such excess cash for certain purposes, including to make distributions to the holders of our stock. Unless and until our board of directors chooses, in its sole discretion, to declare a distribution, we will have no obligation to distribute such cash (or other available cash other than any declared dividend) to our stockholders. No adjustments to the exchange ratio of New Fathom Units for shares of our common stock will be made as a result of either (i) any cash distribution by us or (ii) any cash that we retain and do not distribute to our stockholders. To the extent we do not distribute such cash as dividends and instead, for example, hold such cash balances or use such cash for certain other purposes, this may result in shares of our stock increasing in value relative to the New Fathom Units. The holders of New Fathom Units may benefit from any value attributable to such cash balances if they acquire shares of our stock in an exchange of New Fathom Units. **If our pending merger is consummated, the Warrants will automatically cease to represent a Warrant exercisable for Class A common stock and will become a Warrant exercisable for the per share merger consideration in the merger. In the event that the our pending merger is consummated, then, at the effective time of the merger, each outstanding Warrant will, in accordance with its terms, automatically and without any required action on the part of the holder thereof or any other person, cease to represent a Warrant exercisable for Class A common stock and will become a Company Warrant exercisable for the per share merger consideration for Class A common stock in the merger of \$ 4. 75 in cash (the " Per Share Price "). If following consummation of our merger a Registered Holder (as defined in the Warrant Agreement) properly exercises a Warrant within thirty (30) days following the public disclosure of the consummation of the merger pursuant to a Current Report on Form 8- K filed with the SEC, the Warrant Price (as defined in the Warrant Agreement) with respect to such exercise will be reduced by an amount (in dollars) equal to the difference of (i) the Warrant Price in effect prior to such reduction minus (ii) (A) the Per Share Price (but in no event less than zero) minus (B) the Black- Scholes Warrant Value (as defined in the Warrant Agreement). The merger agreement is subject to customary closing conditions and there is no assurance that the merger will be consummated.** We may amend the terms of the Warrants in a manner that may be adverse to holders of Public Warrants with the approval by the holders of at least 50 % of the then outstanding Public Warrants. As a result, the exercise price of the Warrants could be increased, the exercise period could be shortened and the number of shares of Class A common stock purchasable upon exercise of a Warrant could be decreased, all without approval of each Warrant affected. Our Warrants were issued in registered form under a Warrant Agreement between Continental Stock Transfer and Trust Company, as Warrant Agent, and us. The Warrants collectively consist of (i) 9, 900, 000 warrants to purchase one of Altimar II' s Class A ordinary shares acquired by the Sponsor in a private placement simultaneously with the closing of the Altimar II IPO (the " Private Placement Warrants") and (ii) 8, 625, 000 warrants issued in the Altimar II IPO, entitling the holder

thereof to purchase one of Altmar II's Class A ordinary shares (the "Public Warrants" and, collectively with the Private Placement Warrants, the "Warrants"). Upon closing of the Business Combination, the shares issuable upon exercise of the Private Placement Warrants and the Public Warrants became shares of Fathom's Class A common stock. The Warrant Agreement provides that the terms of the Warrants may be amended without the consent of any holder to cure any ambiguity or correct any defective provision, but requires the approval by the holders of at least 50 % of the then outstanding Public Warrants to make any change that adversely affects the interests of the registered holders of Public Warrants. Accordingly, we may amend the terms of the Public Warrants in a manner adverse to a holder if holders of at least 50 % of the then outstanding Public Warrants approve of such amendment. Although our ability to amend the terms of the Public Warrants with the consent of at least 50 % of the then outstanding Public Warrants is unlimited, examples of such amendments could be amendments to, among other things, increase the exercise price of the Warrants, convert the Warrants into cash, shorten the exercise period or decrease the number of shares of Class A common stock, as applicable, purchasable upon exercise of a Warrant. ~~We may redeem unexpired Warrants prior to their exercise at a time that is disadvantageous to holders of Warrants, thereby making such Warrants worthless. We have the ability to redeem outstanding Warrants at any time after they become exercisable and prior to their expiration, at a price of \$ 0.01 per Warrant, provided that the last sale price of our Class A common stock equals or exceeds \$ 18.00 per share (as adjusted for share splits, share capitalizations, reorganizations, recapitalizations and the like) on each of 20 trading days within