

Risk Factors Comparison 2024-03-15 to 2023-03-17 Form: 10-K

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A description of the risks and uncertainties associated with our business and industry is set forth below. You should carefully consider the risks and uncertainties described below, together with all of the other information in this Annual Report on Form 10-K, including our consolidated financial statements and notes thereto and the “ Management’s discussion and analysis of financial condition and results of operations ” section of this Annual Report on Form 10-K before deciding whether to purchase shares of our common stock. If any of the following risks are realized, our business, financial condition, operating results and prospects could be materially and adversely affected. In that event, the price of our common stock could decline, perhaps significantly. Additional risks and uncertainties not presently known to us or that we currently deem immaterial also may impair our business operation.

Risks Related to Our Business and Industry **Risks Related to Our Operating History** We have a history of net losses and may not be able to achieve profitability for any period in the future or sustain cash flow from operating activities. We had a history of losses since inception in 2013 until 2022 and funded our cash flow deficits primarily through the issuance of capital stock. As of December 31, 2022-2023, we had an accumulated deficit of \$ 101-204 +7 million, including current year net loss of \$ 25-103 -46 million. We expect to continue to incur operating losses and negative cash flow as we continue to invest significantly in research and development efforts, sales and marketing and other aspects of our business. We cannot make any assurances that these investments will result in increased revenue or growth in our business. Furthermore, we may encounter unforeseen issues that require us to incur additional costs. Any such increased expenditures make it harder for us to achieve and maintain future profitability. Revenue growth and growth in our customer base may not be sustainable, and we may not achieve sufficient revenue to achieve or maintain profitability. While we have a revenue history, we expect to bring new additive manufacturing products to market that we anticipate will generate a substantial portion of our future revenue, and it is difficult for us to predict our future operating results. We may incur significant losses in the future for a number of reasons, including due to the other risks described in this Annual Report on Form 10-K, and we may encounter unforeseen expenses, difficulties, complications and delays and other unknown events. As a result, our losses may exceed forecasts, we may incur significant losses for the foreseeable future, and we may not achieve profitability when expected, or at all, and even if we do, we may not be able to maintain or increase profitability. Accordingly, if we are not able to achieve or maintain profitability and we incur significant losses in the future, the market price of our common stock may decline, and you could lose part or all of your investment. We have a relatively limited operating history and have experienced rapid growth, which makes evaluating our current business and future prospects difficult and may increase the risk of your investment. Our ability to forecast our future operating results is subject to a number of uncertainties, including our ability to plan for and model future growth. We have encountered, and will continue to encounter, risks and uncertainties frequently experienced by growing companies in rapidly evolving industries, as we continue to grow our business. If our assumptions regarding these uncertainties, which we use to plan our business, are incorrect or change in reaction to changes in our markets, or if we do not address these risks successfully, our operating and financial results could differ materially from our expectations, our business could suffer and the trading price of our stock may decline. We intend to derive a substantial portion of our revenues from sales of new and existing hardware products, which sales are non-recurring and subject to significant risk and fluctuation. It is difficult to predict our future revenues and appropriately budget for our expenses, and we have limited insight into trends that may emerge and affect our business. If actual results differ from our estimates or we adjust our estimates in future periods, our operating results and financial position could be materially affected. Our operating results may fluctuate significantly from period-to-period and may fall below expectations in any particular period, which could adversely affect the market price of our common stock. Our quarterly and annual results of operations may fluctuate significantly from period-to-period. Accordingly, the results of any one quarter or year should not be relied upon as an indication of future performance. If our revenue or operating results fall below the expectations of investors or any securities analysts that follow our company in any period, the price of our common stock would likely decline. Each of the risks described in this section, as well as other factors, may affect our operating results. For example, factors that may cause our operating results to fluctuate include:

- the degree of market acceptance of our products;
- our ability to compete with competitors and new entrants into our markets;
- changes in our pricing policies or those of our competitors, including our response to price competition;
- the effectiveness of our securing new orders and fulfilling existing orders;
- the impact of supply chain disruptions ~~the COVID-19 pandemic~~ on our customers, suppliers, manufacturers and operations;
- the mix of products that we sell during any period;
- the timing of our sales and deliveries of our products to customers;
- changes in the amount that we spend to develop and manufacture new products or technologies;
- timing of expenditures to develop and bring to market new or enhanced products and the generation of revenue from those products;
- changes in the amounts that we and our VARs spend to promote our products;
- changes in the cost of satisfying our warranty obligations and servicing our products, including with respect to our obligations related to our “ success plan ” offerings;
- litigation-related expenses and / or liabilities;
- unforeseen liabilities or difficulties in integrating our acquisitions or newly acquired businesses;
- disruptions to our internal and third-party manufacturing facilities and processes;
- disruptions to our information technology systems or our third-party contract manufacturers;
- disruptions to our global supply and distribution chains;
- the geographic distribution of our sales, and any related effects of foreign exchange rate fluctuations for sales and expenses that are not in U. S. dollars;
- general economic and industry conditions that affect our costs and / or customer demand, such as increases inflation and interest rates, general economic slowdown and potential for recession; and
- changes in accounting rules and tax laws. In addition, sales of our products are subject to the adoption and capital expenditure cycles of our

customers' sales cycle, and seasonality among our customers may cause our revenues and operating results to fluctuate from period to period. Accordingly, we typically experience increased sales during the fourth quarter and, to a lesser extent, the third quarter of our fiscal year relative to the first and second quarters. Additionally, for our more complex solutions, which may require additional facilities investment and installation support, potential customers may spend a substantial amount of time performing internal assessments prior to making a purchase decision. This may cause us to devote significant effort in advance of a potential sale without any guarantee of receiving any related revenues. As a result, revenues and operating results for future periods are difficult to predict with any significant degree of certainty, which could lead to adverse effects on our inventory levels and overall financial condition. Accordingly, you should not rely on quarter- over- quarter and year- over- year comparisons of our results as an indicator of our future performance. **The Global economic, political and social conditions and uncertainties in the markets that we serve may adversely impact our business. Our performance depends on the financial health and strength of our customers, which in turn is dependent on the economic conditions of the markets in which we and our customers operate. Declines in the global economy, difficulties in the financial services sector and credit markets,** continuing impact of the **geopolitical uncertainties, global health crises, including** COVID- 19 pandemic has significantly affected our business and operations-, and the duration and extent to which this or other future health epidemics and any related **macroeconomic factors all affect the spending behavior of potential customers.** economic **Economic** downturns will impact our future results of operations and overall financial performance remains uncertain **uncertainty** . The COVID-19 pandemic **in Europe, the United States, India, Japan, China** and efforts to control its spread have significantly curtailed the **other countries** movement of people, goods and services worldwide. It has also created many- **may** negative headwinds that present risks **cause customers and potential customers** to **further delay** our- **or reduce technology purchases** business and results of operations-. For example, **since** it has generally disrupted the operations **first quarter** of 2022, we have experienced **reduced demand from European markets, which may be partially attributable to regional energy cost increases and uncertainty. We also face risks from financial difficulties** our- **or other uncertainties experienced by** customers and prospective customers as well as our suppliers, **distributors** and may continue to disrupt their operations, including as a result of travel restrictions and /or business shutdowns, uncertainty in the financial markets or other **harm to their-** **third** business and financial results **parties on which we rely** . If our suppliers **third parties** are unable to deliver the **supply us with required** materials we require on a timely basis **or components or otherwise assist us in operating our business** , **our business could** we cannot guarantee that we will be **harmed** able to locate alternative sources of supply for our products on acceptable terms, or at all. If we are unable to adequately purchase appropriate amounts of inventory, our business and results of operations may be materially and adversely affected. Impacts to our business from the COVID-19 pandemic and any future health epidemics depends on multiple factors that cannot be accurately predicted, such as the duration and scope of the epidemic, the extent and effectiveness of containment actions, the disruption caused by such actions, including governmental responses, and the efficacy and rates of vaccines. Disruptions as a result of the COVID-19 pandemic or future health epidemics could result in reductions to capital expenditure budgets, delayed purchasing decisions, longer sales cycles, extended payment terms or missed payments, and postponed or canceled projects, any of which would negatively impact our business and operating results, including sales and cash flows. The COVID-19 pandemic caused significant supply chain disruptions that affected our ability to produce our products on time and at our projected cost. Further, we had to close and /or limit capacity at our headquarters and manufacturing facilities, which created operational challenges and introduced additional risks related to remote work. We cannot predict the impact that the COVID-19 pandemic or future health epidemics may have on our business and cannot guarantee that any such events will not materially and adversely affect our business and results of operations. To the extent the COVID-19 pandemic or future health epidemics adversely affect our business, financial condition and results of operations, it may also have the effect of heightening many of the other risks described in this "Risk Factors" section, including but not limited to, those related to our ability to increase sales to existing and new customers, increases to costs and potential delays from reliance on global suppliers and distribution networks, continue to perform on existing contracts, develop and deploy new technologies, and expand our marketing capabilities and sales organization-. Adverse developments affecting the financial services industry or other third parties, such as a liquidity crisis, increased levels of defaults or non- performance by financial institutions or transactional counterparties or the perception that any of these events could occur, could adversely affect our current and projected business operations and our financial condition and results of operations. Adverse developments that affect financial institutions, transactional counterparties or other third parties, or concerns or rumors about any events of these kinds or other similar risks, have in the past and may in the future lead to market- wide liquidity problems. Although we regularly assess and adjust our banking and other financial services relationships as we believe necessary or appropriate, our access to our deposits, investments, funding sources, credit and other arrangements in amounts adequate to maintain our projected business operations could be significantly impaired by factors outside of our control. These factors could include, among others, events such as liquidity constraints or failures, the inability of third parties to meet their obligations under various types of financial arrangements, general disruptions or instability in the financial services industry or financial markets, or concerns or negative expectations about the prospects for companies in the financial services industry. These factors could involve financial institutions or financial services industry companies with which we have financial or business relationships, but could also include factors involving financial markets or the financial services industry generally. For example, on March 10, 2023, Silicon Valley Bank (" SVB ") was closed by the California Department of Financial Protection and Innovation, which appointed the Federal Deposit Insurance Corporation (" FDIC ") as receiver. Similarly, on March 12, 2023, Signature Bank and Silvergate Capital Corp. were each swept into receivership. Although a statement by the Department of the Treasury, the Federal Reserve and the FDIC stated all depositors of SVB would have access to all of their money after only one business day of closure, including funds held in uninsured deposit accounts, borrowers under credit agreements, letters of credit and certain other financial instruments with SVB, Signature Bank or any other financial institution that is placed into receivership by the FDIC

may be unable to access undrawn amounts thereunder. As of the date of this Annual Report on Form 10-K, our exposure to SVB, Signature and Silvergate is immaterial, however, we regularly maintain cash balances at third-party financial institutions in excess of the Federal Deposit Insurance Corporation insurance limit. If any of the financial institutions with which we do business were to be placed into receivership, we may be unable to access our capital or adequately fund our business for a prolonged period of time, or at all. In addition, if any of our customers, suppliers or other parties with whom we conduct business are unable to access funds pursuant to their arrangements with such a financial institution, their ability to pay their obligations to us or to enter into new commercial arrangements requiring additional payments to us could be adversely affected. For example, any company with which we do business that is a counterparty to SVB, may be experiencing direct impacts from the closure of SVB that may in the future impact us and our business indirectly. A customer may fail to make payments when due, default under their agreements with us, become insolvent or declare bankruptcy, or a supplier may determine that it will no longer deal with us as a customer. Any customer or supplier bankruptcy or insolvency, or the failure of any customer to make payments when due, or the loss of any significant supplier relationships, could result in material losses to us and may have material adverse impacts on our business. In addition, uncertainty remains over liquidity concerns in the broader financial services industry, and there may be additional impacts to our business and our industry that we cannot predict at this time. Inflation and rapid increases in interest rates have led to a decline in the trading value of previously issued government securities with interest rates below current market interest rates. Although the U. S. Department of Treasury, FDIC and Federal Reserve Board have announced a program to provide up to \$ 25 billion of loans to financial institutions secured by certain of such government securities held by financial institutions to mitigate the risk of potential losses on the sale of such instruments, widespread demands for customer withdrawals or other liquidity needs of financial institutions for immediate liquidity may exceed the capacity of such program. There is no guarantee that the U. S. Department of Treasury, FDIC and Federal Reserve Board will provide access to uninsured funds in the future in the event of the closure of other banks or financial institutions, or that they would do so in a timely fashion. The results of events or concerns that involve one or more of these factors could include a variety of material and adverse impacts on our current and projected business operations and our financial condition and results of operations. These could include, but may not be limited to, the following: • Delayed access to deposits or other financial assets or the uninsured loss of deposits or other financial assets; • Loss of access to certain working capital sources and / or the inability to refund, roll over or extend the maturity of, or enter into new credit facilities or other working capital resources; • Potential or actual breach of contractual obligations that require us to maintain letters or credit or other credit support arrangements; or • Termination of cash management arrangements and / or delays in accessing or actual loss of funds subject to cash management arrangements. In addition, widespread investor concerns regarding the U. S. or international financial systems could result in less favorable commercial financing terms, including higher interest rates or costs and tighter financial and operating covenants, or systemic limitations on access to credit and liquidity sources, thereby making it more difficult for us to acquire financing on acceptable terms or at all. Any decline in available funding or access to our cash and liquidity resources could, among other risks, adversely impact our ability to meet our operating expenses, financial obligations or fulfill our other obligations, result in breaches of our financial and / or contractual obligations or result in violations of federal or state wage and hour laws. Any of these impacts, or any other impacts resulting from the factors described above or other related or similar factors not described above, could have material adverse impacts on our liquidity and our current and / or projected business operations and financial condition and results of operations.

