

Risk Factors Comparison 2025-02-25 to 2024-02-29 Form: 10-K

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An investor should carefully consider the risks described below, as well as other information contained in this Report and in LivaNova's other filings with the SEC. The Company's business, results of operations, cash flows, and financial condition could be materially and adversely affected by any such risks or uncertainties. Additional risks and uncertainties not presently known to the Company or that the Company currently believes to be immaterial may also adversely affect its business. Risks Relating to the Company's Business and Operations LivaNova is subject to the risks of conducting business internationally. LivaNova designs, develops, manufactures, markets, and sells products **and therapies** globally, and the Company intends to continue to pursue growth opportunities worldwide. LivaNova's international operations are subject to risks that are inherent in conducting business globally ~~and under non-US laws, regulations and customs~~. These risks, many of which LivaNova has experienced first-hand, include ~~higher danger of terrorist activity, war, or civil unrest; greater exposure to inflation; volatility in freight and labor costs; fluctuating interest and exchange rates; evolving sanctions;~~ increased exposure to cyber-attacks and supply chain challenges; **trade protection measures such as tariffs, evolving sanctions, and import and export licensing requirements**; changing energy prices; local product changes and compliance requirements; longer ~~payments~~ **payment** terms and collection times for receivables in local jurisdictions; difficulty enforcing agreements; greater exposure to creditworthiness of customers and inconsistent local law enforcement of obligations; ~~trade protection measures and import and export licensing requirements;~~ ensuring compliance with anti-bribery laws; ~~different~~ **differing** labor regulations and workforce instability; ~~selling its products through~~ **by way of** distributors and agents; and political and economic instability. **Many of these risks are rapidly evolving and subject to an accelerating pace of change**. Conflicts, for example, including those in Ukraine and the Middle East, have caused the Company to assess its ability to source materials, **manage transportation costs**, sell product, collect payment, and comply with international sanctions ~~in the aforementioned markets~~. These conflicts have increased economic and regulatory uncertainties, and a significant escalation or continuation of these conflicts could have a material impact on the Company's operating results. Certain of LivaNova's subsidiaries ~~have are~~ **are** engaged in business dealings in countries subject to comprehensive sanctions, including Iran, ~~Sudan and Syria in addition to Russia and Belarus~~. These business dealings represent an insignificant amount of LivaNova's consolidated revenues and income but expose the Company to a heightened risk of violating applicable sanctions regulations. Violations of these regulations are punishable by civil and criminal penalties, including fines, denial of export privileges, injunctions, asset seizures, debarment from government contracts, and revocations or restriction of licenses, as well as criminal fines and imprisonment. Despite best efforts to comply, there can be no assurance that LivaNova's policies and procedures will prevent the Company from violating these regulations in every transaction in which LivaNova may engage, and such a violation could adversely affect its reputation, business, results of operations, cash flows, and financial condition. **In addition,** LivaNova's global operations result in revenues and expenses that are denominated in currencies other than LivaNova's reporting currency, the USD. Fluctuations in exchange rates may impact, and have impacted, LivaNova's results of operations and financial condition. Although LivaNova has in the past elected, and may in the future elect, to hedge certain foreign currency exposures, it is unlikely that any hedging strategy would eliminate its currency risk entirely. ~~In many of the countries where LivaNova operates, employees are covered by various laws and /or collective bargaining agreements that endow them the change in currency exchange rates, through their local or national representatives~~ **cannot predict** ~~the change in currency exchange rates, through their~~ **the impact of exchange rate changes**, with ~~or~~ **the right degree** ~~to which it will be able~~ **to which it will be able** consulted in relation to **manage** specific issues, including reorganizations and staff reductions. The laws and /or collective bargaining agreements that are applicable to these ~~the agreements could have an impact on LivaNova's flexibility, as they apply to programs to redefine and /or strategically reposition the Company's activities. LivaNova's ability to implement staff reduction programs or even temporary interruptions of~~ **currency exchange rate changes** employment relationships is predicated on the approval of government entities and the consent of labor unions. A negative response from a works council or union-organized work stoppages by employees could have a negative impact on LivaNova's business. Any of the aforementioned risks could adversely affect LivaNova's business, results of operations, cash flows, and financial condition. **Cyber Reductions and interruptions in LivaNova's supply chain have had, and may continue to have, adverse effects on LivaNova's business, results of operations, cash flows, and financial condition. LivaNova purchases many of the components and raw materials used in manufacturing its products from numerous suppliers in various countries. In some cases, LivaNova purchases specific components and raw materials from primary or main suppliers (or in some cases, a single or sole supplier) for reasons related to quality assurance, cost-effectiveness, and availability. Although the Company has generally been able to maintain necessary suppliers-supplies of in various countries. In some cases, LivaNova purchases specific components and raw materials and components from primary or main suppliers (or in some cases, a single or sole supplier) shortages and interruptions of certain components for reasons related to quality assurance, cost-effectiveness-coated PMP fiber used in the manufacture of oxygenators, have caused, and availability-may in the future cause, meaningful disruptions to LivaNova's product manufacturing supply chain**. Any problem affecting a supplier (whether due to external or internal causes) could have **and in certain instances, has had,** a negative impact on LivaNova. Difficulties and delays in manufacturing, internally, externally, or otherwise within the supply chain, may lead to voluntary or involuntary business interruptions or shutdowns, **employee furloughs,** product shortages, withdrawals or suspensions of products from the market, and potential regulatory action. ~~While LivaNova works closely with its suppliers to ensure supply continuity and minimize the instances in which LivaNova relies on a sole supplier, the~~

Company cannot guarantee that its efforts will always be successful. Moreover, due to strict standards and regulations governing the manufacture and marketing of LivaNova's products, the Company may not be able to locate new supply sources quickly or at all in response to a supply reduction or interruption, **especially for components and raw materials sourced by a single or sole supplier**, resulting in negative effects on its ability to **meet market demand and to** manufacture products effectively and timely. To ~~date, the Company's supply of raw materials and the production and distribution of finished products have not been materially affected, but to~~ the extent the Company is unsuccessful in managing its supply chain, any such issues could have a material adverse effect on LivaNova's business, **results of operations, cash flows, and financial condition. Cybersecurity incidents** or other disruptions to LivaNova's information technology systems could lead to reduced revenue, increased costs, liability claims, **regulatory fines**, **litigation**, harm to LivaNova's competitive position, and loss of reputation. LivaNova is increasingly dependent on its information technology systems and those of third parties to operate its business, and certain products of the Company include integrated software and information technology. Such dependencies have been exacerbated by remote ~~working work~~ practices. LivaNova relies on information technology systems to collect and process customer orders, manage product manufacturing and shipping, and support regulatory compliance. The Company routinely processes, stores, and transmits large amounts of data, including sensitive personal information, patient health information, and confidential business information. The secure processing, maintenance, and transmission of this information **is are** critical to LivaNova's operations. The quantity and complexity of the Company's products and information technology systems make such systems vulnerable to **cybersecurity incidents** ~~cyber-attacks~~, ~~breakdown~~ ~~breakdowns~~, interruptions, destruction, loss or compromise of data, obsolescence ~~of~~ or incompatibility among systems, or other significant disruptions. The Company has experienced, and is continually at risk of being subject to **cybersecurity incidents** ~~cyber-attacks~~ and other disruptions. Programs and systems may require frequent updates or may no longer be supported, which may impact the ability of the Company's information technology systems to operate properly or without disruption. Unauthorized persons routinely attempt to access LivaNova's systems to disrupt, disable, or degrade services; ~~obtain proprietary or confidential information; make ransom demands, and/or remotely disrupt or access the systems of large health healthcare care providers-~~ **provider customers of the Company** by **attempting to** ~~exploiting~~ ~~exploit~~ the Company's systems. Furthermore, LivaNova's security assessments of third-party vendors may be inadequate to determine whether their security protocols are sufficient to ~~withstand~~ **prevent a cybersecurity incident** ~~cyber-attack~~ or other ~~security breach~~ ~~system or data compromise~~. LivaNova also cannot be certain that the Company will receive timely notification **by its third-party vendors** of such ~~cyber-attacks or matters. Cybersecurity incidents and other system and data compromises~~ ~~security breaches~~. ~~Cyber-attacks or other security breaches~~ could remain undetected for an extended period, which could potentially result in significant harm to the Company's information technology systems, as well as unauthorized access to, **or acquisition of**, the information stored on and ~~/or~~ transmitted by the Company's information technology systems. In addition, to access LivaNova's products and services, its ~~clients~~ **customers** may use computers and other devices that are beyond the Company's security control safeguards. Unauthorized disclosure or use of, denial of access to, or other incidents involving sensitive or confidential customer, patient, employee, vendor or Company data, whether through systems failure, employee negligence, fraud, misappropriation, ~~or cybersecurity incidents~~, ~~ransomware or malware attacks~~, or other intentional or unintentional acts, could expose **and have exposed** the Company to liability under various laws and regulations across jurisdictions and increase the risk of litigation and governmental or regulatory investigation, damage LivaNova's reputation and its competitive positioning in the marketplace, disrupt its ~~or its~~ the Company's ~~customers' businesses~~ ~~business operations~~, or cause LivaNova to lose customers, **potentially** resulting in significant financial exposure and legal liability. Similarly, unauthorized access to or through, denial of access to, or other incidents involving LivaNova or its vendors' information systems, whether by the Company's employees or third parties, including a cyber-attack by criminal hackers, ~~members of organized crime groups~~ or state-sponsored organizations, who continuously develop and deploy viruses, ransomware, malware, or other malicious software programs or social engineering attacks, ~~has have~~ resulted and could in the future result in negative publicity, significant remediation costs, legal liability, notification requirements, and damage to LivaNova's reputation, which could have a material adverse effect on the Company's business, results of operations, cash flows, and financial condition. Cybersecurity threats are constantly expanding and evolving, becoming increasingly sophisticated and complex, increasing the difficulty of detecting and defending against them and maintaining effective security measures and protocols. **Additionally, artificial intelligence and machine learning may be used for certain cybersecurity incidents, improving or expanding the existing capabilities of threat actors in manners the Company cannot predict at this time, resulting in greater risk of cybersecurity incidents.