a 30 trading day period ending on the third trading day prior to the date on which notice of such redemption is given. We will not redeem the Warrants unless an effective registration statement under the Securities Act covering the Class A common stock, issuable upon exercise of the Warrants is effective and a current prospectus relating to the Class A common stock, is available throughout the 30-day redemption period, except if the Warrants may be exercised on a cashless basis and such cashless exercise is exempt from registration under the Securities Act. If and when the Warrants become redeemable by us, we may exercise our redemption right even if we are unable to register or qualify the underlying securities for sale under all applicable state securities laws. Redemption of the outstanding Warrants could force holders thereof to (i) exercise Warrants and pay the exercise price therefor at a time when it may be disadvantageous for such holders to do so, (ii) sell Warrants at the then-current market price when such holders might otherwise wish to hold Warrants or (iii) accept the nominal redemption price which, at the time the outstanding Warrants are called for redemption, is likely to be substantially less than the market value of such Warrants. None of the Private Placement Warrants will be redeemable by us so long as they are held by their initial purchasers or their permitted transferees. In addition, we may redeem Warrants after they become exercisable for a number of shares of Class A common stock determined based on the redemption date and the fair market value of our Class A common stock. Any such redemption may have similar consequences to a cash redemption described above. In addition, such redemption may occur at a time when the Warrants are "out-of-the-money," in which case holders thereof would lose any potential embedded value from a subsequent increase in the value of the Class A common stock had such Warrants remained outstanding. We will receive up to an aggregate of approximately \$ 213.0 million from the exercise of the Warrants, assuming the exercise in full of all 18,525,000 Warrants for cash. We will have broad discretion over the use of proceeds from the exercise of the Warrants. We expect to use the net proceeds from the exercise of the Warrants, if any, for general corporate purposes. There is no assurance that the holders of the Warrants will elect to exercise any or all of such Warrants. To the extent that the Warrants are exercised on a "cashless basis," the amount of cash we would receive from the exercise of the Warrants will decrease. The volatility in our stock price directly impacts the valuation of our Warrants, and the earnout shares and could increase the volatility in our net income (loss) in our consolidated statements of comprehensive income (loss). The change in fair value of our Warrants and earnout shares is the result of changes in the price of our Class A common stock at each reporting period. The change in fair value of Warrants, Fathom earnout share liabilities, and Sponsor earnout share liabilities represents the mark-to-market fair value adjustments of these instruments in connection with the Business Combination. Significant changes in our stock price may adversely affect our net income (loss) in our consolidated statements of comprehensive income (loss). Risks Relating to the Ownership of Our Common Stock There can be no assurance that we will be able to remain in compliance with the continued listing standards of the NYSE. On March 29, 2023, we were notified by the NYSE that the average closing price of our Class A common stock over a prior 30 consecutive trading day period was below \$ 1.00 per share, which is the minimum average closing price per share required to maintain listing on the NYSE under Section 802.01C of the NYSE Listed Company Manual ("Section 802.01C"). Under Section 802.01C, we **have had** a period of six months following the receipt of this notice to regain compliance with the minimum share price requirement, or until our next annual meeting of stockholders if stockholder approval is required to cure the share price non-compliance, as would be the case to effectuate a reverse stock split. **We can. Under the applicable NYSE rules, we could** regain compliance at any time during the six-month cure period if on the last trading day of any calendar month during the cure period, the Common Stock has (i) a closing price of at least \$ 1.00 per share and (ii) an average closing price of at least \$ 1.00 per share over the 30-trading day period ending on the last trading day of such month. **In order** As required by the NYSE, we intend to timely respond to the NYSE with respect to **our intent to cure the deficiency** to regain compliance with the NYSE's price criteria, **and after obtaining stockholder approval at our 2023 annual meeting, we completed a 1-for-20 reverse stock split of our Class A common stock and Class B common stock on September 28, 2023, and trading of our Class A common stock on an as split basis commenced on the NYSE on September 29, 2023. We cannot** In its letter to us dated October 5, 2023, the NYSE confirmed that the **Company had regained compliance with its minimum share price criteria as of October 4, 2023. There is no assure assurance you** that we will **not violate** be able to regain compliance with the NYSE's **minimum** share price criteria **in the future**. In addition, our common stock could also be delisted if (i) our average market capitalization over a consecutive 30 trading-day period is less than \$ 15 million, or (ii) our common stock trades at an "abnormally low" price. In either case, our common stock would be suspended from trading on the NYSE immediately, and the NYSE would begin the process to delist our common stock, subject to our right to appeal under NYSE rules. Additionally, the NYSE considers a listed company to be~~