Risks Related to the Additive Manufacturing Industry The additive manufacturing industry in which we operate is characterized by rapid technological change, requiring continual innovation and development of new products and innovations to meet constantly evolving customer demands. Our revenues are derived from the sale of 3D printers and related materials, software, and services. The additive manufacturing market is subject to rapid innovation and technological change and our customers' needs are rapidly evolving. While we intend to invest substantial resources to remain on the forefront of technological development, continuing advances in additive manufacturing technology, changes in customer requirements and preferences and the emergence of new standards, regulations and certifications could adversely affect adoption of our products. Our ability to compete in the additive manufacturing market depends, in large part, on our success in developing and introducing new 3D printers and technology, in improving our existing products and technology and qualifying new materials which our systems can support. We believe that we must continuously enhance and expand the functionality and features of our products and technologies in order to remain competitive. However, we may not be able to: • predict future customer demand; • develop cost effective new products and technologies that address the increasingly complex needs of prospective customers; • enhance our existing products and technologies; • respond to technological advances and emerging industry standards and certifications on a cost-effective and timely basis; • adequately protect our intellectual property as we develop new products and technologies; • identify the appropriate technology or product to which to devote our resources; or • ensure the availability of cash resources to fund research and development. Even if we successfully introduce new additive manufacturing products and technologies and enhance our existing products and technologies, it is possible that these will eventually supplant our existing products or that our competitors will develop new products and technologies that will replace our own. As a result, any of our products may be rendered obsolete or uneconomical by our or our competitors' technological advances, leading to a loss in market share, decline in revenue and adverse effects to our business and prospects. We face intense and growing competition in the additive manufacturing industry. Our inability to compete effectively with our competitors could affect our ability to achieve our anticipated market penetration and achieve or sustain profitability. The additive manufacturing industry in which we operate is highly competitive. We compete for customers with a wide variety of producers of additive manufacturing equipment that creates 3D objects and end-use parts, as well as with providers of materials and services for this equipment. Some of our existing and potential competitors are researching, designing, developing and marketing other types of products and services that may render our existing or future products obsolete, uneconomical or less competitive. Existing and potential competitors may also have substantially greater financial,

technical, marketing and sales, manufacturing, distribution and other resources than us, including name recognition, as well as experience and expertise in intellectual property rights and operating within certain international markets or industry verticals, any of which may enable them to compete effectively against us. Moreover, many of our competitors have more extensive customer and partner relationships than we do, and may therefore be in a better position to identify and respond to market developments or changes in customer demands, including successfully developing technologies that outperform our technologies. Potential customers may also prefer to purchase from their existing suppliers rather than a new supplier regardless of product performance or features. For example, a number of companies that have substantial resources have announced that they are beginning production of 3D printers, which will further enhance the competition we face. In addition, independent suppliers offer non- original supplies (including imitation, refill and remanufactured alternatives), which are often available for lower prices but which can also offer lower print quality and reliability compared to our supplies. If our customers utilize these non- original supplies with our printers, it could adversely impact our operating results and may have a negative impact on our brand. Future competition may arise from the development of allied or related techniques for equipment, materials, software and services that are not encompassed by our patents, from the issuance of patents to other companies that may inhibit our ability to develop certain products and from improvements to existing technologies. We intend to continue to follow a strategy of continuing product development, VAR and distribution network expansion to enhance our competitive position to the extent practicable. But we cannot assure you that we will be able to maintain our current position or continue to compete successfully against current and future sources of competition. If we do not keep pace with technological change and introduce new products and technologies, demand for our products may decline, and our operating results may suffer. Declines in the prices of our products and services, or in our volume of sales, together with our relatively inflexible cost structure, may adversely affect our financial results. Our business is subject to price competition. Such price competition may adversely affect our results of operation, especially during periods of decreased demand. Decreased demand also adversely impacts the volume of our sales. If our business is not able to offset price reductions resulting from these pressures, or decreased volume of sales due to contractions in the market, by improved operating efficiencies and reduced expenditures, then our operating results will be adversely affected. Although we generally do not have long- term supply agreements, certain of our operating costs are fixed and cannot readily be reduced, which has an impact on our operating results. To the extent the demand for our products slows, or the additive manufacturing market contracts, we may be faced with excess manufacturing capacity and related costs that cannot readily be reduced, which will adversely impact our financial condition and results of operations. Conversely, because we generally do not have long- term supply agreements, we have recently experienced and expect to continue to be subject to the risk of significant cost increases and parts shortages by our suppliers, or decisions by our suppliers to cease selling certain parts and materials to us. Increased consolidation among our customers, suppliers and competitors in the additive manufacturing industry may have an adverse effect on our business and results of operations. Increased consolidation in the additive manufacturing industry among our customers, suppliers and competitors may adversely affect our business and results of operations. Customer consolidation could lead to changes in buying patterns, slowdowns in spending, and impact our distribution channels. Moreover, the significant purchasing power of these large companies can increase pricing and competitive pressures for us, including the potential for decreases in our average selling prices. If one of our customers is acquired by another company that does not rely on us to provide it with products or relies on another provider of similar products, we may lose that customer' s business. Any of the foregoing results will adversely affect our business, financial condition and results of operations. In addition, supplier consolidation may lead to increased prices of materials for our products, deployment delays and / or a disruption in output. In addition, such consolidation may exacerbate the risks relating to our dependence on a small number of suppliers for certain materials that are required to manufacture our products. We may experience significant delays in the design, production and launch of our additive manufacturing solutions and enhancements to existing products, and we may be unable to successfully commercialize products on our planned timelines. We have several additive manufacturing solutions and enhancements to existing products that are still under development. There are often delays in the design, testing, manufacture and commercial release of new products, and any delay in the launch of our products could materially damage our brand, business, growth prospects, financial condition and operating results. For example, we ~~have~~ experienced production challenges meeting demand for our FX20 printer, including issues procuring materials and production constraints, which limited revenue during 2022, and initial production costs ~~have~~ exceeded targets negatively impacting our gross margin. Even if we successfully complete the design, testing and manufacture for one or all of our products or enhancements under development, we may fail to develop a commercially successful product on the timeline we expect for a number of reasons, including: • misalignment between the products and customer needs; • length of sales cycles; • insufficient product innovation; • product quality and performance issues; • insufficient resources or qualified personnel to develop the product; • failure of the product to perform in accordance with the customer' s expectations and industry standards; • inability to procure parts of adequate quality needed to build the product on commercially acceptable terms, or at all; • insufficient labor or process stability to build the product to required specifications; • ineffective distribution, sales and marketing; • delay in obtaining, or failure to obtain, any required regulatory approvals; • the impact of ~~the COVID-19 pandemic, and~~ future health epidemics ~~;~~ on production, distribution and demand for our products; • increased production costs, including due to general inflationary pressures on the supplies we procure, and unexpected delays; or • release of competitive products. Our success in the market for the new products we develop will depend in part on our ability to prove our new products' capabilities in a timely manner. Until demonstration, our customers may not believe that our products and / or technology have the capabilities they were designed to have or that we believe they have. Furthermore, even if we do successfully demonstrate our products' capabilities, potential customers may be more comfortable doing business with a competitor, including another larger and more established company, may take longer than expected to make the decision to order our products, or may not have the budget or decision- making authority to purchase the product. Significant revenue from new product investments may not be achieved for a number of years, if at all. If the timing of

our launch of new products and / or of our customers' acceptance of such products is different than our assumptions, our revenue and results of operations may be adversely affected. Changes in our product mix may impact our gross margins and financial performance. Our financial performance may be affected by the mix of products and services we sell during a given period. We expect to continue to offer products at a variety of price points. Sales of certain of our products have, or are expected to have, higher gross margin contributions than others. If our product mix shifts too far into lower gross margin products, or we are unable to maintain or increase gross margins, and we are not able to sufficiently reduce the engineering, production and other costs associated with those products or substantially increase the sales of our higher gross margin products, our profitability could be reduced. Additionally, the introduction of new products or services may further heighten quarterly fluctuations in gross profit and gross profit margins due to manufacturing ramp- up and start- up costs. Relatedly, if our product mix shifts such that our production rates decrease, our product costs and margins may be negatively impacted. We may experience significant quarterly fluctuations in gross profit margins or operating income or loss due to the impact of the mix of products, channels or geographic areas in which we sell our products from period to period. Risks Related to Our Business Operations Our failure to meet our customers' price expectations would adversely affect our business and results of operations. Demand for our product lines is sensitive to price. We believe our competitive pricing has been an important factor in our results to date. Therefore, changes in our pricing strategies can have a significant impact on our business and ability to generate revenue. Many factors, including our production and personnel costs, our competitors' pricing and marketing strategies, general inflationary pressures, our customers' budgets, the value our products bring to our customers and our desire to hit revenue goals can significantly impact our pricing strategies. If we fail to meet our customers' price expectations in any given period, demand for our products and product lines could be negatively impacted and our business, results of operations and brand could suffer. Our revenue model is evolving and we may introduce new revenue models or avenues that may not be accepted by our customers and as such will not materialize. We depend on our network of VARs and other distribution partners and if we fail to maintain successful relationships, or if they fail to perform, our ability to market, sell and distribute our products will be limited, and our business, financial position and results of operations will be harmed. We rely heavily on our global network of VARs and other distribution partners to sell our products and to provide installation and support services to customers in their respective geographic regions. These VARs and other distribution partners may not be as effective in selling our products or installing and supporting our customers as we expect. Moreover, a VAR or other distribution partner may misrepresent the capabilities of our products without our knowledge either intentionally or unintentionally due to the inherent complexity of our products. Further, our VARs and other distribution partners can terminate their contracts with us at any time, and if our contracts with a significant number of VARs and other distribution partners, or with the most effective VARs and other distribution partners, were to terminate or if they would otherwise fail or refuse to sell certain of our products, we may not be able to find replacements that are as qualified or as successful in a timely manner, if at all. Recruiting and retaining qualified VARs and other distribution partners and training them in our technologies requires significant time and resources. These VARs and other distribution partners may also market, sell and support other technologies in unrelated markets and may devote more resources to the marketing, sales and support of such products. In addition, if our VARs and other distribution partners do not perform as anticipated, or if we are unable to secure qualified and successful VARs and other distribution partners, our sales will suffer, which would have an adverse effect on our revenues and operating results. Because we also depend upon our VARs and other distribution partners to provide installation and support services for products, if our VAR or distribution partner relationships were terminated or limited to certain products, we may face disruption in providing support for our customers, which would adversely affect our brand, reputation and our results of operations. Any failure to offer high- quality technical support services may adversely affect our relationships with our customers and adversely affect our financial results and brand. Further, we require that our VARs and other distribution partners adhere to all local laws and regulations, but it is possible that a VAR or other distribution partner could violate such laws or regulations, which could adversely impact our business, reputation and financial results and brand. Our indirect sales and distribution model could subject us to lawsuits, potential liability and brand and reputational harm if, for example, any of our VARs and other distribution partners misrepresent the functionality of our products or services to customers or violate laws or our corporate policies. Additionally, a default by one or more VARs or other distribution partners with whom we have a significant receivables balance could have an adverse financial impact on our financial results. **In As of and for the year ended December 31, 2022-2023, no customer represented one VAR generated an aggregate greater of 11 than 10 % of the total revenue, and one VAR represented 13 % of our accounts receivable balance as or total revenue. As of and for the year ended December 31, 2022, one customer represented greater than 10 % of the accounts receivable balance and total revenue.** In the event that this VAR-customer or any of our large customers do not continue to purchase our products or purchase fewer of our products, our business, results of operations and financial condition could be adversely affected. We have reviewed our policies that govern credit and collections and will continue to monitor them in light of current payment status and economic conditions. In addition, we try to reduce the credit exposures of our accounts receivable by instituting credit limits and additional checks. However, there can be no assurance that our efforts to identify potential credit risks will be successful. Our inability to timely identify VARs and other distribution partners that are credit risks could result in defaults at a time when such VARs and other distribution partners have high accounts receivable balances with us. Any such default would result in a significant charge against our earnings and adversely affect our results of operations and financial condition. If our suppliers become unavailable or inadequate, our customer relationships, results of operations and financial condition may be adversely affected. As a result of supply chain disruptions and the rise of inflation, we have experienced increasing costs and supply shortages that have continued into 2022-2023. For example, we recently experienced longer lead times and capacity constraints in connection with the raw resources required to manufacture our printing material and we are also facing increased prices in connection with the procurement of the electronic components and custom metal fabricated parts for our printers, including our FX20 printer. We acquire certain of our materials, which are critical to the

ongoing operation and future growth of our business, from several third parties. Generally, our third- party contract manufacturers contract directly with component suppliers with our guidance. We rely on our contract manufacturers to manage their supply chains. If one of our contract manufacturers has supply chain disruptions, or our relationship with our contract manufacturer terminates, we could experience delays. We also source some materials directly from suppliers. While most manufacturing equipment and materials for our products are available from multiple suppliers, certain of those items are only available from limited sources. Should any of these suppliers become unavailable or inadequate, or impose terms unacceptable to us, such as increased pricing terms, we could be required to spend a significant amount of time and expense to develop alternate sources of supply, and we may not be successful in doing so on terms acceptable to us, or at all. As a result, the loss of a limited source supplier could adversely affect our brand and relationship with our customers as well as our results of operations and financial condition. In the case of certain materials, we have specified a certain grade of a product to be used in our manufacturing process. While there are several potential suppliers of most of these component materials that we use, we currently choose to use only one or a limited number of suppliers for several of these components and materials. For those materials, we could be impacted by any changes our suppliers make to such materials, which could include specification changes, lead time or cancellation of the material. If there is not an alternate product available, replacement thereof would require significant engineering and manufacturing efforts by us to qualify a replacement. Additionally, if a supplier of such materials decided to terminate their relationship with us, we may face delays in our production as we seek out a replacement supplier. Our reliance on a single or limited number of vendors involves a number of risks, including: • potential shortages and cost increases of some key components; • product performance shortfalls, if traceable to particular product components, since the supplier of the faulty component cannot readily be replaced; • discontinuation of a product or certain materials on which we rely; • potential insolvency of these vendors; • vendors may discontinue producing a particular product component, or discontinue selling us particular components; and • reduced control over delivery schedules, manufacturing capabilities, quality and costs. In addition, we evaluate new suppliers pursuant to our internal procedures. This process involves evaluations of varying durations, which may cause production delays if we were required to qualify a new supplier unexpectedly. We generally assemble our systems and parts based on our internal forecasts and the availability of raw materials, assemblies, components and finished goods that are supplied to us by third parties, which are subject to various lead times. If certain suppliers were to decide to discontinue production of an assembly, component or raw material that we use, the unanticipated change in the availability of supplies, or unanticipated supply limitations, could cause delays in, or loss of, sales, increased production or related costs and consequently reduced margins, and damage to our reputation. If we were unable to find a suitable supplier for a particular component, material or compound, we could be required to modify our existing products or the end- parts that we offer to accommodate substitute components, material or compounds. While we monitor risk internally related to our sourcing (particularly concerning raw materials), there is no guarantee that will sufficiently protect us if we suddenly lose access to supplies unexpectedly. Any shortage of a particular component, material or compound could materially and adversely affect our ability to manufacture our products and could lead to increased costs to acquire such resources which could adversely affect our business and financial condition. We have in the past experienced and may in the future experience materials shortages and price fluctuations of certain key components, materials and compounds, and the predictability of the availability and pricing of these components, materials and compounds may be limited. Shortages of components, materials or compounds or pricing fluctuations could be material in the future. In the event of a components, materials or compounds shortage, supply interruption or material pricing change from suppliers of these components, materials or compounds, we may not be able to develop alternate sources in a timely manner or at all in the case of sole or limited sources. Developing alternate sources of supply for these components, materials or compounds may be time- consuming, difficult, and costly and we may not be able to source these components, materials or compounds on terms that are acceptable to us, or at all, which may undermine our ability to meet our requirements or to fill customer orders in a timely manner. Any interruption or delay in the supply of any of these components, materials or compounds, or the inability to obtain these components, materials or compounds from alternate sources at acceptable prices and within a reasonable amount of time, would adversely affect our ability to meet our scheduled product deliveries to our customers. This could adversely affect our relationships with our customers and VARs and could cause delays in shipment of our products and adversely affect our operating results. In addition, increased component, material or compound costs could result in lower gross margins. Even where we are able to pass increased costs along to our customers, there may be a lapse of time before we are able to do so such that we must absorb the increased cost. If we are unable to buy these components, materials or compounds in quantities sufficient to meet our requirements on a timely basis, we will not be able to deliver products to our customers, which may result in such customers using competitive products instead of ours. We have experienced minor delays on the inbound supply chain at our partners and our own facilities ~~as a result of COVID-19~~. Additional delays on both inbound and outbound logistics have also created challenges. We have been able to identify alternative solutions such that none of the issues has had a material impact on our ability to fulfill demand. If disruptions to global businesses ~~as a result of the COVID-19 pandemic~~ continue or worsen, our business could face greater supply chain delays and difficulty shipping or receiving products and materials, which could have a material adverse effect on our financial condition and results of operations. While we believe that, if necessary, we can obtain all the components necessary for our spare parts and materials from other manufacturers, we will need to guide any new manufacturers through evaluation processes of varying durations. Our spare parts and raw materials used in our materials production are subject to various lead times. Any unanticipated change in the sources of our supplies, or unanticipated supply limitations, could increase production or related costs and consequently reduce margins. If our forecasts exceed actual orders, we may hold inventories of slow- moving or unusable parts, which could have an adverse effect on our cash flow, profitability, and results of operations. Inversely, we may lose orders if our forecast is low and we are unable to meet demand. ~~There is considerable uncertainty on the business impact from current measures and potential future measures to contain the spread of the COVID-19 pandemic on our vendors, suppliers, and partners, especially if such measures~~