** Even when a **cybersecurity incident** ~~cyber-attack~~ or other ~~security incident~~ ~~system or data compromise~~ is detected, the full extent of the ~~incident issue~~ may not be determined immediately. The costs to the Company to mitigate ~~cyber-attacks and security~~ **cybersecurity incidents** ~~or other system or data compromises~~ could be significant, and, while the Company has implemented security measures to protect its information technology systems **and data**, its efforts to address ~~these problems~~ **potential information security vulnerabilities** may not be successful. LivaNova's cyber risk insurance may be insufficient to cover **all losses in connection with a cybersecurity incident or other system or data compromise**, such as **attorney's fees, regulatory fines**, litigation costs, or financial losses that exceed the Company's policy limits or are not covered under any of its current insurance policies. Cyber risk insurance **also** has ~~also~~ become more ~~difficult and~~ expensive to obtain, and LivaNova cannot be certain that the Company's current levels of insurance will be available in the future on economically reasonable terms. As previously disclosed, in November 2023, LivaNova detected a cybersecurity incident that resulted in a disruption of portions of the Company's information technology systems. Promptly after detecting the issue, LivaNova began an investigation with assistance from external cybersecurity experts and **notified coordinated with** law enforcement. ~~LivaNova continues~~ **The Company implemented remediation measures to assess mitigate the full impact of the incident. The Company also assessed the nature and scope of the affected data, analyzed its statutory notification obligations, and notified affected individuals and regulators as required by**

applicable law. The incident has been contained, and the Company's mitigation efforts are considered complete, but any future cybersecurity event has on its business, and these -- the impacts may potential to materially affect its results of operations, cash flows, and financial condition. The costs of complying with the requirements of U. S. federal, and state, and foreign international laws and regulations pertaining to the privacy and security of personal information, including health-related information, and the potential liability associated with failure to do so comply with such laws and regulations, could materially adversely affect LivaNova's business and results of operations. There is significant regulatory and enforcement focus on data protection in the US-U. S. (at both the federal and state level levels) and abroad, and an actual or alleged failure to comply with applicable US-U. S. or foreign international data protection laws or regulations or other data protection standards may expose LivaNova to regulatory investigations, litigation, (including class action litigation), fines, sanctions, settlement costs, or other penalties and liabilities, which could harm the Company's reputation and adversely impact LivaNova's business, results of operations, cash flows, and financial condition. The Company collects, stores, and handles employee personnel and patient data, including sensitive patient health information, which may present material obligations and risks to LivaNova's business, including significantly expanded compliance burdens, costs, and enforcement risks. If LivaNova does not lawfully collect, store, handle, or otherwise process personal information and does not prevent cybersecurity incidents or other system or data breaches compromises, particularly given the increased risks associated with processing sensitive health information, LivaNova may suffer legal and regulatory consequences in addition to business consequences. See "Cybersecurity incidents or other disruptions to LivaNova's information technology systems could lead to reduced revenue, increased costs, liability claims, regulatory fines, litigation, harm to LivaNova's competitive position, and loss of reputation." above. As a result of its worldwide operations, the Company is may be subject to various data protection and cyber-security cybersecurity laws and regulations in many jurisdictions, including HIPAA, the CCPA and similar U. S. state privacy and data breach notification laws, and the GDPR. Other governments have enacted, or amended, or are enacting similar data protection laws, including data localization laws that require data to stay within their borders and other technical and operational adaptations that may be required given the rapid changes in data protection regulation where LivaNova conducts business. The enactment of such laws could have potentially conflicting requirements that would make compliance challenging. LivaNova's efforts to comply with applicable laws and regulations may be inadequate, and the Company may be unable to avoid enforcement actions by governmental bodies. Enforcement actions may be costly and could interrupt the regular operations of LivaNova's business. Moreover, LivaNova's insurance coverage may be insufficient to cover all losses in connection with alleged non-compliance with applicable data protection laws and regulations. In addition, in the U. S., there is a trend of civil lawsuits and class actions relating to compromises of personal information caused by cybersecurity incidents or other system or data or other cyber-attacks pursuant to compromises, which typically allege negligence, breach of contract, and violation of various state consumer protection laws such, LivaNova USA, Inc., for example, was named as a defendant in six putative class actions arising out of the CCPA. While LivaNova November 2023 cybersecurity incident, which were consolidated into a single action that has not been named in settled. The Company also has received inquiries from HHS' s Office for Civil Rights, U. S. state regulators, and international data protection authorities regarding the 2023 incident. In connection with any such lawsuits potential future cybersecurity incident, the Company similarly could become a target of civil litigation or government enforcement actions as a result of a compromise to or loss of data. Reductions and interruptions in LivaNova's..... operations, cash flows and financial condition. The global medical device industry is highly competitive, and LivaNova may be unable to compete effectively. LivaNova operates in a highly competitive market characterized by increasingly complex products that are expensive and time-consuming to develop and manufacture. In the product lines in which LivaNova competes, the Company faces a mixture of competitors ranging from large manufacturers with multiple business lines to small manufacturers that offer a limited selection of specialized products. Development by other companies of new or improved products, processes, therapies, or technologies, including products developed with the effective use of advanced technologies like artificial intelligence, may make LivaNova's products or proposed products less competitive. The Company's failure to adopt or integrate such advanced technologies may hinder product innovation, increase costs, and impact its competitiveness and operational efficiency. In addition, LivaNova faces competition from providers of alternative medical therapies, pharmaceuticals, and surgical interventions, among others. Competitive factors include product quality, reliability and performance; product technology and innovation; breadth of product lines and product services; ability to identify new market trends; changes to the regulatory environment; cost-effectiveness and price; customer support and training; capacity to recruit engineers, scientists, and other qualified employees; ability to navigate the regulatory approval process in the markets in which LivaNova operates; reimbursement approval; reimbursement coverage; and effectiveness of systems and processes. Additionally, academic institutions, governmental agencies, and other public and private research organizations may also conduct research, seek patent protection, and establish collaborative arrangements for discovery, research, clinical development, and marketing of products similar to LivaNova's products. Difficulties in any of these areas may have a material adverse effect on LivaNova's business, results of operations, cash flows, and financial condition. LivaNova's research and development efforts rely upon investments and investment collaborations, and the Company cannot guarantee that any previous or future investments or investment collaborations will be successful. The rapid pace of technological development in the medical industry and the specialized expertise required in different areas of medicine make it difficult for one company alone to develop a broad portfolio of technological solutions. As a result, LivaNova also relies on investments and investment collaborations to provide the Company access to new technologies. If LivaNova fails to develop new and enhanced products and services on a timely basis, the Company's offerings will may become more expensive to maintain and eventually obsolete over time, and its reputation, business, and financial results would may be negatively impacted. LivaNova's success depends on several factors, including its ability to appropriately allocate the Company's R & D funding to products and services with higher growth prospects, for example, further