out of compliance with its continued listing standards if the company's average global market capitalization over a 30 consecutive trading-day period is less than \$ 50. 0 million and, at the same time, the company's stockholders' equity is less than \$ 50. 0 million. If the company does not regain compliance within a cure period up to a maximum of 18 months, it will be subject to delisting. If any of these were to occur, there is no assurance that any appeal we undertake in these or other circumstances would be successful, nor is there any assurance that we will remain in compliance with the other NYSE continued listing standards. If we fail to satisfy the NYSE's continued listing standards, our common stock will be subject to delisting. Delisting from the NYSE would likely have a negative effect on the liquidity and market price of our common stock, reduce the number of investors willing to hold or acquire our common stock, limit or reduce the amount of analyst coverage we receive, and impair your ability to sell or purchase our common stock when you wish to do so. In addition, a delisting from the NYSE might negatively impact our reputation and, as a consequence, our business. Additionally, if we were delisted from the NYSE and we are not able to list our common stock on another national exchange we will not be eligible to use Form S- 3 registration statements, which would delay our ability to raise funds in the future, limit the type of offerings of common stock we could undertake, and increase the expenses of any offering. In the event of a delisting of our common stock, we can provide no assurance that any action taken by us to restore compliance with listing requirements would allow our securities to become listed again, stabilize the market price or improve the liquidity of our common stock, prevent our common stock from dropping below the NYSE minimum share price requirement or prevent future non-compliance with the NYSE's listing standards. Additionally, if our common stock is not listed on, or becomes delisted from, the NYSE for any reason, and is quoted on the OTC Bulletin Board, an inter-dealer automated quotation system for equity securities that is not a national securities exchange, the liquidity and price of our common stock may be more limited than if we were quoted or listed on the NYSE or another national securities exchange. You may be unable to sell your common stock unless a market can be established or sustained. Our operating results and financial condition may fluctuate on a quarterly and annual basis. Our operating results and financial condition fluctuate from quarter-to-quarter and year-to-year and are likely to continue to vary due to a number of factors, many of which are not within our control. Both our business and the digital manufacturing industry are changing and evolving rapidly, and our historical operating results may not be useful in predicting our future operating results. If our operating results do not meet the guidance that we provide to the marketplace or the expectations of securities analysts or investors, the market price of our common stock will likely decline. Fluctuations in our operating results and financial condition may be due to a number of factors, including: • the degree of market acceptance of digital manufacturing and, specifically, our services; • our ability to compete with competitors and new entrants into our markets; • the mix of offerings that we sell during any period; • the timing of our sales and deliveries of our offerings to customers; • the geographic distribution of our sales; • changes in our pricing policies or those of our competitors, including our response to price competition; • changes in the amount that we spend to develop and manufacture new technologies; • changes in the amounts that we spend to promote our services; • expenses and / or liabilities resulting from litigation; • delays between our expenditures to develop and market new or enhanced solutions and the generation of revenue from those solutions; • unforeseen liabilities or difficulties in integrating our acquisitions or newly acquired businesses; • disruptions to our information technology systems; • general economic and industry conditions that affect customer demand; ~~• the impact of the COVID-19 pandemic on our customers, suppliers, manufacturers, and operations; and~~ • changes in accounting rules and tax laws. In addition, our revenues and operating results may fluctuate from quarter-to-quarter and year-to-year due to our sales cycle and seasonality among our customers. Generally, our digital manufacturing