~~are in effect for an extended period of time.~~ Our business model is predicated, in part, on developing or expanding recurring revenues through the sale of our hardware, consumables, and services. If that recurring stream of revenues does not develop as expected, or if our business model changes as the industry evolves, our operating results may be adversely affected. Our business model is dependent, in part, on our ability to develop, maintain and increase sales of our hardware, consumables, and services as they generate recurring revenues. Existing and future customers of our systems may not purchase our consumables and services at the same rate at which customers currently purchase those offerings. If our current and future customers purchase a lower volume of our consumables and services, resulting overall in lower purchases of consumables and services on average than with our current installed customer base, our recurring revenue stream relative to our total revenues would be reduced and our operating results would be adversely affected. We rely on a limited number of third- party logistics providers for distribution of our products, and their failure to distribute our products effectively and in a cost effective manner would adversely affect our sales. We rely on a limited number of third- party logistics providers for shipping our products. Each third- party logistics provider stores our products in a limited number of warehouses where they prepare and ship our products based on digital instructions. The use of a limited number of third- party logistics providers increases the risk that a fire or damage from another type of disaster at any of the warehouses may result in a disruption of our commercialization efforts. Additionally, because we use a limited number of third- party logistics providers, if there is a disruption in the distribution channels of such third- party logistics providers, including but not limited to any disruption caused by global shipping capacity, labor shortages ~~and the ongoing COVID-19 pandemic~~, or if these providers continue to increase their rates, our business and financial condition could be adversely impacted. If our third- party logistics providers do not fulfill their contractual obligations to us, or refuse or fail to adequately distribute our products, such as by shipping our products to the incorrect recipient, or the agreements are terminated without adequate notice, shipments of our products, and associated revenues, would be adversely affected. In addition, we expect that it may take a significant amount of time if we were required to change our third- party logistics providers and would require significant efforts to provide the systems support required for a new provider to effectively support our operations. If demand for our products does not grow as expected, or if market adoption of additive manufacturing does not continue to develop, or develops more slowly than expected, our revenues may stagnate or decline, and our business may be adversely affected. We believe that the industrial manufacturing market, which today is dominated by conventional manufacturing processes that do not involve additive manufacturing technology, is undergoing a shift towards additive manufacturing **for end- use production as well as factory line support**. We may not be able to develop effective strategies to raise awareness among potential customers of the benefits of additive manufacturing technologies or our products may not address the specific needs or provide the level of functionality required by potential customers to encourage the continuation of this shift towards additive manufacturing. We must anticipate, sometimes several years in advance, the direction that the additive market is taking. We may not correctly anticipate the direction, which may lead us to invest in the wrong products, which may adversely affect our results of operation and financial condition. If additive manufacturing technology does not continue to gain broader market acceptance as an alternative to conventional manufacturing processes, or if the marketplace adopts additive manufacturing technologies that differ from our technologies, we may not be able to increase or sustain the level of sales of our products, and our operating results would be adversely affected as a result. Defects in new products or in enhancements to our existing products that give rise to product returns or warranty or other claims could result in material expenses, diversion of management time and attention and damage to our reputation. Our additive manufacturing solutions are complex and may contain undetected defects or errors when first introduced or as enhancements are released that, despite testing, are not discovered until after a machine has been used. We may not know which products are affected by defects. These defects could be systemic and could affect all of the products we shipped prior to discovery thereof. It may not be economically feasible to identify, replace or repair all affected products. In the event that the defect is severe enough or impacts customer safety, a product recall may be required. This could result in delayed market acceptance of those products or claims from VARs, customers or others, which may result in litigation, increased customer warranty, support and repair or replacement costs, damage to our reputation and business, or significant costs and diversion of support, management and engineering personnel to correct the defect or error. We may from time to time become subject to warranty or product liability claims related to product quality issues that may require us to take remedial action and could, regardless of merit, lead us to incur significant expenses, result in diversion of management time and attention, damage to our business and reputation and brand, and cause us to fail to retain existing customers or fail to attract new customers. We attempt to include provisions in our agreements with customers that are designed to manage our exposure to potential liability for damages arising from defects or errors in our products. However, it is possible that these provisions may not be effective as a result of unfavorable judicial decisions or laws enacted in the future. We may be unable to consistently manufacture our products to the necessary specifications or in quantities necessary to meet demand at an acceptable cost or at an acceptable performance level. Our products are integrated solutions with many different components that work together. As such, a quality defect in a single component can compromise the performance of the entire solution. As we continue to grow and introduce new products, and as our products incorporate increasingly sophisticated technology, such as our FX20 system, which is the largest and most complex printer we have ever developed, it will be increasingly difficult to ensure our products are produced in the necessary quantities without sacrificing quality. There is no assurance that we or our third- party manufacturers and any component suppliers will be able to continue to manufacture our products so that they consistently achieve the product specifications and quality that our customers expect. Relatedly, certain of our components are sourced by a single supplier and, if the supply were to become disrupted as a result of insufficient quality, service delays or any other factor, our manufacturing efforts could be adversely affected. Any future design issues, unforeseen manufacturing problems, such as contamination of our or such third- party facilities, equipment malfunctions, aging components, component obsolescence, business continuity issues, quality issues with components and materials sourced from third party suppliers, or failures to strictly follow procedures or meet specifications, may have a material adverse effect on our

brand, business, financial condition and operating results. Furthermore, we or our third- party manufacturers may not be able to increase manufacturing to meet anticipated demand or may experience downtime. In order to meet our customers' needs, we attempt to forecast demand for our products and components used for the manufacture of our products. If we fail to accurately forecast this demand, we could incur additional costs or experience manufacturing delays and may experience lost sales or significant inventory carrying costs. The risk of manufacturing defects or quality control issues is generally higher for new products, whether produced by us or a third- party manufacturer, products that are transitioned from one manufacturer to another, particularly if manufacturing is transitioned or initiated with a manufacturer we have not worked with in the past, and products that are transferred from one manufacturing facility to another. We cannot assure investors that we and our third- party manufacturers will be able to launch new products on time, transition manufacturing of existing products to new manufacturers, transition our manufacturing capabilities to a new location or transition manufacturing of any additional materials in- house without manufacturing defects. An inability to manufacture products and components that consistently meet specifications, in necessary quantities and at commercially acceptable costs will have a negative impact and may have a material adverse effect on our brand, business, financial condition and results of operations. Our commercial contracts generally contain product warranties and limitations on liability and we carry liability insurance in amounts that we believe are adequate for our risk exposure and commensurate with industry norms. However, commercial terms and our insurance coverage may not be adequate or available to protect our company in all circumstances, and we might not be able to maintain adequate insurance coverage for our business in the future at an acceptable cost. Any liability claim against us that is not covered by adequate insurance could adversely affect our consolidated results of operations and financial condition. Finally, any liability claim against us may cause harm to our brand, reputation and adversely impact our business. We are dependent on the continued services and performance of our senior management and other key employees, as well as on our ability to successfully hire, train, manage and retain qualified personnel. Our future performance depends on the continued services and contributions of our executive team and other key employees to execute on our business plan and to identify and pursue new opportunities and product innovations. Such persons may resign at any time and the loss of their services could delay or prevent the successful implementation of our strategy, commercialization of new applications for our systems or other products, or could otherwise adversely affect our ability to manage our company effectively and carry out our business plan. There is no assurance that if any senior executive or other key employee leaves in the future, we will be able to rapidly replace him or her and transition smoothly towards his or her successor, without any adverse impact on our operations. Our ability to successfully pursue our growth strategy will also depend on our ability to attract, motivate and retain existing and new personnel. We experience intense competition for qualified senior management and other key personnel (including scientific, technical, manufacturing, engineering, financial and sales personnel) in the additive manufacturing industry, especially in the greater Boston area. In addition, we have experienced increased competition and shortages for skilled labor, particularly for the key roles noted above. These risks to attracting and retaining the necessary talent may be exacerbated by recent labor constraints and inflationary pressures on employee wages and benefits. Our personnel are generally employed on an at- will basis, which means that they could terminate their employment with us at any time. There can be no assurance that we will be able to retain our current key personnel or attract new persons to join our organization in the future. Some of our competitors for these employees have greater resources and more experience, making it difficult for us to compete successfully for key personnel. If our stock does not perform as well as other companies' our equity incentive programs may have reduced retentive value. These pressures could result in increased costs in order to provide competitive compensation packages to attract and retain key personnel. Moreover, new employees may not be as productive as we expect since we may face challenges in adequately integrating them into our workforce and culture. If we cannot attract and retain sufficiently qualified technical employees for our research product development activities, as well as experienced sales and marketing personnel, we may be unable to develop and commercialize new products and enhancements to existing products. As manufacturing becomes a larger part of our operations, we will become exposed to the accompanying risks and liabilities. In- house and outsourced manufacturing has been and continues to be a significant part of our business. As a result, we expect to continue to be subject to various risks associated with the manufacturing and supply of products, including the following:

- If we fail to supply products in accordance with contractual terms, including terms related to time of delivery and performance specifications, we may be required to repair or replace defective products and may become liable for direct, special, consequential and other damages, even if manufacturing or delivery was outsourced;
- Raw materials used in the manufacturing process, labor and other key inputs may become scarce, obsolete and expensive, causing our costs to exceed cost projections and associated revenues;
- Manufacturing processes typically involve large machinery, fuels and chemicals, any or all of which may lead to accidents involving bodily harm, destruction of facilities and environmental contamination and associated liabilities;
- As our manufacturing operations expand, we expect that a significant portion of our manufacturing will be done in regions outside the United States, either by third- party contractors or in a plant owned by us. Any manufacturing done in such locations presents risks associated with quality control, currency exchange rates, foreign laws and customs, timing and loss risks associated with international transportation and potential adverse changes in the political, legal and social environment in the host ~~county~~ **country, including the outbreak of war or sustained armed conflict in such host country or its geographic region**;
- We have made, and may be required to make, representations as to our right to supply and / or license intellectual property and to our compliance with laws. Such representations are usually supported by indemnification provisions requiring us to defend our customers and otherwise make them whole if we license or supply products that infringe on third- party technologies or violate government regulations;
- As our manufacturing operations scale, so will our dependence on skilled labor at both in- house and third- party manufacturing facilities. If we are unable to obtain and maintain skilled labor resources, we may be unable to meet customer production demands; and
- With scaling production volume, demand for our products may make up a significant percentage of global volume in select categories or commodities. Such commodities could be subject to large pricing swings due to the global political, legal and social environment and could cause our costs to exceed

productions and associated revenues. Any failure to adequately manage risks associated with the manufacture and supply of materials and products could adversely affect profits from that segment of our business and / or lead to significant liabilities, which would harm our brand, business, operations and financial condition. Under applicable employment laws, we may not be able to enforce covenants not to compete and therefore may be unable to prevent our competitors from benefiting from the expertise of some of our former employees. We generally enter into non- competition agreements with our employees. These agreements prohibit our employees from competing directly with us or working for our competitors or clients for a limited period after they cease working for us. We may be unable to enforce these agreements under the laws of the jurisdictions in which our employees work and it may be difficult for us to restrict our competitors from benefiting from the expertise that our former employees or consultants developed while working for us. For example, in Massachusetts, where most of our employees are based, applicable law imposes a number of requirements to enter into a valid non- competition agreement, and in California non- competition agreements with employees are generally unenforceable after termination of employment. Further, in January 2023, the U. S. Federal Trade Commission published a proposed rule that, if finally issued, would generally prohibit post-employment non- compete clauses (or other clauses with comparable effect) in agreements between employers and their employees. We are monitoring the proposed rule and the impact it may have on our ability to enforce non- competition agreements. We expect to continue to experience rapid growth and organizational change. If we fail to manage our growth effectively, we may be unable to execute our business plan, maintain high levels of service and customer satisfaction or attract new employees and customers. We expect to continue to experience growth in our number of customers, sales, revenues and headcount. We expect to continue to make significant investments in our business, including investments in our infrastructure, software, technology, personnel headcount, facilities, marketing and sales efforts. If our business does not generate the level of revenue required to support our investment, our net sales and profitability will be adversely affected. To manage growth in our operations and personnel, we will need to continue to scale and improve our operational, financial, and management controls, and our reporting systems and procedures, which will require significant capital expenditures, increasing our cost of operations and the reallocation of valuable management resources. As we scale, it may become more difficult and will require additional capital expenditures to maintain and increase the productivity of our employees, expand production, to address the needs of our actual and prospective customers, to further develop and enhance our products, and remain competitive against our competitors' products. These enhancements and improvements will require significant capital expenditures, investments in additional headcount and other operating expenditures and allocation of valuable management and employee resources, including but not limited to investments related to our facilities. Our future financial performance and our ability to execute on our business plan will depend, in part, on our ability to effectively manage any future growth and expansion. There are no guarantees we will be able to do so in an efficient or timely manner, or at all. As we acquire and invest in companies or technologies, we may not realize expected business, technological or financial benefits and the acquisitions or investments could prove difficult to integrate, disrupt our business, dilute stockholder value and adversely affect our business, results of operations, and financial condition. As part of our business strategy, we may evaluate and make investments in, or acquisitions of, complementary companies, products, software and technologies, to further grow and augment our business and product offerings. The success of any attempts to grow our business through acquisitions to complement our business depends in part on the availability of, our ability to identify, and our ability to engage and pursue suitable acquisition candidates. We may not be able to find suitable acquisition candidates, and we may not be able to complete acquisitions on favorable terms, if at all. If we do complete future acquisitions, we cannot assure you that they will ultimately strengthen our competitive position or that they will be viewed positively by customers, financial markets or investors. Furthermore, future acquisitions could pose numerous additional risks to our operations, including: • diversion of management' s attention from existing operations; • unanticipated costs or liabilities associated with the acquisition, including risks associated with acquired intellectual property and / or technologies; • incurrence of acquisition- related costs, which would be recognized as a current period expense; • difficulties in, and the cost of, integrating personnel and cultures, operations, technologies, products and services which may lead to failure to achieve the expected benefits on a timely basis or at all; • challenges in achieving strategic objectives, cost savings and other anticipated benefits; • inability to maintain relationships with key customers, suppliers, vendors and other third parties on which the purchased business relies; • the difficulty of incorporating acquired technology and rights into our products and product portfolio and of maintaining quality and security standards consistent with our brand; • ineffective controls, procedures and policies inherited from the acquired company or during the transition and integration; • inability to generate sufficient revenue to offset acquisition and / or investment costs; • negative impact to our results of operations because of the depreciation of amounts related to acquired intangible assets, fixed assets, and deferred compensation; • requirements to record certain acquisition- related costs and other items as current period expenses, which would have the effect of reducing our reported earnings in the period in which an acquisition is consummated; • recording goodwill or other long- lived asset impairment charges (if any) in the periods in which they occur, which could result in a significant charge to our earnings in any such period, **such as the goodwill impairment recorded in the third quarter of 2023**; • use of substantial portions of our available cash, issuance of dilutive equity or the incurrence of debt to consummate the acquisition; • potential write- offs of acquired assets or investments, and potential financial and credit risks associated with acquired customers; • tax effects and costs of any such acquisitions, including the related integration into our tax structure and assessment of the impact on the realizability of our future tax assets or liabilities; • the potential entry into new markets in which we have little or no experience or where competitors may have stronger market positions; and • currency and regulatory risks associated with conducting operations in foreign countries. ~~Each of the above challenges are exacerbated by the COVID-19 pandemic, which complicates our ability to complete and integrate any future acquisition into our business and could adversely affect the acquired business in unexpected ways.~~ We may require additional capital to support business growth, and this capital might not be available on acceptable terms, if at all. We intend to continue to make investments to support our business growth and may require additional funds to respond to business challenges