incorporation of software ; hiring and retaining the necessary R & D talent ; stimulating customer demand for and convincing customers to adopt new technologies ; innovating and developing new technologies and applications ; and acquiring or obtaining third- party technologies that may have valuable applications in the markets that LivaNova serves. LivaNova expects to make investments where it believes that the Company can **internally** develop, or acquire, new technologies and products to further LivaNova's strategic objectives and strengthen LivaNova's existing businesses. **The success of any investment may be affected by a number of factors, including the Company's ability to identify and then properly assess and value the potential business opportunity. These types of transactions may require more resources than originally anticipated, may divert management's attention from the Company's existing business, and may not result in the expected benefits, savings, or synergies.** Investments and investment collaborations in and with medical technology companies are inherently risky, and LivaNova cannot guarantee that any of its previous or future acquisitions, investments, or investment collaborations will be successful or will not materially adversely affect LivaNova's business, results of operations, cash flows, and financial condition. **The continuing development of many of LivaNova's products depends upon the Company maintaining appropriate working relationships with healthcare professionals.** The success and continuing development of LivaNova's products depend on ~~maintaining strong relationships~~ **the ability to work appropriately** with physicians and healthcare professionals **as needed.** If LivaNova fails to maintain its working relationships with physicians and other healthcare professionals, the Company's products may not be developed and marketed in line with the needs and expectations of the professionals who use and support LivaNova's products. Physicians assist LivaNova as researchers, marketing consultants, product consultants, inventors, and public speakers, and LivaNova relies on these professionals to provide the Company with considerable knowledge and experience. If LivaNova is unable to maintain these ~~strong~~ relationships, the development and marketing of the Company's products could suffer, which could have a material adverse effect on LivaNova's business, results of operations, cash flows, and financial condition. 's reputation could be damaged, the Company could lose customers, and LivaNova's revenue and results of operations could decline. Aside from specific customer standards, LivaNova's success depends generally on the Company's ability to manufacture precision- engineered components, sub- assemblies, and finished products to exact tolerances with certified materials. If LivaNova's components fail to meet these standards or fail to adapt to evolving standards, the Company's reputation as a manufacturer of high- quality ~~products~~ **components** will be harmed, ~~certain of its inventory may become obsolete~~, its competitive advantage could be damaged, and **LivaNova could lose customers and market share.** **LivaNova** LivaNova's products are subject to ~~modification to LivaNova's business practices and operations.~~ These potential consequences, as well as any adverse outcome from government investigations, could have a material adverse effect on LivaNova's business, results of operations, cash flows, and financial condition. In addition, device manufacturers are prohibited from promoting their products for uses and indications that are not ~~consistent with~~ **set forth in** the approved product labeling (so called " off- label uses "). While physicians may exercise their discretion in prescribing a device ~~for an off- label use~~, a device manufacturer's failure to comply with the related applicable regulations could subject LivaNova to significant civil or criminal exposure, administrative obligations and costs, and / or other potential penalties. **The EU MDR, for example, prohibits manufacturers from misleading users and patients by suggesting uses for the device other than those stated as part of the intended purpose for which the conformity assessment was carried out.** Governmental regulations outside the ~~US~~ **U.S.** have, and may continue to, become increasingly stringent and common as well. For example, **the EU MDR** has resulted in significant additional ~~pre- market~~ **premarket** and post- market requirements. Certifications to **EU MDR** must be achieved by December 2027 or December 2028, based on the risk classification of the device. In the interim, the European Commission is allowing companies to use their MDD certifications. LivaNova is working to obtain all appropriate approvals as required, as penalties for regulatory non- compliance can be severe, including fines and revocation or suspension of a company's business license. The development and implementation of future laws and regulations may also have a material adverse effect on LivaNova. **LivaNova's success depends** **Global healthcare policy changes and reduction in reimbursement for products may have a material adverse effect** on **LivaNova** its employees and the complex laws and regulations, and failure to obtain product approvals, clearance, or reimbursement may materially adversely affect LivaNova's business, results of operations, cash flows, and financial condition. LivaNova's medical devices and technologies, as well as its business activities, are subject to a complex set of regulations and rigorous enforcement, including by the FDA, ~~US~~ **U. S.** Department of Justice, ~~HHS~~ **U. S. Department of Health & Human Services**, and numerous other federal, state, and non- ~~US~~ **U. S.** governmental authorities. **Leadership and other workforce changes within any of the aforementioned agencies as a result of the change of administration in the U. S. may impact regulations, enforcement priorities, and timelines.** The time required to obtain approvals from foreign countries may be longer or shorter than that required for FDA clearance, and requirements for such approvals may differ from FDA requirements. To varying degrees, each of these agencies requires LivaNova to comply with laws and regulations governing the development, **modification**, testing, manufacturing, labeling, reimbursement, marketing, and distribution of LivaNova's products. As a part of the approval, ~~marketing~~ clearance, or reimbursement process for new products, **product modifications**, and new indications for existing products, LivaNova may conduct clinical trials and studies. Unfavorable or inconsistent clinical data from existing or future clinical trials, or the **unfavorable** interpretation of such clinical data by customers, ~~and / or regulatory authorities~~, **or third- party payers**, may adversely impact LivaNova's ability to obtain product ~~approvals~~ **approval or clearance**, and / or receive reimbursement. LivaNova, for example, is currently conducting clinical studies, and any **trial** delays or news regarding unfavorable or inconsistent **clinical** data could have a material adverse effect on LivaNova's business. Success in pre- clinical testing and early clinical studies does not always ensure that later clinical studies will be successful, as LivaNova experienced and announced, for instance, in connection with ~~stopping enrollment of the ANTHEM HF+EF clinical trial~~, and LivaNova cannot be sure that later studies will replicate the results of prior studies. Any **termination or** delay ~~or termination~~ **in the completion** of LivaNova's clinical studies ~~will~~ **could** delay or preclude the filing of regulatory submissions or requests for coverage determinations and, ultimately, LivaNova's ability to commercialize new **or**

modified products or product modifications and obtain reimbursement for the Company's products. It is also possible that patients enrolled in clinical studies will experience adverse side effects that are not currently part of the product's **safety** profile, which could inhibit further marketing and development of such products. Even if LivaNova is able to obtain **product** approval, **marketing**, **product** clearance, and reimbursement, it may take a significant amount of time; require the expenditure of substantial resources; involve stringent **clinical** and pre-clinical **and clinical** testing **and**; **require** increased post-market surveillance; **and / or** involve modifications, repairs, or replacements of LivaNova's products; **and / or** **impose** limitations on the proposed uses of its products. Ultimately, LivaNova cannot guarantee that its clinical trials will be successful or that the Company will be able to obtain or maintain **marketing approval or** clearance and / or reimbursement for new products or modifications to existing products. Any such issues, whether in relation to **clinical** trials, approvals, clearances, or reimbursement, could have a material adverse effect on LivaNova's business, results of operations, cash flows, and financial condition. **Failure. The impact of pending or existing climate change may have a material impact to comply LivaNova's future operations. The physical impacts of natural disasters and extreme weather conditions, such as hurricanes, tornadoes, earthquakes, winter storms, wildfires, or flooding, could potentially damage LivaNova's facilities, cause unanticipated downtime in production, temporarily reduce demand, reduce employee productivity, increase absenteeism, disrupt the Company's supply chain operations and its suppliers' operations, and negatively impact operational costs. Additionally, transitional climate risks, such as changing customer behaviors and changing dynamics in raw materials and utility markets, could lead to lost revenue due to inability to meet changing customer requirements, increasing costs associated with product-related government adjustments to meet changing customer preferences, increasing costs of inputs and raw materials, and increasing cost of utilities. There continues to be a lack of consistent climate legislation, which creates economic and regulations-regulatory uncertainty. Legal, regulatory, and customer requirements and preferences designed to mitigate the effects of climate change on the environment are increasing, and there is a risk of obligations being imposed that would increase LivaNova's compliance burden and cost to meet these obligations. Individually or in the aggregate, such risks could materially negatively impact LivaNova's future operations. Global healthcare policy changes may materially adversely affect LivaNova's business..... adverse outcome from government investigations, could have a material adverse effect on LivaNova's business, results of operations, financial condition, and cash flows and financial condition. In addition,..... have a material adverse effect on LivaNova. In response to increases in healthcare costs, there have been and continue to be proposals by governments, regulators, and third-party payers globally to control these costs. These proposals, among other things, have resulted in efforts to enact healthcare system reforms that may lead to restricted access, pricing restrictions, payback requirements, and limits on the amounts of reimbursement available for LivaNova's products and limits on the acceptance and use of LivaNova's products. For example, in 2015, the Italian Parliament introduced rules for entities that supply goods and services to the Italian National Healthcare System, impacting the business and financial reporting of medical technology sector companies that sell devices in Italy, including LivaNova. A key provision of the law is a "payback" measure, requiring companies selling medical devices in Italy to repay a percentage of the healthcare expenditures exceeding the regional maximum caps for medical devices. While LivaNova is appealing the imposition of the guidelines and requests for payment pursuant to the rule, as well as waiting on the Constitutional Court, in Italy to a separate matter, determine determined the constitutionality of the rule constitutional. As a result, the Company may not be successful in its own appeals. See "Note 13-11. Commitments and Contingencies" in LivaNova's consolidated financial statements included in this Report for additional information. Additionally, LivaNova's ability to profitably commercialize the Company's products is dependent, in large part, on whether third-party payers, including private healthcare insurers, managed-care plans, governmental programs, and others, agree to cover the costs and services associated with LivaNova's products and related medical procedures in the US-U.S. and internationally. Third-party payers, including private and government insurers, are increasingly requiring evidence that medical devices are clinically-effective and cost-effective. If LivaNova is unable to demonstrate that the Company's devices are cost-effective, third-party payers may not reimburse the use of LivaNova's products or provide sufficient reimbursement for LivaNova's products, which could reduce sales of the Company's products to healthcare providers that depend upon reimbursement for payment for their services. Similarly, periodic changes to reimbursement methodologies could have an adverse impact on LivaNova's business. Adoption of some or all of such healthcare policy and reimbursement proposals could have a material adverse effect on LivaNova's business, results of operations, cash flows, and financial position. Failure to comply with rules relating to reimbursement of healthcare goods and services, healthcare fraud and abuse, false claims, and other applicable laws or regulations may subject LivaNova to penalties and limit patient access to its devices, thereby adversely impacting the Company's reputation and business operations. LivaNova's devices and therapies are subject to regulation by various governmental agencies worldwide that are responsible for regulating healthcare goods and services, including laws and regulations related to kickbacks, false claims, self-referrals, and healthcare fraud. Because LivaNova's marketing practices involve direct promotion to patients in certain jurisdictions, the Company is subject to additional laws and regulations intended to prevent misleading of patients and consumers through unethical promotional activities and related data collection practices. Any failure to comply with these laws and regulations could subject the Company or its officers and employees to criminal and civil financial penalties. The risk of being found in violation of these laws is increased by the fact that many of them have not been fully interpreted by regulatory authorities or the courts and their provisions are open to a variety of interpretations. Because of the breadth of these laws and the narrowness of the statutory exceptions and safe harbors available under such laws, it is possible that some of LivaNova's business activities, including the Company's relationships with surgeons and other healthcare providers, some of whom recommend, purchase, and / or prescribe LivaNova's devices, group purchasing organizations, and LivaNova's independent sales agents and distributors, could be subject to challenge under one or more of such laws. Even an unsubstantiated allegation of impropriety could adversely impact LivaNova's reputation and / or business operations. Furthermore, LivaNova's**