solutions are subject to the adoption and capital expenditure cycles of our customers. Additionally, for our more complex solutions, which may require additional facilities investment, potential customers may spend a substantial amount of time performing internal assessments prior to making a purchase decision. This may cause us to devote significant effort in advance of a potential sale without any guarantee of receiving any related revenues. As a result, revenues and operating results for future periods are difficult to predict with any significant degree of certainty, which could lead to adverse effects on our inventory levels and overall financial condition. Due to the foregoing factors, and the other risks discussed in this Part I, Item 1A: " Risk Factors " and elsewhere in this Annual Report, you should not rely on quarter-over-quarter and year-over-year comparisons of our operating results as an indicator of our future performance. Our stock price has been and may continue to be volatile or may decline regardless of our operating performance. You may lose some or all of your investment. The trading price of our common stock has been and may continue to be volatile. The stock market recently has experienced extreme volatility. This volatility **has** often ~~has~~ been unrelated or disproportionate to the operating performance of particular companies. You may not be able to resell your shares at an attractive price due to a number of factors such as those described in this " Risk Factors " section and the following: ~~• the impact of the COVID-19 pandemic on our financial condition and the results of operations;~~ • our operating and financial performance and prospects; • our quarterly or annual earnings or those of other companies in our industry compared to market expectations; • conditions that impact demand for our services; • future announcements concerning our business, our customers' businesses, or our competitors' businesses; • the public's reaction to our press releases, other public announcements, and filings with the SEC; • the market's reaction to our reduced disclosure and other requirements as a result of being an " emerging growth company " under the JOBS Act or a " smaller reporting company " under SEC rules; • the size of our public float; • coverage by or changes in financial estimates by securities or industry analysts or failure to meet their expectations; • market and industry perception of our success, or lack thereof, in pursuing our growth strategy; • strategic actions by us or our competitors, such as acquisitions or restructurings; • changes in laws or regulations which adversely affect the manufacturing industry generally or the digital manufacturing industry or Fathom specifically; • changes in accounting standards, policies, guidance, interpretations, or principles; • changes in our senior management or key personnel; • issuances, exchanges, or sales, or expected issuances, exchanges, or sales of our capital stock; • changes in our dividend policy; • adverse resolution of new or pending litigation against us; and • changes in general market, economic and political conditions in the U. S. and global economies or financial markets, including those resulting from government policies, interest rate changes, pandemics, natural

disasters, terrorist attacks, acts of war or other military conflicts, and responses to such events. Furthermore, the trading price of our Class A common stock may be adversely affected by third parties trying to drive down the market price. Short sellers and others, some of whom post anonymously on social media, may be positioned to profit if our stock declines and their activities can negatively affect our stock price. These broad market, industry and other factors may materially reduce the market price of our common stock, regardless of our operating performance. In addition, price volatility may be greater if the public float and trading volume of our common stock continues to be low. As a result, you may suffer a loss on your investment. If securities or industry analysts publish inaccurate or unfavorable research or reports about our business, our stock price and trading volume could decline. The trading market for our common stock depends, in part, on the research and reports that third- party securities analysts publish about us and the industry in which we operate. We may be unable or slow to attract research coverage and if one or more analysts cease coverage of us, the price and trading volume of our securities would likely be negatively impacted. If any of the analysts that may cover us change their recommendation regarding our common stock adversely, or provide more favorable relative recommendations about our competitors or publish inaccurate research or reports, the price of our common stock would likely decline. If any analyst that may cover us ceases covering us or fails to regularly publish reports on us, we could lose visibility in the financial markets, which could cause the price or trading volume of our common stock to decline. Moreover, if one or more of the analysts who cover us downgrades our common stock, or if our reporting results do not meet their expectations, the market price of our common stock could decline. **32**