and opportunities, including the need to develop new features or enhance our products, improve our operating infrastructure or acquire complementary businesses and technologies. Accordingly, we may need to engage in equity or debt financings to secure additional funds if our existing sources of cash and any funds generated from operations do not provide us with sufficient capital. Current capital market conditions, including the impact of inflation, have increased borrowing rates and can be expected to significantly increase our cost of capital as compared to prior periods should we seek additional funding. Moreover, global capital markets have undergone periods of significant volatility and uncertainty in the past, and there can be no assurance that such financing alternatives will be available to us on favorable terms or at all, should we determine it necessary or advisable to seek additional capital. If we raise additional funds through future issuances of equity or convertible debt securities, our existing stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences and privileges superior to those of holders of our common stock. Any debt financing that we may secure in the future could involve restrictive covenants relating to our capital raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities, including potential acquisitions, and any new or refinanced debt may be subject to substantially higher interest rates, which could adversely affect our financial condition and impact our business. Recent quantitative tightening by the U. S. Federal Reserve, along with other central banks around the world, may further negatively affect our short- term ability or desire to incur debt. We may not be able to obtain additional financing on terms favorable to us, for example, if interest rates continue to rise and make debt financing prohibitively expensive, or such financing may not be available at all. If we are unable to obtain adequate financing or financing on terms satisfactory to us when we require it, our ability to continue to support our business growth and to respond to business challenges and opportunities could be significantly impaired, and our business may be adversely affected.

Risks Related to Third Parties A real or perceived defect, security vulnerability, error or performance failure in our software or technical problems or disruptions caused by our third- party service providers could cause us to lose revenue, damage our reputation and expose us to liability. Our hardware products rely upon our complementary software products which are inherently complex and, despite extensive testing and quality control, have in the past and may in the future contain defects, vulnerabilities, or errors, especially when first introduced, or otherwise not perform as contemplated. As the use of our products, including products that were recently acquired or developed, expands to more sensitive, secure or mission critical uses by our customers, we may be subject to increased scrutiny, potential reputational risk or potential liability should our software fail to perform as contemplated in such deployments. We have in the past and may in the future need to issue corrective releases of our software to fix these defects, vulnerabilities, errors or performance failures and we may encounter technical problems when we attempt to perform routine maintenance or enhance our software, internal applications, and systems, which could require us to allocate significant research and development and customer support resources to address these problems and divert the focus of our management and research and development teams. In addition, our platform may be negatively impacted by technical or security issues experienced by our third- party service providers. Our business, brands, reputation and ability to attract and retain customers depend upon the satisfactory performance, reliability and availability and security of our software products, which in turn, with respect to our planned software as a service (“ SaaS ”) offerings depend upon the availability and security of the internet and our third- party service providers. For example, for our SaaS offerings we outsource our cloud infrastructure to Amazon Web Services (“ AWS ”), our hosting provider, which hosts our software products. Our hosting provider runs its own platforms upon which our products depend, and we are, therefore, vulnerable to service interruptions at the hosting provider level. We do not control the operation of any of AWS’ data center hosting facilities, and they may be subject to damage, compromise, or interruption from earthquakes, floods, fires, power loss, telecommunications failures, terrorist attacks and similar events. They may also be subject to damage, compromise, or interruptions due to system failures, cybersecurity incidents, compromises, or vulnerabilities (including system- encrypting ransomware- ransomware), software errors or subject to breaches of computer hardware and software security, break- ins, sabotage, intentional acts of vandalism and similar misconduct. And while we rely on service level agreements with our hosting provider, if they do not properly maintain their infrastructure or if they incur unplanned outages, our customers may experience performance issues or unexpected interruptions and we may not meet our service level agreement terms with our customers. We have experienced, and expect that in the future we may experience interruptions, delays and outages in service and availability from time to time due to a variety of factors, including infrastructure changes, human or software errors, website hosting disruptions and capacity constraints. Any inefficiencies, security vulnerabilities, errors, defects, technical problems or performance failures with our software, internal applications, systems or infrastructure, or those of our third- party providers, could reduce the quality of our products or interfere with our customers’ (and their users’) use of our products, which could negatively impact our brand and reputation, reduce demand, lead to a loss of customers or revenue, adversely affect our results of operations and financial condition, increase our costs to resolve such issues and subject us to financial penalties and liabilities under our service level agreements. Any limitation of liability provisions that may be contained in our customer agreements may not be effective as a result of existing or future applicable law or unfavorable judicial decisions. The sale and support of our products entail the risk of liability claims, which could be substantial in light of the use of our products in enterprise- wide environments. In addition, our insurance against this liability may not be adequate to cover a potential claim. We depend on a limited number of third- party contract manufacturers for a substantial portion of all of our manufacturing needs and any delay, disruption or quality control problems in their operations, including due to the COVID-19 pandemic, could cause harm to our operations, including loss of market share and damage to our brand. We depend on third- party contract manufacturers for the production of our 3D printers and on third- party suppliers for the components and raw materials used in our products. While there are several potential manufacturers for most of these products, all of our products are manufactured, assembled, tested and generally packaged by a limited number of third- party manufacturers and several single source providers of certain supplies. In most cases, we rely on these manufacturers to procure components and, in some cases, subcontract engineering work. Our reliance on a limited number of contract manufacturers involves a number of risks, including:

• unexpected increases in manufacturing and repair costs; • inability to control the quality and reliability of products; • inability to control delivery schedules; • potential liability for expenses incurred by third- party contract manufacturers in reliance on our forecasts that later prove to be inaccurate; • potential lack of adequate capacity to manufacture all or a part of the products we require; • potential labor unrest affecting the ability of the third- party manufacturers to produce our products; and • unexpected component or process obsolescence making key components unavailable. If any of our third- party contract manufacturers experience a delay, disruption or quality control problems in their operations, including due to ~~the COVID-19 pandemic and~~ global supply chain disruptions, or if a primary third- party contract manufacturer does not renew its agreement with us, our operations could be significantly disrupted and our product shipments could be delayed. Qualifying a new manufacturer and commencing volume production is expensive and time consuming. Ensuring that a contract manufacturer is qualified to manufacture our products to our standards is time consuming. In addition, there is no assurance that a contract manufacturer can scale its production of our products at the volumes and in the quality that we require. If a contract manufacturer is unable to do these things, we may have to move production for the products to a new or existing third- party manufacturer, which would take significant effort and our brand, business, results of operations and financial condition could be materially adversely affected. Finally, if a contract manufacturer producing a highly specified product changes its materials or is unable to meet our production demands, it could lead to specification changes, increased lead time or cancellation of the product. As we contemplate moving manufacturing into different jurisdictions, we may be subject to additional significant challenges in ensuring that quality, processes, and costs, among other issues, are consistent with our expectations. **If such jurisdictions are outside the U. S., we may also face significant challenges regarding compliance with law in such jurisdictions as well as export control laws of such jurisdictions and the U. S., as more fully described in the section “ Risk Factors – Risks Related to International Operations ” as well as risks associated with quality control, currency exchange rates, foreign laws and customs, timing and loss risks associated with international transportation and potential adverse changes in the political, legal and social environment in the jurisdiction, including the outbreak of war or sustained armed conflict in such jurisdiction or geographic region.** In addition, because we use a limited number of third- party contract manufacturers, increases in the prices charged may have an adverse effect on our results of operations, as we may be unable to find a contract manufacturer who can supply us at a lower price. As a result, the loss of a limited source supplier could adversely affect our relationships with our customers and our results of operations and financial condition. All of our products must satisfy safety and regulatory standards and some of our products must also receive government certifications. We rely on third- party providers to conduct the tests that support our applications for most regulatory approvals for our products. As part of the certification process, our third- party contract manufacturers are subject to audit and must receive approvals from third- parties providing such certifications. Failure to meet these certifications by our third- party contract manufacturers could adversely impact our business. Moreover, if our third- party contract manufacturers fail to timely and accurately conduct the tests supporting our applications for regulatory approvals, we may be unable to obtain the necessary domestic or foreign regulatory approvals or certifications to sell our products in certain jurisdictions. As a result, we would be unable to sell our products and our sales and profitability could be reduced, our relationships with our sales channel could be harmed and our reputation and brand would suffer. Our manufacturing facility and those of our third- party contract manufacturers and suppliers, as well as our customers’ facilities and our third- party logistics providers, are vulnerable to disruption due to natural or other disasters, strikes and other events beyond our control. A major earthquake, fire, tsunami, hurricane, cyclone or other disaster, such as a major flood, seasonal storms, nuclear event, **war, sustained armed conflict, such as Russia’ s invasion of Ukraine, the armed conflict in Israel, Gaza and the Middle East generally** or terrorist attack affecting our facilities or the areas in which they are located, or affecting those of our customers or third- party manufacturers, suppliers or fulfillment centers, could significantly disrupt our or their operations and delay or prevent product shipment or installation during the time required to repair, rebuild or replace our or their damaged manufacturing facilities. These delays could be lengthy and costly. **In order to maintain our production timelines and supply chains throughout the world, including with our recently added third party manufacturer in Israel, we may be required to develop alternative infrastructure and we may not be able to avoid interruptions or additional costs**. If any of our facilities, or those of our third- party contract manufacturers, suppliers, third- party logistics providers or customers are negatively impacted by such a disaster, production, shipment and installation of our additive manufacturing machines could be delayed, which can impact the period in which we recognize the revenue related to that additive manufacturing machine sale. Additionally, customers may delay purchases of our products until operations return to normal. Even if we are able to respond quickly to a disaster, the continued effects of the disaster could create uncertainty in our business operations. **We have no way to predict the progress or outcome of these situations, including any impact on the rest of the world, as the conflicts and government reactions are rapidly developing.** In addition, concerns about terrorism, the effects of a terrorist attack, political turmoil, labor strikes, war or the outbreak of epidemic or pandemic diseases (including the outbreak of COVID-19) could have a negative effect on our operations and sales. ~~Risks Related to International Operations~~ Our existing and planned global operations subject us to a variety of risks and uncertainties that could adversely affect our business and operating results. Our business is subject to risks associated with selling machines and other products in non- United States locations. Our products and services are distributed across the world, and we derive a substantial percentage of our sales from these international markets. Accordingly, we face significant operational risks from doing business internationally. Our operating results may be affected by volatility in currency exchange rates and our ability to effectively manage our currency transaction risks. Although we currently invoice customers in United States dollars, increases in the value of the dollar relative to foreign currencies may make our products less attractive to foreign customers. We may also incur currency transaction risks if we were to enter into either a purchase or a sale transaction using a different currency from the currency in which we report revenues. In such cases we may suffer an exchange loss because we do not currently engage in currency swaps or other currency hedging strategies to address this risk. As we realize our strategy to expand internationally, our exposure to currency risks may increase. Given the volatility

of exchange rates, we can give no assurance that we will be able to effectively manage our currency transaction risks or that any volatility in currency exchange rates will not have an adverse effect on our results of operations. The shipments of our products to foreign customers and / or end- users may be subject to tariffs and other restrictions imposed by the destination countries. As we procure equipment and materials from foreign suppliers, we may be required to pay import duties and comply with regulations imposed by the U. S. Customs and Border Protection. Both the U. S. and foreign tariff rates and import restrictions may change from time to time, which could adversely impact our global operations, for example, by decreasing the price competitiveness of our products in foreign markets and / or by increasing our manufacturing costs. Other risks and uncertainties we face from our global operations include: • difficulties in staffing and managing foreign operations; • limited protection for the enforcement of contract and intellectual property rights in certain countries where we may sell our products or work with suppliers or other third parties; • potentially longer sales and payment cycles and potentially greater difficulties in collecting accounts receivable; • costs and difficulties of customizing products for foreign countries; • challenges in providing solutions across a significant distance, in different languages and among different cultures; • laws and business practices favoring local competition; • being subject to a wide variety of complex foreign laws, treaties and regulations and adjusting to any unexpected changes in such laws, treaties and regulations, including local labor laws; • strict laws and regulations governing privacy and data security, including the European Union' s and the United Kingdom' s General Data Protection Regulation; • uncertainty and resultant political, financial and market instability arising from the United Kingdom' s exit from the European Union; • compliance with U. S. laws affecting activities of U. S. companies abroad, including the U. S. Foreign Corrupt Practices Act; • tariffs, trade barriers and other regulatory or contractual limitations on our ability to sell or develop our products in certain foreign markets; • operating in countries with a higher incidence of corruption and fraudulent business practices; • changes in regulatory requirements, including export controls, tariffs and embargoes, other trade restrictions, competition, corporate practices and data privacy concerns; • failure by our VARs or other distribution partners to comply with local laws or regulations, export controls, tariffs and embargoes or other trade restrictions; • potential adverse tax consequences arising from global operations; • seasonal reductions in business activity in certain parts of the world, particularly during the summer months in Europe and at year end globally; • rapid changes in government, economic and political policies and conditions; and • political or civil unrest or instability, terrorism or epidemics and other similar outbreaks or events. In addition, additive manufacturing has been identified by the U. S. government as an emerging technology and is currently being further evaluated for national security impacts. We expect additional regulatory changes to be implemented that will result in increased and / or new export controls related to additive manufacturing technologies, components and related materials and software. These changes, if implemented, may result in our being required to obtain additional approvals and / or licenses to sell 3D printers in the global market. Our failure to effectively manage the risks and uncertainties associated with our global operations could limit the future growth of our business and adversely affect our business and operating results. **Global economic** **The effects of regulations relating to foreign trade**, **political manufacturing, development** and **investment social conditions and uncertainties in the markets that we serve** may adversely impact our business. Our performance depends on the financial health and strength of our customers, which in turn is dependent on the economic conditions of the markets in which we and our customers operate. Declines in the global economy, difficulties in the financial services sector and credit markets, continuing geopolitical uncertainties and other macroeconomic factors all affect the spending behavior of potential customers. Economic uncertainty in Europe, the United States, India, Japan, China and other countries may cause customers and potential customers to further delay or reduce technology purchases. For example, since the first quarter of 2022, we have experienced reduced demand from European markets, which may be partially attributable to regional energy cost increases and uncertainty. We also face risks from financial difficulties or other uncertainties experienced by our suppliers, distributors or other third parties on which we rely. If third parties are unable to supply us with required materials or components or otherwise assist us in operating our business, our business could be harmed. Other changes **Changes** in U. S. social, political, regulatory and economic conditions or in laws and policies governing foreign trade, manufacturing, development and investment could also adversely affect our business. In particular, on June 23, 2016, the U. K. held a referendum in which a majority of the eligible members of the electorate voted to leave the EU, commonly referred to as Brexit. Pursuant to Article 50 of the Treaty on EU, the U. K. ceased being a member state of the EU on January 31, 2020. The implementation period began February 1, 2020 and continued until December 31, 2020, during which the U. K. continued to follow all of the EU' s rules, and the U. K. ' s trading relationship remained the same. The U. K. and the EU have signed an EU- UK Trade and Cooperation Agreement, or TCA, which became provisionally applicable on January 1, 2021 and then formally entered into force on May 1, 2021 after being ratified by both the U. K. and the EU. This agreement provides details on how some aspects of the U. K. and EU' s relationship will operate going forwards however there are still many uncertainties and how the TCA will take effect in practice is still largely unknown. Additionally, there is a risk that other countries may decide to leave the European Union. This uncertainty surrounding this transition not only potentially affects our business in the United Kingdom and the European Union, but also may have an effect on global economic conditions and the stability of global financial markets, which in turn could have a material adverse effect on our business, financial condition and results of operations. In extreme cases, we could experience interruptions in production due to the processing of customs formalities or reduced customer spending in the wake of weaker economic performance. If global economic conditions remain volatile for a prolonged period or if European economies experience further disruptions, our results of operations could be adversely affected. In addition, the armed conflicts involving Russia and Ukraine may have direct and indirect effects on global economic conditions and the stability of global financial markets, which could also have a material adverse effect on our business, financial condition and results of operations. Rising inflation rates could negatively impact our revenues and profitability if increases in the prices of our services or a decrease in consumer spending results in lower sales. In addition, if our costs increase and we are not able to pass along these price increases to our customers, our net profit (loss) would be adversely affected, and the adverse impact may be material. Inflation rates, particularly in the United