devices, products, and therapies are purchased principally by hospitals or physicians that typically bill various third-party payers, such as governmental healthcare programs (e. g., Medicare, Medicaid, and comparable non-US-U. S. programs), private insurance plans, and managed care plans for the healthcare services provided to their patients. The ability of LivaNova's customers to obtain appropriate reimbursement for products and services from third-party payers is critical because it affects which products customers purchase and the prices they are willing to pay. LivaNova's devices, products, and therapies are subject to regulation regarding quality and cost by HHS, including CMS, as well as comparable state and non-US-U. S. agencies responsible for reimbursement and regulation of healthcare goods and services, including laws and regulations related to kickbacks, false claims, self-referrals, and healthcare fraud. In addition, as a manufacturer of US-U. S. FDA-approved devices reimbursable by federal healthcare programs, LivaNova is subject to the Physician Payments Sunshine Act and similar U. S. state laws, which require the Company to annually report certain payments and other transfers of value LivaNova makes to US-U. S. - licensed physicians, US-U. S. teaching hospitals, or other covered recipients. Any failure to comply with these laws and regulations, including similar laws and regulations outside of the U. S., could subject the Company or its officers and employees to criminal and civil financial penalties. Finally, potentially LivaNova is subject to risks relating to changes in government and private medical reimbursement programs and policies and changes in legal regulatory requirements in the US and around the world. Implementation of further legislative or administrative reforms to these reimbursement systems, or adverse decisions relating to coverage of or reimbursement for LivaNova's products by administrators of these systems, could have a material adverse impact on the acceptance of and demand for the Company's products and the prices that LivaNova's customers are willing to pay for them. If LivaNova's marketed medical devices are defective or otherwise pose safety risks, the FDA and similar non-US governmental authorities could require their recall or initiate an enforcement action, or LivaNova may initiate a recall of the Company's products voluntarily. The FDA and similar non-US governmental authorities may require the recall of commercialized products in the event of material deficiencies or defects in design, software or manufacture, or in the event that a product poses an unacceptable risk to patients' health. Manufacturers, on their own initiative, may recall a product with a material deficiency, and the Company has initiated voluntary product recalls in the past. Any recall announcement could harm LivaNova's reputation with customers and negatively affect LivaNova's reputation, business, results of operations, cash flows and financial position. A recall could also impair LivaNova's ability to produce its products in a cost-effective and timely manner. In the future, LivaNova may initiate voluntary withdrawal, removal or repair actions that the Company determines do not require notification as a recall. If a regulating resulting authority were to disagree with LivaNova's determinations, it could require the Company to report those actions as recalls. In addition, depending on the corrective action taken to redress a device's deficiencies or defects, regulators may require, or LivaNova may decide, that the Company needs to obtain new approvals or clearances before it markets or distributes the corrected device. Seeking such approvals or clearances may delay LivaNova's ability to replace the recalled device in a timely manner. Any corrective action, whether voluntary or involuntary, or related litigation will require investment of the Company's time and capital, distract management from operating the business, and may harm LivaNova's reputation and financial results. Moreover, if LivaNova does not adequately address problems associated with its devices, the Company may face additional regulatory enforcement action, including FDA warning letters, product seizure, injunctions, administrative penalties, or civil or criminal fines, any of which could have a material adverse effect on LivaNova's business, results of operations, cash flows, and financial position. Failure to comply with anti-bribery laws could materially adversely affect LivaNova's business and result in civil and / or criminal sanctions. LivaNova's operations are subject to anti-corruption laws, including the UK Bribery Act, the FCPA, and other anti-corruption laws that apply in countries where the Company does business. These laws generally prohibit LivaNova and its employees and intermediaries from bribing, being bribed, or making other prohibited payments to government officials or other persons to obtain or retain business or gain some other business advantage. Because of the predominance of government-administered healthcare systems in many parts of the world outside of the US-U. S., many of LivaNova's customer relationships are potentially subject to such laws. LivaNova is, therefore, exposed to the risk that its employees, independent contractors, principal investigators, consultants, vendors, independent sales agents, and distributors may engage in fraudulent or other illegal activity in violation of these laws and LivaNova's Code of Ethics & Business Conduct. LivaNova maintains a compliance program that includes policies and programs training to educate its employees and agents on these legal requirements, and to prevent and prohibit improper practices. However, existing safeguards and any future improvements may not always be effective, and LivaNova's employees, consultants, sales agents, or distributors may engage in conduct for which LivaNova could be held responsible. In addition, regulators could seek to hold LivaNova liable for conduct committed by companies in which LivaNova invests or acquires. The FCPA can pose unique challenges for manufacturers who companies that operate in foreign cultures where conduct prohibited by the FCPA may not be viewed as illegal in local jurisdictions. It Although LivaNova's compliance program includes mechanisms for detecting and correcting misconduct, including a hotline called the "LivaNova Ethics Line", it is not always possible to identify and deter misconduct by LivaNova's employees and other third parties, and the precautions the Company takes to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting LivaNova from governmental investigations or other actions or lawsuits stemming from a failure to comply with such laws or regulations. Global enforcement of anti-corruption laws has increased substantially in recent years, with more frequent voluntary self-disclosures by companies, aggressive investigations and enforcement proceedings by governmental agencies, and assessment of significant fines and penalties against companies and individuals. LivaNova cannot predict the nature, scope, or effect of future regulatory requirements to which the Company's international operations might be subject or the manner in which existing laws might be administered or interpreted. Any alleged or actual violations of these laws and regulations may subject LivaNova to government scrutiny, severe criminal or civil sanctions, and other liabilities, including exclusion from government contracting or government healthcare programs, and could negatively affect LivaNova's reputation, business, results of operations, cash flows, and financial condition. If Quality

concerns with LivaNova's **business development** processes, products, and **restructuring activities** services could harm the Company's reputation for producing high-quality products and erode LivaNova's competitive advantage, revenue, and market share. Quality is extremely important to LivaNova and its customers due to the serious and costly consequences of product failure. LivaNova's quality certifications are **unsuccessful**, critical to the marketing success of the Company's products and services. If LivaNova fails to meet these **the standards**, the Company's reputation could be damaged,..... lose customers and market share. LivaNova may not **realize** successfully execute or achieve the expected **intended** benefits of, **LivaNova has sought, and in the future may seek, to supplement its organic growth through strategic investments, alliances, and acquisitions. Moreover, LivaNova has sought, and in the future may seek, to divest or wind down certain assets deemed non-core to the Company's long-term strategic objectives. For example, as part of the 2024 Restructuring Plan and, other** -- **the cost saving measures the Company wound down** may take in the future which may adversely affect the Company's business, financial condition and results of operations. On January 5, 2024, LivaNova's Board of Directors approved the 2024 Restructuring Plan to enhance the Company's focus on its core Cardiopulmonary and Neuromodulation segments. As part of the 2024 Restructuring Plan, the Company will wind down the ACS segment. **Such transactions are inherently risky and require significant effort and management attention. The success of any investment**, which is anticipated to **alliance, acquisition, or divestiture may be affected** substantially complete by the end of 2024 **various factors, including LivaNova's ability to properly assess, finance, value, and obtain relevant approvals for a potential business opportunity or to successfully integrate any business LivaNova may acquire**. The 2024 Restructuring Plan LivaNova cannot be certain that is its based investments, alliances, and acquired businesses will achieve the financial projections supporting those investment decisions. In addition, if LivaNova's investments, alliances, divestitures, or acquisitions are not successful, the Company may incur costs in excess of what it anticipates, including those resulting from related litigation. As a result of acquisitions, LivaNova may face risks due to the implementation, modification, or remediation of controls, procedures, and policies relating to data privacy and cybersecurity at the acquired company. In addition, failure to manage and coordinate the growth of the combined company successfully could have an adverse impact on LivaNova the Company's current estimates **business. Similarly**, assumptions LivaNova may divest and forecasts **has divested portions of its business**, which are subject to known **resulting in the migration of data** and unknown **overlapping data obligations. As a result of such divestitures, LivaNova may face risks due to** and uncertainties, including assumptions regarding cost savings, cash burn rate, and effectiveness of the Company's reduced spend. Additionally, LivaNova may not fully achieve the expected cost savings, enhanced liquidity and other -- **the benefits anticipated from the 2024 migration or modification of controls, procedures, and policies relating to data privacy and cybersecurity internally or en route during migration. Any significant breakdown, intrusion, interruption, corruption, or Restructuring-- destruction of Plan. To the these systems** extent that the Company is unsuccessful in implementing the 2024 Restructuring Plan or other, future cost saving measures **as well as any data breaches**, such issues could have a material adverse effect on LivaNova's business. **LivaNova may incur impairments of intangible assets**, reputation **goodwill**, and other long-lived assets that may adversely affect the Company's financial results. LivaNova reviews, when circumstances warrant, the carrying amounts of its intangible assets, goodwill, and other long-lived assets to determine whether those carrying amounts continue to be recoverable in accordance with U. S. GAAP. Significant negative industry or economic trends; disruptions to LivaNova's businesses; and significant unexpected or unplanned changes in the use of assets, divestitures, and market capitalization declines, among other events, may result in impairments to LivaNova's intangible assets, goodwill, and other long-lived assets. Recent impairments have significantly affected LivaNova's financial results, as could future impairments. Public health crises have had, and may continue to have, an adverse effect on LivaNova's business, results of operations, cash flows, and financial condition, the nature and extent of which are uncertain and unpredictable. For additional information LivaNova's global operations and business interactions with healthcare systems, providers, and patients around the world expose the Company to risks associated with public health crises, including epidemics and pandemics such as COVID- 19. LivaNova continues to monitor the potential effects of future health epidemics on the Company 2024 Restructuring Plan, please refer to " Note 6. Restructuring " in LivaNova's consolidated **business and operations. While the spread of COVID- 19 has stabilized, the Company cannot guarantee that a future outbreak of this or any other widespread epidemic will not occur, which could have the effect of decreasing demand and / or increasing volatility in demand for LivaNova's products, which could have a material impact on LivaNova's business, results of operations, cash flows, financial condition, and liquidity** statements included in this Report. **Legal, Regulatory, and Compliance Intellectual Property** Risks As a manufacturer of medical devices, LivaNova is exposed to product liability claims that could adversely affect its consolidated financial condition and tarnish the Company's reputation. LivaNova designs, develops, manufactures, markets, and sells medical devices, **both equipment and implantables**, that pose product liability risks. Component failures, manufacturing defects, software errors, design flaws or inadequate disclosure of product-related risks or product or use-related information, or physician misuse with respect to these or other products the Company manufactures or sells could result in an unsafe condition for, injury to, or death of, a patient. Such an event could result in product liability claims or a recall of, or safety alert relating to, one or more of LivaNova's products. For example, as described in " Note 13-11. Commitments and Contingencies " in LivaNova's consolidated financial statements included in this Report, the Company is involved in product liability litigation relating to its cardiopulmonary 3T Heater- Cooler product that **may has** adversely affect **affected** LivaNova's financial condition and **may has require required** the Company to devote significant resources to its defense and / or settlement of these claims. **Any such product liability claims** Although the Company is defending these matters vigorously, the outcome **whether unsubstantiated or not, could negatively** have a material adverse effect **affect** on LivaNova's **reputation, business, results of operations, cash flows, and financial condition**. LivaNova holds global insurance policies to cover a portion of future potential product liability losses and has elected to self-insure with respect to a

significant portion of the Company's product liability risks. ~~Any Product product~~ liability claims or ~~product recalls in the future~~, regardless of their ultimate outcome, could have a material adverse effect on LivaNova's business and reputation and on the Company's ability to attract and retain customers for its products, and future losses from product liability claims could exceed LivaNova's product liability insurance coverage and lead to a material adverse effect on the Company's financial condition and liquidity. In addition, future unanticipated large liability claims may raise substantial doubt about LivaNova's ability to continue as a going concern. LivaNova is subject to **heightened scrutiny on issues relating to sustainability, including** environmental laws and regulations, and the risk of environmental liabilities, violations, and litigation in multiple jurisdictions, any of which could have a material impact on LivaNova's **reputation**, business, results of operations, cash flows, financial condition, and liquidity. **There is a heightened focus on issues relating to sustainability, including environmental stewardship, social responsibility, and corporate governance matters. Increasing attention on sustainability issues related to LivaNova's business requires continuous monitoring of various and evolving laws, regulations, standards, and expectations and the associated reporting requirements. For example, in 2023, the CSRD entered into force. Broadly, CSRD amends and strengthens the rules introduced on sustainability reporting for companies, banks and insurance companies under the NFRD and will require a much broader range of in- scope companies to publicly report on their impact on sustainability matters as well as how sustainability matters affect their own development, performance and position in accordance with the ESRS. To the extent LivaNova is in scope of the reporting requirements under CSRD, the Company will be required to provide such information with its management report. This will involve implementing processes to gather the relevant data, conduct materiality assessments, and prepare a CSRD- compliant report, which will likely be a time- consuming and costly exercise, and in the event that LivaNova's disclosures prove incorrect, the Company may incur liabilities. When producing a CSRD report, LivaNova may be required to obtain an assurance opinion with respect to the information in the report. To the extent an adverse or qualified assurance conclusion is reached with respect to LivaNova's report, the Company's reputation may be impacted, and investors could lose confidence in the accuracy and completeness of its sustainability disclosures. Subject to the specific circumstances of an adverse or qualified conclusion, LivaNova may also be subject to sanctions set by EU Member States. Further, there are ongoing consultations that may result in further changes or amendments to CSRD. No final proposals have yet been set out, but this process could lead to significant changes to the CSRD regime. It is unclear as to how any such future changes could impact LivaNova. Furthermore, if LivaNova's sustainability initiatives fail to satisfy investors, customers, or other stakeholders, the Company's reputation, its ability to sell products and services to customers, and its attractiveness as an investment, business partner, or acquirer could be negatively impacted. Similarly, LivaNova's failure, or perceived failure, to fulfill its sustainability goals or to satisfy various reporting standards could also have a similar negative impact on the Company's reputation, business, and results of operations. Environmental regulations continue to become more stringent, and LivaNova may experience increased compliance burdens and costs to meet its regulatory obligations, as well as adverse impacts on raw material sourcing, manufacturing operations, and the distribution of LivaNova's products. Additionally, Certain certain** environmental laws assess liability on current, prior, and / or related owners or operators of real property for the costs of investigation, removal, or remediation of hazardous substances on their properties or at properties on which they have disposed of hazardous substances. For example, LivaNova's Saluggia campus contains hazardous substances as a result of nuclear installations built in 1960 under previous ownership, and the Italian ~~Government government~~ has stated that LivaNova will eventually be responsible for dismantling the nuclear installation on Company property, as well as delivering the aforementioned waste to a national repository. It is also possible that a governmental authority may seek to hold LivaNova liable for successor liability violations committed by any companies in which LivaNova invests or acquires. For example, LivaNova is currently in litigation with the government in Italy stemming from a civil action where the Court of Appeal declared LivaNova (formed through a merger with Sorin) liable for environmental liabilities incurred by SNIA's (a former parent company of Sorin) other subsidiaries. See "Note 13-11. Commitments and Contingencies" in LivaNova's consolidated financial statements included in this Report for additional information regarding these two matters. LivaNova's business, results of operations, cash flows, financial condition, and liquidity could be materially adversely affected by a negative decision in the case of SNIA and could be adversely affected by an increase in anticipated costs relating to disposal of hazardous waste in Saluggia. Private parties could also bring personal injury or other claims due to the presence of, or exposure to, hazardous substances. In addition, LivaNova's operations involve the use of substances regulated under environmental laws, including for purposes of sterilization. Regulations require sterilization of LivaNova's products, and the Company operates, **for example,** a sterilization facility in Colorado allowing the Company to sterilize certain of its products in- house. The ~~EPA US Environmental Protection Agency~~ and certain states have begun scrutinizing the levels of community exposure to EtO, which is used in the sterilization process. Certain medical device operating facilities have been designated as "elevated risk" facilities based on emission levels of EtO. LivaNova is not on the "elevated risk" list, nor is it in violation of any current local or federal regulations. However, to the extent LivaNova or its contract sterilizers are unable to sterilize LivaNova's products, whether due to regulatory, legislative, or other constraints, including on the use of EtO, LivaNova may be unable to transition to alternative internal or external resources or methods in a timely or cost- effective manner or at all, which could have a material impact on LivaNova's results of operations and financial condition. LivaNova is substantially dependent on patent and other proprietary rights, and failing to protect such rights or to be successful in litigation related to LivaNova's rights or the rights of others may result in the Company's payment of significant monetary damages and / or royalty payments, negatively impact LivaNova's ability to sell current or future products, or prohibit the Company from enforcing its patent and other proprietary rights against others. LivaNova relies on a combination of patents, trade secrets, and non- disclosure ~~and non- competition~~ agreements to protect the Company's proprietary intellectual property, ~~and LivaNova will continue to do so.~~ While LivaNova intends to defend against any threats to the Company's intellectual property, any litigation to counter the