States, have increased recently to levels not seen in years. Increased inflation may result in decreased demand for our products and services, increased operating costs (including our labor costs), reduced liquidity, and limitations on our ability to access credit or otherwise raise debt and equity capital. In addition, the United States Federal Reserve has raised, and may again raise, interest rates in response to concerns about inflation. Increases in interest rates, especially if coupled with reduced government spending and volatility in financial markets, may have the effect of further increasing economic uncertainty and heightening these risks. In an inflationary environment, we may be unable to raise the sales prices of our products and services at or above the rate at which our costs increase, which could reduce our profit margins and have a material adverse effect on our financial results and net profit (loss). We also may experience lower than expected sales and potential adverse impacts on our competitive position if there is a decrease in consumer spending or a negative reaction to our pricing. A reduction in our revenue would be detrimental to our profitability and financial condition and could also have an adverse impact on our future growth. The effects of regulations relating to conflict minerals may adversely affect our business. Pursuant to Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, the SEC adopted requirements for companies that use certain minerals and metals, known as conflict minerals, in their products, whether or not these products are manufactured by third parties. These requirements require companies to research, disclose and report whether or not such minerals originate from the Democratic Republic of Congo and adjoining countries. The implementation of these requirements could adversely affect the sourcing, availability and pricing of such minerals if they are found to be used in the manufacture of our products, including our 3D printers or materials. In addition, we expect to continue to incur additional costs to comply with the disclosure requirements, including costs related to determining the source of any of the relevant minerals and metals used in our products. Since our supply chain is complex, we may not be able to sufficiently verify the origins for these minerals and metals used in our products through the due diligence procedures that we implement, which may harm our reputation. In such event, we may also face difficulties in satisfying customers who require that all of the components of our products are certified as conflict mineral free. Risks Related to Sales of Products to U. S. and Foreign Governments A significant portion of our business depends on sales to the public sector, and our failure to receive and maintain government contracts or changes in the contracting or fiscal policies of the public sector could have a material adverse effect on our business. We derive a significant portion of our revenue from contracts that we have, either directly or through distribution partners and VARs, with federal, state, local and foreign governments and government agencies, and we believe that the success and growth of our business will continue to depend on our successful procurement of government contracts. For example, we have historically derived, and expect to continue to derive, a significant portion of our revenue from sales to agencies of the U. S. federal government and governments of other nations, either directly by us or through other distribution partners. Sales to such governments and their agencies are subject to a number of challenges and risks. The procurement process for governments and their agencies is highly competitive, time-consuming, and may, in certain circumstances, be subject to political influence. We incur significant up-front time and expense, which subjects us to additional compliance risks and costs, without any assurance that we (or a third-party distributor or reseller) will win a contract. Accordingly, our business, financial condition, results of operations, and prospects may be adversely affected by certain events or activities, including, but not limited to: • changes in fiscal or contracting policies or decrease in available government funding; • changes in government programs or applicable requirements; • changes in the political environment, including before or after a change to the leadership within the government administration, and any resulting uncertainty or changes in policy or priorities and resultant funding; • appeals, disputes or litigation relating to government procurement, including but not limited to bid protests by unsuccessful bidders on potential or actual awards of contracts to us or our partners by the government; • the adoption of new laws or regulations or changes to existing laws or regulations; • budgetary constraints, including automatic reductions as a result of “sequestration” or similar measures and constraints imposed by lapses in appropriations for the federal government or certain of its departments and agencies; • influence by, or competition from, third parties with respect to pending, new or existing contracts with government customers; • potential delays or changes in the government appropriations or procurement processes, including as a result of events such as war, incidents of terrorism, natural disasters, and public health concerns or epidemics, such as the COVID-19 pandemic; and • increased or unexpected costs or unanticipated delays caused by other factors outside of our control, such as performance failures of our partners and subcontractors. Any such event or activity, among others, could cause governments and governmental agencies to delay or refrain from purchasing our products and services in the future, reduce the size or payment amounts of purchases from existing or new government customers, or otherwise have an adverse effect on our business, results of operations, financial condition and prospects. Government programs are limited by budgetary constraints and political considerations and are subject to uncertain future funding levels that could result in the termination of programs. Government agency and department purchases are often strategic in nature and large in size. Therefore, reductions in funding levels that impact our customers could negatively affect the size of our customers’ orders or lead to cancellation of orders. Government contracts are often subject to more extensive scrutiny and publicity than commercial contracts. The number and terms of new government contracts signed can be affected significantly by political and economic factors, such as pending elections and revisions to government tax policies. Negative publicity related to our government contracts, regardless of its accuracy, may damage our business by affecting our ability to compete for new contracts. A decline in security-related government spending for any reason, or a shift away from programs that we address, could hurt our sales, put pressure on our prices and reduce our revenue and margins. Relatedly, the use of our products by militaries or other government agencies or departments in a way that is perceived negatively by the public could adversely affect our business and reputation. A multi-year U. S. government program may be implemented through the award of many different individual contracts, grants, cooperative agreements and subcontracts or other subawards. For U. S. government programs, program funding is subject to congressional appropriations. Congress generally appropriates funds on a fiscal year basis even though a program may continue for several years. Government programs are often only partially funded initially, and additional funds are committed only as Congress makes further

appropriations. The termination of a program or failure to commit funds to a program would result in a loss of anticipated future revenue attributable to that program, which could materially harm our business. We are subject to audits by the U. S. government which could adversely affect our business. U. S. government agencies routinely audit and investigate government contractors to monitor performance, cost allocations, cost accounting and compliance with applicable laws, regulations and standards. Since some of our contracts provide for cost reimbursement, the U. S. government has the right to audit our costs even after job completion and after we have billed and recognized the corresponding revenue. The U. S. government also may review the adequacy of, and a contractor's compliance with, its internal control systems and policies, including the contractor's purchasing, property, estimating, compensation and management information systems. Any costs found to be improperly allowed or improperly allocated to a specific contract will not be reimbursed, and any such costs that have already been reimbursed must be refunded, which would affect associated revenue that had already been recognized. While we intend to implement uniform procurement and compliance programs for all of our business, we may be subject to more risks from these audits until we are able to implement such a program effectively. Responding to governmental audits, inquiries or investigations may involve significant expense and divert the attention of our management. If a government review or investigation uncovers improper or illegal activities, we may be subject to civil and criminal penalties and administrative sanctions, including termination of contracts, forfeiture of profits, suspension of payments, damages, fines and suspension or debarment from doing business with U. S. government agencies. In addition, our reputation could be seriously harmed by allegations of impropriety, even if unfounded. Our internal controls may not prevent or detect all improper or illegal activities. Our business is subject to laws and regulations that are more restrictive because we are a contractor and subcontractor to the U. S. government. As a contractor and subcontractor to the U. S. government, we are subject to various laws and regulations that are more restrictive than those applicable to non-government contractors, including the Federal Acquisition Regulations and its supplements, which comprehensively regulate the formation, administration and performance of U. S. government contracts, and the Truth in Negotiations Act and various other laws, which require certain certifications and disclosures. These laws and regulations, among other things: • require that we obtain and maintain material governmental authorizations and approvals to conduct our business as it is currently conducted; • require certification and disclosure of cost and pricing data in connection with certain contract negotiations; • impose rules that define allowable and unallowable costs and otherwise govern our right to reimbursement under certain cost-based U. S. government contracts; • restrict the use and dissemination of information classified for national security purposes and the export of certain products and technical data; and • impose requirements relating to ethics and business practices, which carry penalties for noncompliance ranging from monetary fines and damages to loss of the ability to do business with the U. S. government as a prime contractor or subcontractor. In addition, we may be subject to industrial security regulations of the U. S. Department of Defense and other federal agencies that are designed to safeguard against unauthorized access by foreigners and others to classified and other sensitive U. S. government information. If we were to come under foreign ownership, control or influence, our U. S. government customers could terminate, or decide not to renew, our contracts, or we may be subjected to burdensome industrial security compliance measures. Such a situation could impair our ability to obtain new contracts and subcontracts. The government may also change its procurement practices or adopt new contracting rules and regulations that could be costly to satisfy or that could impair our ability to obtain new contracts. Our contracts and those of our VARs with governments may impose requirements that may be unfavorable to us and that may have a material adverse effect on our growth prospects and operating results. Most of our sales to government entities have been made indirectly through our VARs and other distribution partners. In some cases, we have entered contracts directly with government customers. There are inherent risks in contracting with governments and their agencies. Government customers can typically terminate, reduce orders under or otherwise modify any of its contracts with us or our VARs for its convenience (i. e., without cause) whether or not we have failed to perform under the terms of the applicable contract. In such case, the government would not be required to pay our VARs or us for the lost profits for the unperformed work. A termination arising out of our VARs or our default could expose our VARs or us to liability and harm our VARs or our ability to compete for future contracts and orders. In addition to unfavorable termination provisions, our VARs or our U. S. government contracts and related regulations contain provisions that allow the U. S. government to unilaterally suspend our VARs or us from receiving new contracts pending resolution of alleged violations of procurement laws or regulations, reduce the value of existing contracts, issue modifications to a contract and potentially restrict exports of our products, services and associated materials. Our VARs or our contracts with government agencies may subject our VARs or us to other risks and give the government additional rights and remedies not typically found in commercial contracts, including rights that allow the government to, for example: • obtain detailed cost or pricing information; • receive "most favored customer" pricing; • require us to prioritize orders from our government customers above our other customers' existing orders, which we may fail to do and, even if we do prioritize such orders, may impact our relationships with our other customers; • perform routine audits; • impose equal employment and hiring standards; • require products to be manufactured in specified countries; • restrict non-U. S. ownership or investment in our company; and / or • pursue administrative, civil or criminal remedies for contractual violations. These rights and remedies have the potential to limit our VARs or our sales to, and increase our VARs or our costs of, doing business with both government and commercial customers, which could materially adversely affect our growth prospects and operating results. Additionally, we sometimes rely on our VARs and other distribution partners to satisfy certain regulatory obligations that we would otherwise have to satisfy if we sold directly to the government entities, and our VARs and other distribution partners may be unable or unwilling to satisfy these obligations in the future. In the event of such termination or change, it may be difficult for us to arrange for another VAR or other distribution partner to sell our solutions to these government entities in a timely manner, and we could lose sales opportunities during the transition. Risks Related to Litigation and Liability We are, and have been in the recent past, subject to business and intellectual property litigation. We have been in the recent past involved in litigation, and we could be involved in additional litigation in the future. In March 2018, Desktop Metal, Inc. ("Desktop Metal"), a direct competitor in the additive