infringement, misappropriation, or unauthorized use of LivaNova's intellectual property may require the expenditure of significant financial and managerial resources, which may adversely affect LivaNova's business, results of operations, cash flows, and financial condition. Additionally, LivaNova's patents, trade secrets, or other agreements may not prevent competitors from independently developing or selling similar products and services and may not adequately deter misappropriation or improper use of the Company's technology. Further, pending patent applications may not result in patents being issued to LivaNova. Patents issued to or licensed by LivaNova in the past or in the future may be challenged or circumvented by competitors, and such patents may be found invalid, unenforceable, or insufficiently broad to protect the Company's technology, and may limit LivaNova's competitive advantage. Third parties could obtain patents that may require LivaNova to negotiate licenses to conduct business, and the required licenses may not be available on reasonable terms or at all. LivaNova also relies on non-disclosure and non-competition agreements with certain employees, consultants, and other parties to protect, in part, trade secrets and other proprietary rights. LivaNova cannot be certain that these agreements will not be breached, that the Company will have adequate remedies for any breach, that others will not independently develop substantially equivalent proprietary information, or that third parties will not otherwise gain access to LivaNova's trade secrets or proprietary knowledge. Further, new proposed regulations in the **US-U.S.** would prohibit certain competition agreements. **These proposed, and if final, regulations have been successfully litigated in lower courts, but appeals are adopted pending, and the outcome of those cases remains uncertain. If regulations become effective** as proposed and enforced, LivaNova may not be able to rely on such agreements with certain of the Company's employees or other parties. LivaNova operates in an industry characterized by extensive patent litigation and has been, and is, subject to patent claims from time to time. While LivaNova intends to defend against any third-party intellectual property threats, intellectual property litigation is inherently complex and unpredictable. Such litigation can result in significant damage awards and injunctions that could prevent LivaNova's manufacture and sale of affected products or require the Company to pay significant royalties in order to continue to manufacture or sell affected products. In addition, the laws and intellectual property systems of certain countries in which LivaNova markets some of its products do not protect the Company's intellectual property rights to the same extent as in the **US-U.S.**, which may impact its market position in those countries. LivaNova could also face competition in countries where the Company has not invested in an intellectual property portfolio, or where the Company has not invested in the same protection as in the **US-U.S.** If the Company is unable to protect LivaNova's intellectual property in those countries, it could have a material adverse effect on LivaNova's reputation, business, results of operations, cash flows, and financial condition. Inadequate funding for **US-U.S.** federal government agencies and government shutdowns could negatively affect LivaNova's business, results of operations, cash flows, and financial condition. The ability of the FDA to review and approve new products can be affected by a variety of factors, including government funding levels, the ability to hire and retain key personnel, government shutdowns, and statutory, regulatory, and policy changes. In addition, a portion of LivaNova's revenue is dependent on **US-U.S.** federal government healthcare program reimbursement. Any disruption in **US-U.S.** federal government operations, including government shutdowns, could have a material adverse effect on LivaNova's business, results of operations, cash flows, and financial condition. Risks Related to LivaNova's Indebtedness **Paying amounts due with respect to LivaNova's outstanding Notes on interest payment dates, at maturity and upon exchange thereof will require a cash payment.** LivaNova may not have sufficient cash flow from its business operations to pay when due, or be able to raise the funds necessary to pay when due, amounts owed with respect to the **2025 Notes and 2029 Notes** and / or any amounts owed under the Company's revolving credit facility and term facilities, which could adversely affect LivaNova's business and results of operations. **On June 17, 2020,** LivaNova's wholly-owned subsidiary, LivaNova USA, issued the Notes. The ability to make **scheduled payments of (including interest on, and principal of upon maturity, and payments to satisfy exchanges for cash or conversions) in respect of, and / or to refinance LivaNova's outstanding Notes or other indebtedness (including any indebtedness under LivaNova's revolving credit facility or term facilities) depends on the Company's future performance, which is subject to economic, financial, competitive, and other factors beyond its control. For further information on LivaNova's term facilities, please refer to "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Report under the section entitled "Liquidity and Capital Resources."** If LivaNova is unable to generate enough cash flow to make payments on the **2025 Notes, the 2029 Notes,** or other indebtedness when due, the Company may be required to adopt one or more alternatives, such as selling assets or obtaining additional debt financing or equity capital on terms that may be onerous or highly dilutive. LivaNova's ability to refinance the **2025 Notes, the 2029 Notes,** or other indebtedness, which the Company may need to do **in order** to satisfy its obligations thereunder, will depend on the capital markets and LivaNova's financial condition at such time. LivaNova may not be able to engage in these activities on desirable terms or at all, which could result in a default on the **2025 Notes and 2029 Notes** and / or LivaNova's revolving credit facility and term facilities. **The LivaNova will be required to settle any exchanges of the 2025 Notes entirely in cash, while upon any conversions of the 2029 Notes, LivaNova will be required to pay cash up to the aggregate principal amount of the 2029 Notes to be converted and pay or deliver, as the case may be, cash, LivaNova's ordinary shares, or a combination of cash and LivaNova's ordinary shares, at LivaNova's election, in respect of the remainder, if any. Additionally, the holders of the 2025 Notes and 2029 Notes have the right to require LivaNova to repurchase their-- the aforementioned Notes notes upon the occurrence of a fundamental change (as defined in the respective Indenture indentures governing the Notes) at a repurchase price equal to 100 % of the principal amount of the 2025 Notes and 2029 Notes to be repurchased, plus accrued and unpaid interest, if any. Any failure by Upon repurchase of the Notes, LivaNova will be to make required to make cash payments in respect of as required by the Indenture. LivaNova may not have enough available cash or be able to obtain financing at the time the Company is its indebtedness (after any applicable grace period) required to make repurchases of, or exchange of, the Notes for cash. LivaNova's failure to repurchase the Notes or exchange the Notes for cash at a time when the repurchase or exchange is required by the Indenture governing the Notes would constitute a an event of default under in respect of such**

Indenture indebtedness. In addition, LivaNova's indebtedness, including under the **2025 Notes and 2029 Notes**, combined with the Company's other financial obligations and contractual commitments, including those under LivaNova's revolving credit facility or term facilities, could have other important consequences. For example, it could: • Make LivaNova more vulnerable to adverse changes in government regulations and in the global economy, healthcare, and competitive environment; • Limit the Company's flexibility in planning for, or reacting to, changes in LivaNova's business and its markets; • Place the Company at a disadvantage compared to LivaNova's competitors who have less debt; • Limit LivaNova's ability to borrow additional amounts for working capital, to fund acquisitions, and for other general corporate purposes; and • Make a sale of the Company less attractive to buyers or more difficult to complete. Any of these factors could harm LivaNova's business, results of operations, cash flows, and financial condition. In addition, if LivaNova incurs additional indebtedness under the revolving credit facility or term facilities, the risks related to LivaNova's business and its ability to repay the Company's indebtedness, including under the **2025 Notes and 2029 Notes**, would increase. For additional information, please refer to "**Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations**" of this Report under the section entitled "**Liquidity and Capital Resources**" and "**Note 10-9. Financing Arrangements**" in LivaNova's consolidated financial statements included in this Report. The conditional exchange **or conversion** features of the **2025 Notes and 2029 Notes, as applicable**, if triggered, may adversely affect LivaNova's liquidity and operating results. If the conditional exchange feature of the **2025 Notes** is triggered, holders of the **Notes** are entitled to exchange the **2025 Notes** at any time during specified periods, at their option. ~~Holders of, and if the conditional conversion feature of the 2029 Notes for example is triggered, holders are entitled to convert the 2029 Notes at any time during specified periods, at their option. For example, holders are entitled to~~ exchange the **2025 Notes or convert 2029 Notes** during ~~the current~~ **a given** calendar quarter if the closing price of LivaNova's ordinary shares for at least 20 trading days (whether or not consecutive) during the last 30 consecutive trading days of the immediately preceding calendar quarter ~~is was~~ greater than or equal to **a set dollar amount** ~~+30 % of the exchange price—the exchange price being \$ 60.98 per share and the "conversion trigger" (subject to other conditions per the Indenture) being \$ 79.27 per share—on each applicable trading day in the case of the 2025 Notes and \$ 90. The 22 in the case of the 2029 Notes, subject to adjustment).~~ **Neither the exchange condition for the 2025 Notes nor the conversion condition for the 2029 Notes** was ~~not~~ satisfied on December 31, ~~2023~~ **2024**, and therefore, ~~exchangeability is the Notes will not an option be exchangeable or convertible pursuant to this condition~~ from January 1, ~~2024~~ **2025**, through March 31, ~~2024~~ **2025**. **On or after September 15, 2025, holders may exchange 2025 Notes at their option, and on or after December 15, 2028, holders may convert 2029 Notes at their option, in each case without regard to additional conditions.** If holders elect to exchange their **2025 Notes** during ~~any future periods—~~ **period in which such** following the satisfaction of an ~~exchange is permitted condition as laid out in the Indenture,~~ LivaNova would be required to settle its exchange obligation through the payment of cash, **and if holders convert 2029 Notes during any future period in which such conversion is permitted, LivaNova would be required to pay cash up to the aggregate principal amount of the 2029 Notes to be converted and may elect to settle the remainder of the conversion obligation in cash, shares, or a combination of the two. Any such cash payments upon exchange or conversion** could adversely affect the Company's liquidity. ~~LivaNova's debt instruments require LivaNova to comply with affirmative covenants and specified financial covenants and ratios and other obligations. Certain restrictions and covenants in LivaNova's debt instruments, including the Company's revolving credit facility or term facilities, could affect its ability to operate and may limit its ability to react to market conditions or to take advantage of potential business opportunities as they arise. For example, such restrictions could adversely affect LivaNova's ability to finance its operations, make strategic investments, alliances or acquisitions, restructure its organization or finance capital needs. Additionally, LivaNova's ability to comply with these covenants and restrictions may be affected by events beyond its control, such as prevailing economic, financial, regulatory and industry conditions. If any of these restrictions or covenants are breached, LivaNova could be in default under one or more of its debt instruments, which, if not cured or waived, could result in acceleration of the indebtedness under such agreements and cross-defaults under its other debt instruments. For more information on these debt instruments, please refer to "Note 10. Financing Arrangements" in LivaNova's consolidated financial statements included in this Report.