manufacturing industry, brought a claim in Massachusetts federal court against us regarding patent infringement and trade secret misappropriation. We counterclaimed for trade secret misappropriation, breach of fiduciary duty, and other matters. A jury trial was held in July 2018 on Desktop Metal's claims for patent infringement. We prevailed against Desktop Metal's claims of patent infringement via a jury verdict that found no infringement of the asserted patents. A second jury trial began in September 2018 primarily in connection with our counterclaims, and the parties entered into a confidential settlement agreement (the "Settlement Agreement") covering the disputes between them in October 2018. In October 2019, we submitted an Arbitration Demand with JAMS against Desktop Metal alleging breach of the parties' Settlement Agreement pursuant to the non-disparagement obligations therein, as well as a violation of M. G. L. c. 93A. Desktop Metal counterclaimed against us for breach of the parties' Settlement Agreement pursuant to the confidentiality provision therein. The matter proceeded in confidential arbitration and a hearing was held in December 2020. The Arbitration decision was issued on February 26, 2021, and the Arbitrator ruled that neither we nor Desktop Metal were liable pursuant to their respective claims, and that neither party therefore owed any damages to the other. In July 2021, Continuous Composites Inc. ("Continuous Composites"), a company based out of Idaho, brought a claim in the United States District Court for the District of Delaware against us regarding patent infringement. We intend to mount a vigorous defense against Continuous Composites in court. However, we can provide no assurance as to the outcome of any such disputes, and any such actions may result in judgments against us for significant damages. Resolution of any such matters can be prolonged and costly, and the ultimate results or judgments are uncertain due to the inherent uncertainty in litigation and other proceedings. In addition, the additive manufacturing industry has been, and may continue to be, litigious, particularly with respect to intellectual property claims. Moreover, our potential liabilities are subject to change over time due to new developments, changes in settlement strategy or the impact of evidentiary requirements. Regardless of the outcome, litigation has resulted in the past, and may result in the future, in significant legal expenses and require significant attention and resources of management. As a result, any present or future litigation that may be brought against us by any third party could result in reputational harm, losses, damages and expenses that may have a significant adverse effect on our financial condition. We could be subject to personal injury, property damage, product liability, warranty and other claims involving allegedly defective products that we supply. The products we supply are sometimes used in potentially hazardous or critical applications, such as the assembled parts of an aircraft, medical device or automobile. The sale of our products and the provision of related services in general, and to customers in the foregoing industries in particular, exposes us to possible claims for property damage and personal injury or death, which may result from the use of these end-use parts. While we have not experienced any such claims to date, actual or claimed defects in the products we supply could result in our being named as a defendant in lawsuits asserting potentially large claims. We may be potentially liable, in significant amounts, and face significant harm to our reputation if an aircraft, medical or automotive part, component or accessory or any other aviation, medical or automotive product that we have sold, produced or repaired fails due to our fault, in whole or in part, or if an aircraft or automobile for which we have provided services or in which their parts are installed crashes, and the cause can be linked to those parts or cannot be determined. A similar risk arises in connection with sales of our products to customers in the aerospace industry to the extent that the parts produced by those products do not function properly and are responsible for damages. Our commercial contracts generally contain product warranties and limitations on liability and we carry liability insurance in amounts that we believe are adequate for our risk exposure and commensurate with industry norms. While we intend to monitor our insurance coverage as our business continues to grow, claims may arise in the future, and that insurance coverage may not be adequate or available to protect our consolidated company in all circumstances. Additionally, we might not be able to maintain adequate insurance coverage for our business in the future at an acceptable cost. Any liability claim against us that is not covered by adequate insurance could adversely affect our consolidated results of operations and financial condition. Finally, any liability claim against us may cause harm to our brand, reputation and adversely impact our business. We could face liability if our additive manufacturing solutions are used by our customers to print dangerous objects. Customers may use our 3D printers to print parts that could be used in a harmful way or could otherwise be dangerous. For example, there have been news reports that additive manufacturing machines were used to print guns or other weapons. We have little, if any, control over what objects our customers print using our products, and it may be difficult, if not impossible, for us to monitor and prevent customers from printing weapons with our products. Additionally, individuals or entities unaffiliated with us could disseminate plans or digital files that could be used with our products to produce parts and items that could be deemed illegal or harmful. While we have never printed weapons on any printers in our offices, there can be no assurance that we will not be held liable if someone were injured or killed by a weapon printed by a third party using one of our products. Additionally, association of such an incident with our products may cause harm to our brand reputation and adversely impact our business. Third parties may produce or sell counterfeit or imitation versions of our materials **or components**. Third parties may sell counterfeit or imitation versions of our materials **or components** that are inferior or pose safety risks. If consumers confuse these counterfeit products or materials for our products or materials or have a bad experience with the counterfeit products or materials, they might refrain from purchasing our products or materials in the future, which could harm our reputation and sales. Further, if third parties develop materials that compete favorably on price, and / or meet or exceed the quality and performance of our own materials, we may lose recurring revenue from lost sales of our materials. If we do not maintain favorable perceptions of our products and materials, and if we are unable to compete successfully with third party manufacturers of materials, our brand, business, financial condition, results of operations and cash flows could be adversely impacted. Failure of our global operations to comply with anti-corruption laws and various trade restrictions, such as sanctions and export controls, could have an adverse effect on our business. We operate in a number of countries throughout the world, including countries known to have a reputation for corruption. Doing business on a global basis requires us to comply with anti-corruption laws and regulations imposed by governments around the world with jurisdiction over our operations, including the U. S. Foreign Corrupt Practices Act and the U. K. Bribery Act 2010, as well as the laws of the countries where we do business. We are also subject to various trade

restrictions, including trade and economic sanctions and export controls, imposed by governments around the world with jurisdiction over our operations. For example, in accordance with trade sanctions administered by the Office of Foreign Assets Control and the U. S. Department of Commerce, we are prohibited from engaging in transactions involving certain persons and certain designated countries or territories, including Cuba, Iran, Syria, North Korea and the Crimea Region of Ukraine. In light of the conflicts between Russia and Ukraine, we may also be prohibited from engaging in transactions involving persons and entities located or headquartered in the so- called Donetsk and Luhansk People’ s Republics (DNR and LNR). In addition, our products are subject to export regulations that can involve significant compliance time and may add additional overhead cost to our products. In recent years the United States government has a renewed focus on export matters. For example, the Export Control Reform Act of 2018 and regulatory guidance thereunder have imposed additional controls, and may result in the imposition of further additional controls, on the export of certain “ emerging and foundational technologies. ” Our current and future products may be subject to these heightened regulations, which could increase our compliance costs. For instance, recent amendments to the U. S. Export Administration Regulations (“ EAR ”) increased restrictions on exports to certain “ military end- users ” and for “ military end- uses ” by certain persons in Burma, Cambodia, China, Iraq, Russia, or Venezuela, which requires us to perform due diligence on customers and end- users in those countries for potential military connections. We also need to monitor the changes in export- related laws and regulations, such as International Traffic in Arms Regulations (“ ITAR ”), and their applicability to our products and services. If our products or services become subject to the ITAR, we may be required to obtain licenses, clearances, or authorizations from various regulatory entities. If we are not allowed to export our products or services, or if the clearance process is burdensome, our ability to generate revenue would be adversely affected and our operating costs could increase. In addition, international sales of certain of our products may be subject to local laws and regulations in foreign jurisdictions which we may not be familiar with. We may not be allowed to ship our products to certain countries without meeting their local laws and regulations. The failure to comply with any of these laws or regulations could adversely affect our ability to conduct our business and generate revenues. We are committed to doing business in accordance with applicable anti- corruption laws and regulations and with applicable trade restrictions. We are subject, however, to the risk that our affiliated entities or our and our affiliates’ respective officers, directors, employees and agents (including distributors and VARs of our products) may take action determined to be in violation of such laws and regulations. Any violation by us or by any of these persons could result in substantial fines, sanctions, civil and / or criminal penalties, or curtailment of operations in certain jurisdictions, and might adversely affect our operating results. In addition, actual or alleged violations could damage our reputation and ability to do business. Although we take precautions to prevent violations of applicable anti- corruption laws and regulations and applicable trade restrictions, we may have exported products in the past in apparent violation of the EAR. If we are found to be in violation of U. S. export control laws, it could result in substantial fines and penalties for us and for the individuals working for us. We may also be adversely affected through other penalties, reputational harm, loss of access to certain markets or otherwise. We are subject to environmental, health and safety laws and regulations related to our operations and the use of our 3D printers and materials, which could subject us to compliance costs and / or potential liability. We are subject to domestic and foreign environmental, health and safety laws and regulations governing our operations. A certain risk of environmental liability is inherent in our production activities. These laws and regulations govern, among other things, the generation, use, storage, registration, handling, transport and disposal of chemicals and waste materials, the presence of specified substances in electrical products; the emission and discharge of hazardous materials into the ground, air or water; the investigation and cleanup of contaminated sites, including any contamination that results from spills due to our failure to properly dispose of chemicals and other waste materials and the health and safety of our employees. As such, our operations, including our production activities, carry an inherent risk of environmental, health and safety liabilities. Under these laws and regulations, we could be subject to liability for improper disposal of chemicals and waste materials, including those resulting from the use of our systems and accompanying materials by end- users. Accidents or other incidents that occur at our facilities or involve our personnel or operations could result in claims for damages against us. In the event we are found to be financially responsible, as a result of environmental or other laws or by court order, for environmental damages alleged to have been caused by us or occurring on our premises, we could be required to pay substantial monetary damages or undertake expensive remedial obligations. If our operations fail to comply with such laws or regulations, we may be subject to fines and other civil, administrative or criminal sanctions, including the revocation of permits and licenses necessary to continue our business activities, or may be required to make significant expenditures to achieve compliance. In addition, we may be required to pay damages or civil judgments in respect of third- party claims, including those relating to personal injury (including exposure to hazardous substances that we generate, use, store, handle, transport, manufacture or dispose of), property damage or contribution claims. Some environmental laws allow for strict, joint and several liabilities for remediation costs, regardless of fault. We may be identified as a potentially responsible party under such laws. The amount of any costs, including fines or damages payments that we might incur under such circumstances could substantially exceed any insurance we have to cover such losses. Any of these events, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations and could adversely affect our reputation. We may be subject to environmental laws and regulations including, without limitation, the United States Toxic Substances Control Act (“ TSCA ”) and the Registration, Evaluation, Authorization and Restriction of Chemical Substances (“ REACH ”) concerning the use, import and export of chemicals and hazardous substances, such as chlorinated solvents. Other countries may have more stringent requirements that lead to increased costs, which could have material adverse effect on our business, financial conditions, and results of operations. These laws and regulations require the testing and registration of some chemicals that we ship along with, or that form a part of, our systems and other products. If we fail to comply with these or similar laws and regulations, we may be required to make significant expenditures to reformulate the chemicals that we use in our products and materials or incur costs to register such chemicals to gain and / or regain compliance. We could also be subject to significant fines or other civil and criminal penalties

should we not achieve such compliance. Additionally, customer sentiment regarding the use of certain chemicals and hazardous substances could negatively impact our ability to sell certain products. The cost of complying with current and future environmental, health and safety laws applicable to our operations, or the liabilities arising from releases of, or exposure to, hazardous substances, may result in future expenditures. Any of these developments, alone or in combination, could have an adverse effect on our business, financial condition and results of operations. Aspects of our business are subject to laws and regulations governing privacy and data security. Changes in laws, regulations, and public perception concerning data protection and privacy, or changes in the interpretation or patterns of enforcement of existing laws and regulations, could impair our efforts to maintain and expand our customer base or the ability of our customers to use our services. Breaches of laws and regulations concerning data protection and privacy could expose us to significant fines and other penalties. We hold personal information about a variety of individuals, such as our employees, prospects, and our customers. Processing of personal information is increasingly subject to legislation and regulation in numerous jurisdictions around the world. For example, relevant applicable laws and regulations governing the collection, use, disclosure or other processing of personal information include, in the United States, rules and regulations promulgated under the authority of the Federal Trade Commission, the California Consumer Privacy Act of 2018 (the “CCPA”) and similar state privacy laws, and state breach notification laws. In particular, the CCPA, among other things, establishes **comprehensive** data privacy rights for California consumers and imposes certain requirements on how businesses can collect and use personal information about such individuals. The CCPA provides for civil penalties for violations, as well as a private right of action for certain data breaches that result in the loss of personal information. This private right of action may increase the likelihood of, and risks associated with, data breach litigation. The California Privacy Rights Act (“CPRA”), which became effective on January 1, 2023, significantly **modifies** **modified** the CCPA, including by expanding consumers’ rights concerning their personal information, introducing data minimization and retention requirements, and **establishes** **establishing** a state agency vested with the authority to enforce the CCPA. It is not yet fully clear how the CCPA (as amended by the CPRA) will be enforced and how it will be interpreted. The evolving nature of the CCPA may require us to modify our data collection or processing practices and policies and to incur substantial costs and expenses in an effort to comply. ~~The CCPA (as amended by the CPRA) has prompted the enactment of similar~~ **Similar laws have been passed** ~~, comprehensive privacy and data protection legislation in~~ **numerous** other states **and** ~~For example, in March 2021, Virginia enacted the Consumer Data Protection Act (or CDPA), which became effective on January 1, 2023. In July 2021, Colorado passed the Colorado Privacy Act (or CPA), which will become effective on July 1, 2023. Additionally, in March 2022, Utah enacted the Utah Consumer Privacy Act (or UCPA), which will become effective on December 31, 2023. Also, in May 2022, Connecticut signed the Connecticut Data Privacy Act (or CTDPA) into law, which will become effective on July 1, 2023. Furthermore, a number of other U. S. states have proposed similar~~ **new** privacy **laws** **and data protection legislation**, and it is possible that certain of these proposals will pass. Such proposed legislation, if enacted, may add additional complexity, variation in requirements, restrictions and potential legal risk, require additional investment of resources in compliance programs, impact strategies and the availability of previously useful data and could result in increased compliance costs and / or changes in business practices and policies. ~~Additionally~~ **The existence of privacy laws in different states in the country would make our compliance obligations more complex and costly and may increase the likelihood that we may be subject to enforcement actions or otherwise incur liability for noncompliance. Other states have also proposed and / or passed legislation that regulates the privacy and / or security of certain specific types of information. For example, a small number of states have passed laws that regulate biometric data specifically. The costs associated with these costs** ~~various privacy and security laws~~ may impede our development and could limit the adoption of our services. Further, any failure by our vendors to comply with applicable law or regulations could result in proceedings against us by governmental entities or others. **State laws are changing rapidly and there is discussion in the U. S. Congress of a new comprehensive federal data privacy law to which we may likely become subject, if enacted**. Moreover, we maintain offices in the European Union (“EU”), specifically, Ireland, and we have customers located in various countries throughout the EU and the United Kingdom (“UK”). Accordingly, in the EU, we are subject to the General Data Protection Regulation (EU) 2016 / 679 (the “EU GDPR”), and related member state implementing legislation. The EU GDPR **governs the collection, use, disclosure, transfer or other processing** ~~is wide-ranging in scope and imposes numerous requirements on controllers and processors of personal data of~~ **while establishing rights for individuals with respect to** ~~in the EU. Among their~~ **other things, the EU GDPR imposes strict requirements regarding the security of personal data and notification of data breaches to the competent national data protection authorities, imposes limitations on retention of personal data, imposes stringent requirements relating to the consent of data subjects or ensuring another appropriate legal basis applies to the processing of personal data, requires us to maintain records of our processing activities and to document data protection impact assessments where there is high risk processing, ensuring certain measures are in place with third- party processors**. The EU GDPR is also explicitly extraterritorial in its application, and could affect our business activities in jurisdictions outside the EU. The EU GDPR imposes sanctions for violations up to the greater of € 20 million (~~£ 17.5 million~~) and 4 % of worldwide gross annual revenue. Further, the EU GDPR enables individuals to claim damages for violations and introduces the right for non- profit organizations to bring claims on behalf of data subjects. Noncompliance could also result in the imposition of orders to stop data processing activities. Compliance with the EU GDPR is a rigorous and time- intensive process and requires us to allocate substantial legal costs to the development of necessary policies and procedures and overall compliance efforts. We expect to incur continued costs associated with maintaining compliance with EU GDPR into the future. Additionally, the EU GDPR imposes strict rules on the transfer of personal data outside of the EU to countries that do not ensure an adequate level of protection, like the United States. These transfers are prohibited unless a valid transfer mechanism is implemented, such as the Standard Contractual Clauses (SCCs) published by the EU Commission or binding corporate rules. ~~On July 16, 2020, the Court of Justice of the EU (the “CJEU”) issued a landmark decision in the case Maximilian Schrems vs. Facebook (Case C- 311 / 18), or Schrems II. The CJEU deemed~~

that the SCCs are valid. However, the CJEU ruled that transfers **Transfers** made pursuant to the SCCs need to be assessed on a case-by-case basis to ensure the law in the recipient country provides “essentially equivalent” protections to safeguard the transferred data. If the standard is not met, businesses will be required to adopt supplementary measures. **Further** On June 4, 2021, the EU Commission issued new SCCs **and United States have adopted its adequacy decision for the EU- U. S. Data Privacy Framework (“ Framework”), which entered into force on July 11, 2023. This Framework provides that the protection of personal data transferred between the EU and the United States is comparable to that offered in the EU. This provides a further avenue to ensuring transfers to the United States are carried out in line** with EU GDPR **and to** address certain aspects of the CJEU’s decision in *Schrems II*. Following the withdrawal of the UK from the EU (“ Brexit ”), the EU GDPR has been incorporated into UK laws (“ UK GDPR ”). **Non- compliance with the UK GDPR may result in monetary penalties of up to £ 17. 5 million or 4 % of worldwide revenue, whichever is higher.** Despite Brexit, the EU and UK GDPR remain largely aligned. Currently, the most impactful point of divergence relates to transfer mechanisms (i. e., the ability for companies in the EU or the UK to transfer personal information to third countries, including the United States). Like the EU GDPR, the UK GDPR restricts personal data transfers outside the UK to countries not regarded by the UK as providing adequate protection. The UK government has confirmed that personal data transfers from the UK to the EU remain free flowing. The new SCCs do not apply to the UK, but the UK Information Commissioner’s Office has published its own transfer mechanism, the International Data Transfer Agreement (“ UK IDTA ”), which entered into force on 21 March 2022, and enables data transfers originating from the UK. It requires a similar assessment of the data protection provided in the importer’s country. **In addition, there has been an extension to the Framework to cover UK transfers to the United States. The Framework could be challenged like its predecessor frameworks.** There may be further divergence in the future, including with regard to administrative burdens. The UK has announced plans to reform the country’s data protection legal framework in its Data Reform Bill, which will introduce **significant changes from to the EU-UK GDPR.** This may lead to additional compliance costs and could increase our overall risk exposure as we may no longer be able to take a unified approach across the EU and the UK. **We publicly post documentation regarding our privacy practices as needed to address state, federal and foreign privacy laws. Although we endeavor to comply with our published policies and documentation, we may at times fail to do so or be alleged to have failed to do so. Any failure or perceived failure by us to comply with our privacy policies could expose us to costly litigation, significant awards, fines or judgments, civil and / or criminal penalties or negative publicity, and could materially and adversely affect our business, financial condition and results of operations. The publication of our privacy policy and other documentation that provide promises and assurances about privacy and security can subject us to potential state and federal action if they are found to be deceptive, unfair, or misrepresentative of our actual practices, which could, individually or in the aggregate, materially and adversely affect our business, financial condition and results of operations.** The regulatory framework governing the collection, processing, storage, use and sharing of personal information is rapidly evolving and is likely to continue to be subject to uncertainty and varying interpretations at both the domestic and international level. It is possible that these laws, rules and regulations may be interpreted and applied in a manner that is inconsistent with our practices or the features of our services and platform capabilities, and may not be consistent with one another. The lack of a unified approach to data privacy and protection laws in the U. S. and internationally could lead to complicated and potentially conflicting compliance requirements. **Complying with these evolving compliance and operational requirements may impose significant costs, such as costs related to organizational changes, implementing additional protection technologies, modifying our data processing practices and policies, training employees and engaging consultants and legal advisors, which are likely to increase over time and may require that we utilize management’s time and / or divert resources from other initiatives and projects.** We cannot yet fully determine the impact these or future laws, rules, regulations and industry standards may have on our business or operations. Additionally, our customers may be subject to differing privacy laws, rules and legislation, which may mean that they require us to be bound by varying contractual requirements applicable to certain other jurisdictions. Adherence to such contractual requirements may impact our collection, use, processing, storage, sharing and disclosure of personal information and may mean we become bound by, or voluntarily comply with, self- regulatory or other industry standards relating to these matters that may further change as laws, rules and regulations evolve. We have incurred, and may continue to incur, significant expenses to comply with evolving mandatory privacy and security standards and protocols imposed by law, regulation, industry standards, shifting merchant and customer expectations, or contractual obligations, and we may not be able to respond quickly or effectively to regulatory, legislative and other developments. These changes may in turn impair our ability to offer our existing or planned features, products and services and / or increase our cost of doing business. **We publicly post documentation regarding our privacy practices. Although we endeavor to comply with our published policies and documentation, we may at times fail to do so or be alleged to have failed to do so. Any failure or perceived failure by us to comply with our privacy policies or any applicable federal, state or foreign laws and regulations relating to data privacy, and security could result in damage to our reputation, as well as proceedings or litigation by governmental agencies or other third parties, including class action privacy litigation in certain jurisdictions, which would subject us to significant fines, sanctions, awards, injunctions, penalties or judgments. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects. The use of new and evolving technologies, such as artificial intelligence, in our offerings may result in spending material resources and presents risks and challenges that can impact our business including by posing security and other risks to our confidential information, proprietary information and personal information, and as a result we may be exposed to reputational harm and liability. We continue to build and integrate artificial intelligence into our offerings, and this innovation presents risks and challenges that could affect its adoption, and therefore our business. If we enable or offer solutions that draw controversy due to perceived or actual negative societal impact, we may experience brand or reputational harm, competitive harm or legal liability. The use of**

certain artificial intelligence technology can give rise to intellectual property risks, including compromises to proprietary intellectual property and intellectual property infringement. Additionally, we expect to see increasing government and supranational regulation related to artificial intelligence use and ethics, which may also significantly increase the burden and cost of research, development and compliance in this area. For example, the EU's Artificial Intelligence Act ("AI Act") — the world's first comprehensive AI law — is anticipated to enter into force in Spring 2024 and, with some exceptions, become effective 24 months thereafter. This legislation imposes significant obligations on providers and deployers of high risk artificial intelligence systems, and encourages providers and deployers of artificial intelligence systems to account for EU ethical principles in their development and use of these systems. If we develop or use AI systems that are governed by the AI Act, it may necessitate ensuring higher standards of data protection quality, information security, transparency, and human oversight, as well as adhering to specific and potentially burdensome and costly ethical, accountability, and administrative requirements. The rapid evolution of artificial intelligence will require the application of significant resources to design, develop, test and maintain our consumer-protection related products and services to help ensure that artificial intelligence is implemented in accordance with applicable laws, law, and regulations, regulation and in a socially responsible manner and to minimize any real or perceived unintended harmful impacts. Our vendors may in turn incorporate artificial intelligence tools into their own offerings, orders and the providers of these artificial intelligence tools may not meet existing or rapidly evolving regulatory or industry standards, or contractual requirements including with respect to privacy and data security. Further, bad actors around the world use increasingly sophisticated methods, including the use of artificial intelligence, to engage in illegal activities involving the theft and misuse of personal information, confidential information and intellectual property. Any of these effects could expose damage our reputation, result in the loss of valuable property and information, cause us to breach applicable laws, costly litigation, significant awards, fines or judgments, civil and regulations / or criminal penalties or negative publicity, and could materially and adversely affect impact our business, financial condition and results of operations. The publication of our privacy policy and other documentation that provide promises and assurances about privacy and security can subject us to potential state and federal action if they are found to be deceptive, unfair, or misrepresentative of our actual practices, which could, individually or in the aggregate, materially and adversely affect our business, financial condition and results of operations. We rely on our software and information technology systems to manage numerous aspects of our business and a disruption of these systems could adversely affect our business. We rely on our information technology systems to manage numerous aspects of our business, including to efficiently purchase products from our suppliers, provide procurement and logistic services, ship products to our customers, receive orders from our customers, manage our accounting and financial functions, including our internal controls, and maintain our research and development data. Our information technology systems are an essential component of our business and any disruption or compromise could significantly limit our ability to manage and operate our business efficiently. A failure of our information technology systems to perform properly could disrupt our supply chain, product development and customer experience, which may lead to increased overhead costs and decreased sales and have an adverse effect on our reputation and our financial condition. In particular, our integrated software platform is an essential system that virtually all of our customers depend on for their design needs. If our integrated software platform were to fail, we could face adverse consequences to our results of operations, financial condition and business reputation. In addition, during the COVID-19 pandemic, a substantial portion of our employees are conducting work remotely, making us more dependent on potentially vulnerable communications systems and making us more vulnerable to cyberattacks. Although we take steps and incur significant costs to secure our information technology systems, including our computer systems, intranet and internet sites, email and other telecommunications and data networks, our security measures may not be effective and our systems may be vulnerable to damage, compromise, or interruption. Disruption to or compromise of our information technology systems could result from power outages, computer and telecommunications failures, computer viruses, cyber- attack or other security compromises or breaches (including ransomware), catastrophic events such as fires, floods, earthquakes, tornadoes, hurricanes, acts of war, terrorism and usage errors by our employees, wrongful conduct by employees, vendors, or other third parties, hostile foreign governments, industrial espionage, wire fraud and other forms of cyber fraud or cyber- attacks. Attacks on information technology systems are increasing in their frequency, levels of persistence, sophistication and intensity, and they are being conducted by increasingly sophisticated and organized groups and individuals with a wide range of motives and expertise. Such attacks could include the deployment of harmful malware, ransomware, denial- of- service attacks, social engineering and business email compromises, and other means to affect service reliability and threaten or compromise the security, confidentiality, integrity, and availability of systems and information. Our reputation and financial condition could be adversely affected if, as a result of a significant cyber- event or otherwise: • our operations are disrupted or shut down; • our confidential and / or proprietary information or other sensitive information, including customer or employee information, is stolen, disclosed, misappropriated, or otherwise compromised; • we incur costs or are required to pay fines in connection with a security compromise, including stolen, disclosed, misappropriated, or otherwise compromised confidential information and / or proprietary information or other sensitive information, including customer or employee information; or • we must dedicate significant resources to system repairs, security incident investigation or remediation, or increase cyber security protection. In addition, any unauthorized access, disclosure or other loss, compromise, or unauthorized use of information or data could result in legal claims or proceedings, regulatory investigations or actions, and other types of liability under laws that protect the privacy and security of protected information, including personal information, including federal, state and foreign data protection and privacy regulations, violations of which could result in significant penalties and fines. In addition, although we seek to prevent and detect all data security incidents, security compromises or breaches and other malicious cyber activities can be difficult to detect and any delay in identifying or remediating them may lead to increased harm and legal exposure. The cost of investigating, mitigating and responding to potential data security compromises or breaches and complying with applicable

legal obligations, including breach notification obligations to individuals, regulators, partners and others can be significant. Our insurance policies may not be adequate to compensate us for the potential costs and other losses arising from such disruptions, failures or security compromises or breaches. In addition, such insurance may not be available to us in the future on economically reasonable terms, or at all. Further, defending a suit or regulatory inquiry or investigation, regardless of its merit, could be costly, divert management attention and harm our reputation. If our computer or technology systems are damaged or cease to function properly, or, if we do not replace or upgrade certain systems, we may incur substantial costs to repair or replace them and may experience an interruption of our normal business activities, security compromise, or loss of critical data. Any such disruption or compromise could adversely affect our reputation and financial condition. We also rely on information technology systems maintained by third parties, including third- party cloud computing services and the computer systems of our suppliers for both our internal operations and our customer- facing infrastructure related to our additive manufacturing solutions. These systems are also vulnerable to the types of interruption, compromise, and damage described above, but we have less ability to take measures to protect against such disruptions or compromises or to resolve them if they were to occur. Information technology problems or security compromises faced by third parties on which we rely could adversely impact our business and financial condition as well as negatively impact our brand reputation. Any unauthorized control or manipulation of our products' systems could result in loss of confidence in us and our products and harm our business. Our products contain complex information technology systems and software. For example, our additive manufacturing machines are designed with built- in data connectivity to accept and install periodic remote updates from us to monitor, improve and update their functionality. We have designed, implemented and tested security measures intended to prevent and detect unauthorized access to our information technology networks, our products and their systems. However, hackers may attempt to gain unauthorized access to modify, alter and use such networks, products and systems to gain control of, or to change, our products' functionality, user interface and performance characteristics, or to gain access to data stored in or generated by our products. We encourage reporting of potential vulnerabilities in the security of our products and we aim to remedy any reported and verified vulnerability. Accordingly, we have received reports of potential vulnerabilities in the past and have attempted to remedy them. However, there can be no assurance that vulnerabilities will not be exploited in the future before they can be identified, or that our remediation efforts are or will be successful. Any unauthorized access to or control of our products or their systems or any loss of data could result in legal claims or proceedings. In addition, regardless of their veracity, reports of unauthorized access to our products, their systems or data, as well as other factors that may result in the perception that our products, their systems or data are capable of being "hacked," could negatively affect our brand and harm our business, prospects, financial condition and operating results. Our business has risks that may not be adequately covered by insurance or indemnity. We may face unanticipated risks of legal liability for damages caused by the actual or alleged failure of our products. While we have attempted to secure liability insurance coverage at an appropriate cost, it is impossible to adequately insure against all risks inherent in our industry, nor can we assure you that our insurers will pay a particular claim, or that we will be able to maintain coverage at reasonable rates in the future. Our insurance policies also contain deductibles, limitations and exclusions, which increase our costs in the event of a claim. Even a partially uninsured claim of significant size, if successful, could have an adverse effect on our financial condition. In addition, we may not be able to continue to obtain insurance coverage on commercially reasonable terms, or at all, and our existing policies may be ~~cancelled~~ **cancelled** or otherwise terminated by the insurer. Maintaining adequate insurance and successfully accessing insurance coverage that may be due for a claim can require a significant amount of our management' s time, and we may be forced to spend a substantial amount of money in that process. Substantial claims in excess of or not otherwise covered by indemnity or insurance could harm our financial condition and operating results.

Risks Related to Intellectual Property We may not be able to adequately protect our proprietary and intellectual property rights in our data or technology. Our success is dependent, in part, upon protecting our proprietary information and technology. Our intellectual property portfolio primarily consists of patents, patent applications, registered and unregistered trademarks, unregistered copyrights, domain names, know- how, and trade secrets. We may be unsuccessful in adequately protecting our intellectual property. Our trade secrets, know- how and other unregistered proprietary rights are a key aspect of our intellectual property portfolio. While we take reasonable steps to protect our trade secrets and confidential information and enter into confidentiality and invention assignment agreements intended to protect such rights, such agreements can be difficult and costly to enforce or may not provide adequate remedies if violated, and we may not have entered into such agreements with all relevant parties. Such agreements may be breached and trade secrets or confidential information may be willfully or unintentionally disclosed, including by employees who may leave our company and join our competitors, or our competitors or other parties may learn of the information in some other way. Additionally, certain unauthorized use of our intellectual property may go undetected, or we may face legal or practical barriers to enforcing our legal rights even where unauthorized use is detected. The disclosure to, or independent development by, a competitor of any of our trade secrets, know- how or other technology not protected by a patent or other intellectual property system could materially reduce or eliminate any competitive advantage that we may have over such competitor. This concern could manifest itself in particular with respect to our proprietary materials that are used with our systems. Portions of our proprietary materials may not be afforded patent protection. Our pending patent applications may not be granted, and we may not be able to obtain foreign patents or pending applications corresponding to our U. S. patents. Even if foreign patents are granted, effective enforcement in foreign countries may not be available. If our patents and other intellectual property do not adequately protect our technology, our competitors may be able to offer products similar to ours. Our competitors may also be able to develop similar technology independently or design around our patents and other intellectual property. Any of the foregoing events would lead to increased competition and reduce our revenue or gross margin, which would adversely affect our operating results. Current laws may not provide for adequate protection of our products, especially in foreign jurisdictions which may have laws that provide insufficient protections to companies. In addition, legal standards relating to the validity, enforceability, and scope of protection of proprietary rights in