~~ The effective interest rate and related interest expense reported in LivaNova's consolidated financial statement of operations is significantly greater than the stated interest rate of the **2025 Notes and 2029 Notes** and may result in volatility to the Company's reported financial results, which could adversely affect the price at which LivaNova's ordinary shares trade. LivaNova will settle exchanges of the **2025 Notes** entirely in cash. **Additionally, upon conversion of the 2029 Notes, LivaNova will pay cash up to the aggregate principal amount of the 2029 Notes to be converted and pay or deliver, as the case may be, cash, LivaNova's ordinary shares, or a combination of cash and LivaNova's ordinary shares, at LivaNova's election, in respect of the remainder, if any, of LivaNova's conversion obligation in excess of the aggregate principal amount of the 2029 Notes being converted.** Accordingly, the exchange **or conversion** feature, **as applicable**, that is part of the **2025 Notes and 2029 Notes** is accounted for as a derivative pursuant to accounting standards relating to derivative instruments. This resulted in an initial accounting valuation of the exchange **or conversion** feature, **as applicable**, which was bifurcated from the debt component of the **2025 Notes and 2029 Notes**, resulting in an original issue discount. The original issue discount is amortized and recognized as a component of interest expense over the term of the **2025 Notes and 2029 Notes**, which results in an effective interest rate reported in LivaNova's consolidated statements of operations ~~income (loss)~~ in excess of the stated interest rate of the **2025 Notes and 2029 Notes**. Although this accounting treatment does not affect the amount of cash interest paid to holders of the **2025 Notes and 2029 Notes** or LivaNova's cash flows, it reduces the Company's earnings and could adversely affect the price at which its ordinary shares trade. Additionally, for each financial statement period after issuance of the **2025 Notes and 2029 Notes**, a derivative gain or loss is and will be reported in LivaNova's consolidated statements of income (loss) to the extent the ~~valuation~~ **valuations** of the exchange feature **and conversion feature, as applicable,** ~~changes—~~ **change** from the previous period. The ~~2025 capped~~ **Capped**

call transactions ~~Calls and 2029 Capped Calls~~ described below and elsewhere in this Report are also accounted for as derivative instruments. The valuation of the exchange feature of the **2025 Notes and 2025 capped Capped Calls call transactions** utilizes significant observable and unobservable market inputs, including stock price, stock price volatility, risk-free interest rate, and time to expiration of the **2025 Notes**. **The valuation of the conversion feature of the 2029 Notes and 2029 Capped Calls similarly utilizes significant observable and unobservable market inputs, including stock price, expected volatility, risk-free interest rate, expected dividend yield, and time to expiration of the 2029 Notes**. The change in input values at the current period - end compared to the previous period - end may result in a material change in the respective valuations and the gain or loss resulting from the exchange feature of the **2025 Notes and 2025 capped Capped call transactions Calls and the conversion feature of the 2029 Notes and 2029 Capped Calls, as applicable, and** may not completely offset each other. As such, there may be a material net impact on LivaNova's consolidated statements of **operations income (loss)**, which could adversely affect the price at which its ordinary shares trade. The arbitrage or hedging strategy by purchasers of the **2025 Notes and 2029 Notes and Option Counterparties** in connection with LivaNova's **2025 capped Capped call transactions Calls and 2029 Capped Calls** may affect the value of LivaNova's ordinary shares. LivaNova expects that many investors in, and potential purchasers of, the **2025 Notes and 2029 Notes** will employ, or seek to employ, an arbitrage strategy with respect to the **2025 Notes and 2029 Notes**. Investors would typically implement such a strategy by selling short LivaNova's ordinary shares underlying the **2025 Notes and 2029 Notes** and dynamically adjusting their short position while continuing to hold the **2025 Notes and 2029 Notes**. Investors may also implement this type of strategy by entering into swaps **or options** on LivaNova's ordinary shares in lieu of or in addition to selling short **LivaNova the Company's** ordinary shares. This activity could decrease, or reduce the size of any increase in, the market price of LivaNova's ordinary shares at that time. In connection with the pricing of the **2025 Notes and 2029 Notes**, LivaNova entered into **privately negotiated the 2025 capped Capped call transactions with certain financial institutions Calls and 2029 Capped Calls, respectively**. The **2025 capped Capped call transactions Calls and 2029 Capped Calls** are expected generally **to compensate (through the payment of cash to LivaNova) for potential dilution to LivaNova's ordinary shares and** to offset cash payments due upon exchange of the **2025 Notes or conversion of the 2029 Notes, as applicable**, in excess of the principal amount thereof in the event that the market price per ordinary share of **LivaNova the Company** at the time of exchange of the **2025 Notes or conversion of the 2029 Notes, respectively**, is greater than the strike price under the **2025 capped Capped call transactions Calls or 2029 Capped Calls, respectively**, with such offset subject to a cap based on the **respective cap price prices of the 2025 Capped Calls and 2029 Capped Calls**. It is LivaNova's understanding that the Option Counterparties, or their respective affiliates, in connection with establishing their initial hedges of the **2025 capped Capped call transactions Calls and / or 2029 Capped Calls**, purchased LivaNova's ordinary shares and / or entered into various derivative transactions with respect to **LivaNova the Company's** ordinary shares concurrently with or shortly after the pricing of the **2025 Notes and / or 2029 Notes, as applicable**. The Option Counterparties or their respective affiliates may modify these initial hedge positions by entering into or unwinding various **derivatives transactions** with respect to LivaNova's ordinary shares and / or purchasing or selling its ordinary shares or other of LivaNova's securities in secondary market transactions prior to the maturity of the **2025 Notes and / or 2029 Notes, as applicable** (and are likely to do so during any observation period related to an exchange of the **2025 Notes or conversion of the 2029 Notes, as applicable, or** upon a repurchase or redemption of the **2025 Notes or the 2029 Notes, as applicable, by LivaNova, if LivaNova unwinds a corresponding portion of the 2025 Capped Calls or 2029 Capped Calls, as applicable**). This activity could cause or avoid an increase or a decrease in the market price of LivaNova's ordinary shares, **the 2025 Notes, or the 2029 Notes** at that time. LivaNova is subject to counterparty risk with respect to the **2025 capped Capped call transactions Calls and 2029 Capped Calls**. The Option Counterparties are financial institutions, and LivaNova is subject to the risk that they might default under the **2025 capped Capped call transactions Calls and 2029 Capped Calls**. LivaNova's exposure to the credit risk of the Option Counterparties is not secured by any collateral. If an Option Counterparty becomes subject to insolvency proceedings, LivaNova will become an unsecured creditor in those proceedings, with a claim equal to the Company's exposure **to that Option Counterparty** at that time under the **2025 capped Capped call transactions with that Option Counterparty Calls and / or 2029 Capped Calls**. LivaNova's exposure will depend on many factors, but, generally, an increase in the Company's exposure will be correlated to an increase in the market price and in the volatility of its ordinary shares. In addition, upon a default by an Option Counterparty, LivaNova may suffer adverse tax consequences and may, on a net basis, have to pay more cash **than the Company currently anticipates** to settle exchanges of the **2025 Notes, and to pay more cash or suffer more dilution than the Company currently anticipates with respect to its ordinary shares upon conversions of the 2029 Notes, the effect of which would likely not be compensated for by the Company**. LivaNova can provide no assurances as to the financial stability or viability of the Option Counterparties. Risks Relating to Tax and LivaNova's Jurisdiction of Incorporation LivaNova is incorporated in England and Wales and governed by their laws, which may afford less protection to shareholders than under **US-U.S.** laws. LivaNova is a public limited company incorporated under the laws of England and Wales, and as such, the Company's shareholders may have more difficulty protecting their interests than would shareholders of a corporation incorporated in a jurisdiction of the **US-U.S.** It may be difficult to enforce court judgments obtained in the **US-U.S.** and based on the civil liability provisions of **US-U.S.** federal or state securities laws against LivaNova in the UK. In addition, there is also some uncertainty as to whether the UK courts would recognize or enforce judgments of **US-U.S.** courts obtained against LivaNova or any of its directors or officers. Changes in tax laws or exposure to additional income tax liabilities could have a material impact on LivaNova's results of operations and financial condition. LivaNova is subject to income taxes as well as non-income-based taxes in the **US-U.S.**, the UK, the EU, and various other jurisdictions. Any material change in tax laws, regulations, or policies, or their interpretation and enforcement, including with respect to the OECD's Pillar Two global minimum tax rules applicable to multinational groups with global revenue over € 750 million, could result in a higher effective tax rate and have a material impact on LivaNova's consolidated statements of income (loss) or

financial condition. LivaNova continues to monitor the adoption of Pillar Two by the taxing jurisdictions in which it operates. The UK has enacted legislation providing for a minimum effective tax rate of 15 % through a multinational top- up tax and a domestic top- up tax for accounting periods beginning on or after December 31, 2023. ~~Draft~~ UK legislation has also been ~~published~~ **enacted** for an undertaxed profits rule ~~for to be introduced, although not before~~ accounting periods beginning on or after December 31, 2024. A UTPR would be a backstop rule intended to ensure that amounts of multinational top- up tax that are not collected under foreign global minimum tax rules can in certain circumstances be collected instead in the UK. LivaNova ~~is assessing the full implication on 2024 financial results and~~ will continue to monitor legislative developments and related guidance in the UK and other jurisdictions that may impact LivaNova's operations. Any material changes in tax laws, regulations, or policies, or their interpretation and enforcement, including with respect to Pillar Two, could result in a higher effective tax rate for LivaNova, and have a material impact on its consolidated statements of income (loss) or financial condition. The content of any future legislation, the timing of additional guidance, and the reporting periods that may be impacted cannot be determined at this time. LivaNova's actual effective tax rate may vary from its expectations or from historical trends and that variance may be material. LivaNova's effective tax rates could be affected by changes in the mix of earnings in countries with differing statutory tax rates, changes in the valuation of deferred tax assets and liabilities, or changes in tax laws or their interpretation. LivaNova is also subject to ongoing tax audits in various non- ~~US U. S.~~ jurisdictions. Tax authorities may disagree with certain positions LivaNova has taken and assess additional taxes. LivaNova believes that its accruals reflect the probable outcome of known contingencies. However, there can be no assurance that LivaNova will accurately predict the outcomes of ongoing audits, and the actual outcomes of these audits could have a material impact on LivaNova's consolidated statements of income (loss) or financial condition. As a public limited company incorporated under the laws of England and Wales, certain of LivaNova's capital structure decisions require shareholder approval, which may limit the Company's flexibility to manage its capital structure. LivaNova is a public limited company incorporated under the laws of England and Wales. Under English law, LivaNova's Board of Directors may only allot shares with the prior authorization of shareholders. English law also generally provides shareholders with preemptive rights when new shares are issued for cash, which rights may be surrendered by shareholders. In addition, English law generally prohibits a public limited company from repurchasing its own shares without the prior approval of shareholders. As a result, LivaNova's shareholders must approve these authorities at an annual general meeting of shareholders. If LivaNova does not receive shareholder approval of these matters, the Company may not be able to raise any required additional capital in a timely manner or at all. In addition, LivaNova may not be able to continue to grant equity awards to its directors, officers, and employees under the relevant incentive plan. Transfers of LivaNova's shares, other than those effected by means of the transfer of book- entry interests in DTC, may be subject to UK Stamp Duty or SDRT. Transfers of LivaNova's shares effected by means of the transfer of book- entry interests in DTC are not subject to UK stamp duty or SDRT. However, if a shareholder holds LivaNova's shares directly rather than through DTC, any transfer of **those** shares could be subject to UK stamp duty or SDRT at a rate of 0.5 % of the consideration paid for the transfer. In addition, certain transfers of **LivaNova's** shares to depositories or into clearance services ~~are charged~~ **would be subject to UK stamp duty or SDRT** at a rate of 1.5 % of the consideration paid for the transfer, or 1.5 % of the market value of the shares if there is no consideration. The transferee generally pays the UK stamp duty or SDRT, **although the position may be different in the case of a transfer to a depository or into a clearance service**. The potential for UK stamp duty or SDRT could adversely affect the trading price of LivaNova's shares. If DTC determines at any time that LivaNova's shares are not eligible for continued deposit and clearance within its facilities, LivaNova believes that its shares would not be eligible for continued listing on a ~~US U. S.~~ securities exchange and trading in the Company's shares would be disrupted. While LivaNova would pursue alternative arrangements to preserve the listing and maintain trading, any such disruption could have a material adverse effect on the trading price of LivaNova's shares. ~~General Risk Factors LivaNova's success depends on its ability to attract and retain key personnel needed to successfully operate its business and to plan for future executive transitions. LivaNova's ability to compete effectively depends on its ability to attract and retain key employees and maintain robust succession planning for key positions. LivaNova's ability to recruit and retain key talent depends on many factors, including compensation and benefits, work location, work environment, industry- specific and general economic conditions and the hiring practices of competitors. If LivaNova fails to attract and retain key personnel in senior management and other positions, or if the Company's succession planning efforts are not effective, it could have a material adverse effect on LivaNova's business, financial condition and results of operations. Increasing attention on sustainability matters, including environmental, social, and governance matters, may have a material impact on LivaNova's reputation and business operations and consume additional financial and management resources. There is a heightened focus from stakeholders, including regulators and shareholders, on issues relating to sustainability, including environmental stewardship, social responsibility, diversity and inclusion, and corporate governance matters. Increasing attention on sustainability issues related to LivaNova's business requires the continuous monitoring of various and evolving laws, regulations, standards and expectations and the associated reporting requirements. A failure to adequately meet stakeholder expectations may result in noncompliance, reputational harm, the loss of business and access to capital, negative impact to the stock price and a diluted market valuation. In addition, the Company's adoption of certain standards or mandated compliance with certain requirements could necessitate additional investments that could impact LivaNova's profitability. In addition, if LivaNova's sustainability initiatives fail to satisfy investors, customers, or other stakeholders, the Company's reputation, its ability to sell products and services to customers, and its attractiveness as an investment, business partner or acquirer could be negatively impacted. Similarly, LivaNova's failure, or perceived failure, to fulfill its sustainability goals or to satisfy various reporting standards could also have a similar negative impact on the Company's reputation, business and results of operations. Furthermore, environmental regulations are continuing to become more stringent and LivaNova may experience increased compliance burdens and costs to meet its regulatory obligations, as well as adverse impacts on raw material sourcing, manufacturing operations and the distribution of LivaNova's products. The impact of~~

pending or existing climate change resulting from increased concentrations of carbon dioxide and other greenhouse gases in the atmosphere could present major risks to LivaNova's future operations. The physical impacts of natural disasters and extreme weather conditions, such as hurricanes, tornadoes, earthquakes, winter storms, wildfires or flooding could pose physical risks to LivaNova's facilities, temporarily reduce demand, reduce employee productivity, increase absenteeism, disrupt the Company's supply chain operations and its suppliers' operations, and negatively impact operational costs. Additionally, transitional climate risks such as changing customer behaviors and changing dynamics in raw materials and utility markets, could lead to lost revenue due to inability to meet changing customer requirements, increasing costs associated with product adjustments to meet changing customer preferences, increasing costs of inputs and raw materials and increasing cost of utilities. There continues to be a lack of consistent climate legislation, which creates economic and regulatory uncertainty. Legal, regulatory and customer requirements and preferences designed to mitigate the effects of climate change on the environment are increasing, and they may impose obligations that may increase LivaNova's compliance burden and cost to meet these obligations. Individually or in aggregate, such risks could materially negatively impact LivaNova's future operations. Public health crises have had, and may continue to have, an adverse effect on LivaNova's business, results of operations, cash flows and financial condition, the nature and extent of which are uncertain and unpredictable. LivaNova's global operations and business interactions with healthcare systems, providers and patients around the world expose the Company to risks associated with public health crises, including epidemics and pandemics such as COVID-19. The COVID-19 pandemic caused significant disruption to the business and financial markets. LivaNova continues to monitor the potential effects of future health epidemics on the Company's business and operations. While the spread of COVID-19 has stabilized, LivaNova cannot guarantee that a future outbreak of this or any other widespread epidemic will not occur, which could have the effect of decreasing demand and/or increasing volatility in demand for LivaNova's products. If LivaNova's business development and restructuring activities are unsuccessful, the Company may not realize the intended benefits. LivaNova has sought, and in the future, may seek, to supplement its organic growth through strategic investments, alliances and acquisitions. Moreover, LivaNova has also sought, and in the future may seek, to divest or wind down certain assets deemed non-core to the Company's long-term strategic objectives. For example, as part of the 2024 Restructuring Plan, the Company will wind down the ACS segment, which is anticipated to be substantially complete by the end of 2024. Such transactions are inherently risky and require significant effort and management attention. The success of any investment, alliance, acquisition or divestiture may be affected by various factors, including LivaNova's ability to properly assess, finance, value and obtain relevant approvals for a potential business opportunity or to successfully integrate any business LivaNova may acquire. LivaNova cannot be certain that its investments, alliances and acquired businesses will achieve the financial projections supporting those investment decisions. In addition, if LivaNova's investments, alliances, divestitures, or acquisitions are not successful, the Company may incur costs in excess of what it anticipates, including those resulting from related litigation. As a result of acquisitions, LivaNova may face risks due to the implementation, modification, or remediation of controls, procedures and policies relating to data privacy and cybersecurity at the acquired company. In addition, failure to manage and coordinate the growth of the combined company successfully could have an adverse impact on LivaNova's business. Similarly, LivaNova may divest and has divested portions of its business, resulting in the migration of data and overlapping data obligations. As a result of such divestitures, LivaNova may face risks due to the migration or modification of controls, procedures and policies relating to data privacy and cybersecurity internally or enroute during migration. Any significant breakdown, intrusion, interruption, corruption or destruction of these systems, as well as any data breaches, could have a material adverse effect on LivaNova's business. LivaNova may incur impairments of intangible assets, goodwill and other long-lived assets that may adversely affect the Company's financial results. LivaNova reviews, when circumstances warrant, the carrying amounts of its intangible assets, goodwill and other long-lived assets to determine whether those carrying amounts continue to be recoverable in accordance with US GAAP. Significant negative industry or economic trends, disruptions to LivaNova's businesses, significant unexpected or unplanned changes in the use of assets, divestitures and market capitalization declines, among other events, may result in impairments to LivaNova's intangible assets, goodwill and other long-lived assets. Recent impairments have significantly affected LivaNova's financial results, as could future impairments.