internet- related businesses are uncertain and evolving, and changes in these standards may adversely impact the viability or value of our proprietary rights. Some license provisions protecting against unauthorized use, copying, transfer, and disclosure of our products, or certain aspects of our products may be unenforceable under the laws of certain jurisdictions. Further, the laws of some countries do not protect proprietary rights to the same extent as the laws of the United States, and the laws and mechanisms for protection and enforcement of intellectual property rights in some foreign countries may be inadequate. As we continue to operate in foreign countries and expand our international activities, we have encountered and may in the future encounter challenges in navigating the laws of foreign countries, which may adversely affect our ability to protect our proprietary rights. Further, competitors, foreign governments, foreign government- backed actors, criminals, or other third parties may gain unauthorized access to our proprietary information and technology. Accordingly, despite our efforts, we may be unable to prevent third parties from infringing upon or misappropriating our technology and intellectual property or claiming that we infringe upon or misappropriate their technology and intellectual property. To protect our intellectual property rights, we may be required to spend significant resources to monitor, protect, and defend these rights, and we may or may not be able to detect infringement by our customers or third parties. Litigation has been and may be necessary in the future to enforce our intellectual property rights and to protect our trade secrets. Such litigation, regardless of merit, could be costly, time consuming, and distracting to management and key technical personnel, and could result in the impairment or loss of portions of our intellectual property. Furthermore, our efforts to enforce our intellectual property rights may be met with defenses, counterclaims, and countersuits attacking the validity and enforceability of our intellectual property rights. Our inability to protect our proprietary technology against unauthorized copying or use, as well as any costly litigation or diversion of our management' s attention and resources, could delay further sales or the implementation of our platform, impair the functionality of our platform, delay introductions of new features, integrations, and capabilities, result in our substituting inferior or more costly technologies into our platform, or injure our reputation. In addition, we may be required to license additional technology from third parties to develop and market new features, integrations, and capabilities, and we cannot be certain that we could license that technology on commercially reasonable terms or at all, and our inability to license this technology could harm our ability to compete. As part of any settlement or other compromise to avoid complex, protracted litigation, we may agree not to pursue future claims against a third party, including related to alleged infringement of our intellectual property rights. Part of any settlement or other compromise with another party may resolve a potentially costly dispute but may also have future repercussions on our ability to defend and protect our intellectual property rights, which in turn could adversely affect our business. If third parties claim that we infringe upon or otherwise violate their intellectual property rights, our business could be adversely affected. We have in the past and may in the future be subject to claims that we have infringed or otherwise violated third parties' intellectual property rights. There is patent, copyright and other intellectual property development and enforcement activity in our industry and relating to the additive manufacturing technology we use in our business. Our future success depends in part on not infringing upon or otherwise violating the intellectual property rights of others. From time to time, our competitors or other third parties (including non- practicing entities and patent holding companies) may claim that we are infringing upon or otherwise violating their intellectual property rights, and we may be found to be infringing upon or otherwise violating such rights. We may be unaware of the intellectual property rights of others that may cover some or all of our current or future technology or conflict with our rights, and the patent, copyright, and other intellectual property rights of others may limit our ability to improve our technology and compete effectively. Any claims of intellectual property infringement or other intellectual property violations, even those without merit, could: • be expensive and time consuming to defend; • cause us to cease making, licensing or using our platform or products that incorporate the challenged intellectual property; • require us to modify, redesign, reengineer or rebrand our platform or products, if feasible; • divert management' s attention and resources; or • require us to enter into royalty or licensing agreements to obtain the right to use a third- party' s intellectual property. Any royalty or licensing agreements, if required, may not be available to us on acceptable terms or at all. A successful claim of infringement against us could result in our being required to pay significant damages, enter into costly settlement agreements, or prevent us from offering our platform or products, any of which could have a negative impact on our operating profits and harm our future prospects. We may also be obligated to indemnify our customers or business partners in connection with any such litigation and to obtain licenses, modify our platform or products, or refund premium subscription fees, which could further exhaust our resources. Such disputes could also disrupt our platform or products, adversely affecting our customer satisfaction and ability to attract customers. Our additive manufacturing technology contains third- party open- source software components, and failure to comply with the terms of the underlying open- source software licenses could restrict our ability to commercialize our products. Our additive manufacturing technology contains components that are licensed under so- called " open source, " " free " or other similar licenses. Open source software is made available to the general public on an " as- is " basis under the terms of a non- negotiable license. We currently combine our proprietary software with open source software and intend to continue doing so in the future. Additionally, we make some of our source code available under open source licenses, which may limit our ability to protect our intellectual property rights in our source code and prevent our competitors or others from using such source code. Our use and distribution of open source software may entail greater risks than use of third- party commercial software because open source licensors generally do not provide warranties or other contractual protections regarding infringement claims or the quality of the code. In addition, if we combine our proprietary software with open source software in a certain manner, we could, under certain open source licenses, be required to disclose or make available the source code of our proprietary software to third parties. We may also face claims alleging noncompliance with open source license terms or infringement or misappropriation of third- party intellectual property rights in open source software. These claims could result in litigation, require us to purchase a costly license or remove the software. In addition, if the license terms for open source software that we use change, we may be forced to re- engineer our solutions, incur additional costs or discontinue the sale of our offerings if re- engineering could not be accomplished on a timely basis. Although we monitor our use of open source software to avoid subjecting our offerings to

unintended conditions, there is a risk that these licenses could be construed in a way that could impose unanticipated conditions or restrictions on our ability to commercialize our offerings. We cannot guarantee that we have incorporated open source software in our software in a manner that will not subject us to liability or in a manner that is consistent with our current policies and procedures. General Risk Factors **If we will continue to incur increased costs as a result of operating as a public company, and our management are required unable for any reason to meet devote substantial time to new compliance initiatives. As a public company, we incur significant legal, accounting and other -- the continued listing requirements expenses that we did not incur as a private company. In addition, the Sarbanes-Oxley Act of 2002 and rules subsequently implemented by the Securities and Exchange Commission and the New York Stock Exchange ("NYSE"), such action or inaction could result in a delisting of our securities. On November 17, 2023, we were notified by the NYSE that we are not in compliance with Section 802.01C of the NYSE Listed Company Manual because the average closing price of our common stock was less than \$ 1.00 over a consecutive 30 trading-day period. The notice had no immediate impact on the listing of our common stock, which will continue to be listed and traded on the NYSE during the period allowed to regain compliance, subject to our compliance with other listing standards. We notified the NYSE that we intend to cure the stock price deficiency and to return to compliance with the NYSE continued listing standard. We can regain compliance at any time within the six-month period following receipt of the NYSE notice if on the last trading day of any calendar month during the cure period our common stock have imposed various requirements a closing share price of at least \$ 1.00 and an average closing share price of at least \$ 1.00 over the 30 trading-day period ending on public companies, including establishment and maintenance of effective disclosure and financial controls and corporate governance practices. Our management and other -- the last trading day personnel need to devote a substantial amount of time to that month. Under these -- the NYSE's compliance initiatives. Moreover, these rules and regulations increase our legal and financial compliance costs and make some activities more time-consuming and costly. For example, if we expect determine that we will cure these -- the rules stock price deficiency by taking and an regulations may action that will require stockholder approval at our next annual meeting of stockholders, the price condition will be deemed cured if the price promptly exceeds \$ 1.00 per share, and the price remains above that level for at least the following 30 trading days. The delisting of our common stock from the NYSE could make it more difficult and more expensive for us to obtain director raise capital on favorable terms in the future. Such a delisting would likely have a negative effect on the price of our securities and officer would impair your liability -- ability insurance. Pursuant to sell or purchase our securities when you wish Section 404 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), we are required to furnish do so. In the event of a report delisting, actions taken by us our management on our internal control over financial reporting, including an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. However, while we remain an emerging growth company, we are not required to restore include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. To achieve compliance with listing requirements may not allow our securities Section 404 of the Sarbanes-Oxley Act within the prescribed period, we are engaged in a process to document and evaluate become listed again, stabilize the market price our -- or internal control over financial reporting, which is both costly and challenging. In this regard, we need to continue to dedicate internal resources, potentially engage outside consultants and adopt a detailed work plan to assess and document the adequacy of internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing that controls are functioning as documented and implement a continuous reporting and improvement process for internal control over financial reporting. Despite our efforts, there -- the liquidity of is a risk that neither we nor our independent registered public accounting securities, prevent such securities firm -- from dropping below will be able to conclude within the prescribed timeframe that our internal control over financial reporting is effective as required by Section 404 of the Sarbanes-Oxley Act. This could result in an any minimum bid price requirement adverse reaction in the financial markets due to a loss of confidence in the reliability of our -- or prevent future non-compliance with financial statements. In addition, if we are not able to continue to meet these -- the NYSE listing requirements, we may not be able to remain listed on NYSE. Changes in accounting rules and regulations, or interpretations thereof, could result in unfavorable accounting charges or require us to change our compensation policies. Accounting methods and policies for public companies are subject to review, interpretation and guidance from our independent registered accounting firm and relevant accounting authorities, including the SEC. Changes to accounting methods or policies, or interpretations thereof, may require us to reclassify, restate or otherwise change or revise our consolidated financial statements. Our disclosure controls and procedures may not prevent or detect all errors or acts of fraud. We designed our disclosure controls and procedures to reasonably assure that information we must disclose in reports we file or submit under the Exchange Act is accumulated and communicated to management, and recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. We believe that any disclosure controls and procedures or internal controls and procedures, no matter how well-conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by an unauthorized override of the controls. Our management team has limited experience managing a public company. Our management team has limited experience managing a publicly traded company, interacting with public company investors, and complying with the increasingly complex laws, rules and regulations that govern public companies. As a public company, we are subject to significant obligations relating to reporting, procedures and internal controls, and our management team may not successfully or efficiently manage such obligations. These obligations and scrutiny require significant attention from our management and could divert their attention away from the day-to-day management of our business, which could adversely affect our business, financial condition and results of operations. Our internal controls over financial reporting currently do not meet all of the standards contemplated by**

Section 404 of the Sarbanes Oxley Act, and failure to achieve and maintain effective internal controls over financial reporting in accordance with Section 404 of the Sarbanes Oxley Act could impair our ability to produce timely and accurate financial statements or comply with applicable regulations and have a material adverse effect on our business. We operated as a private company until July 2021. Our management has significant requirements for enhanced financial reporting and internal controls as a public company. The process of designing and implementing effective internal controls is a continuous effort that requires us to anticipate and react to changes in our business and the economic and regulatory environments and to expend significant resources to maintain a system of internal controls that is adequate to satisfy our reporting obligations as a public company. If we are unable to establish or maintain appropriate internal financial reporting controls and procedures, it could cause us to fail to meet our reporting obligations on a timely basis or result in material misstatements in our consolidated financial statements, which could harm our operating results. In addition, we are required, pursuant to Section 404 of the Sarbanes Oxley Act of 2002 (the “Sarbanes Oxley Act”), to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting. This assessment needs to include disclosure of any material weaknesses identified by our management in our internal control over financial reporting. The rules governing the standards that must be met for our management to assess our internal control over financial reporting are complex and require significant documentation, testing, and possible remediation. Testing and maintaining internal controls may divert management’s attention from other matters that are important to our business. Our independent registered public accounting firm will be required to attest to the effectiveness of our internal control over financial reporting on an annual basis. However, while we remain an emerging growth company, we will not be required to include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. If we are not able to complete our initial assessment of our internal controls and otherwise implement the requirements of Section 404 of the Sarbanes Oxley Act in a timely manner or with adequate compliance, our independent registered public accounting firm may not be able to certify as to the adequacy of our internal control over financial reporting. In addition to our results determined in accordance with GAAP, we believe certain non-GAAP measures may be useful in evaluating our operating performance. We present certain non-GAAP financial measures in this Annual Report on Form 10-K and intend to continue to present certain non-GAAP financial measures in future filings with the SEC and other public statements. Any failure to accurately report and present our non-GAAP financial measures could cause investors to lose confidence in our reported financial and other information, which would likely have a negative effect on the trading price of our common stock. We have identified material weaknesses in our internal control over financial reporting and may identify additional material weaknesses in the future or fail to maintain effective internal control over financial reporting, which may result in material misstatements of our consolidated financial statements or cause us to fail to meet our periodic reporting obligations. We have identified material weaknesses in our internal control over financial reporting. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. These material weaknesses are as follows:

- We did not design and maintain an effective control environment commensurate with our financial reporting requirements. Specifically, we lacked a sufficient complement of resources with (i) an appropriate level of accounting knowledge, experience and training to appropriately analyze, record and disclose accounting matters timely and accurately, and (ii) an appropriate level of knowledge and experience to establish effective processes and controls. Additionally, the lack of a sufficient number of professionals resulted in an inability to consistently establish appropriate authorities and responsibilities in pursuit of our financial reporting objectives, as demonstrated by, among other things, insufficient segregation of duties in our finance and accounting functions. This material weakness contributed to the following additional material weaknesses:
- We did not design and maintain effective controls related to the period-end financial reporting process, including designing and maintaining formal accounting policies, procedures and controls to achieve complete, accurate and timely financial accounting, reporting and disclosures. Additionally, we did not design and maintain controls over the preparation and review of account reconciliations and journal entries, including maintaining appropriate segregation of duties.
- We did not design and maintain effective controls related to the identification of and accounting for certain non-routine, unusual or complex transactions, including the proper application of U. S. GAAP of such transactions. Specifically, we did not design and maintain controls to timely identify and account for share repurchase transactions, warrant instruments, and performance based stock awards. These material weaknesses resulted in audit adjustments to the following financial statement line items in the historical Markforged financial statements: operating expense, other expense, interest expense, other assets, other liabilities, additional paid in capital, treasury stock, retained earnings, note receivable — equity, and series D preferred stock. These adjustments were recorded prior to the issuance of the consolidated financial statements as of and for the years ended December 31, 2020 and 2019. Additionally, these material weaknesses resulted in audit adjustments to additional paid in capital and stock-based compensation expense for the quarters ended June 30, 2021, September 30, 2021, December 31, 2021, June 30, 2022, and December 31, 2022. The material weakness related to accounting for warrant instruments resulted in the restatement of the previously issued financial statements of AONE, the entity we merged with as part of the Merger related to warrant liabilities and equity. Additionally, these material weaknesses could result in a misstatement of substantially all of our accounts or disclosures that would result in a material misstatement to the annual or interim consolidated financial statements that would not be prevented or detected.
- We did not design and maintain effective controls over information technology (“IT”) general controls for information systems that are relevant to the preparation of our financial statements. Specifically, we did not design and maintain (i) program change management controls for financial systems to ensure that information technology program and data changes affecting financial IT applications and underlying accounting records are identified, tested, authorized and implemented appropriately; (ii) user access controls to ensure appropriate segregation of duties and that adequately restrict user and privileged access to financial applications, programs, and data to appropriate Company personnel; (iii) computer operations controls to ensure that critical batch jobs are monitored, privileges are appropriately granted, and data backups are authorized

and monitored; and (iv) testing and approval controls for program development to ensure that new software development is aligned with business and IT requirements. These IT deficiencies did not result in any misstatements to the financial statements, however, the deficiencies, when aggregated, could impact our ability to maintain effective segregation of duties, as well as the effectiveness of IT- dependent controls (such as automated controls that address the risk of material misstatement to one or more assertions, along with the IT controls and underlying data that support the effectiveness of system- generated data and reports) that could result in misstatements potentially impacting all financial statement accounts and disclosures that would result in a material misstatement to the annual or interim financial statements that would not be prevented or detected. Accordingly, management has determined these deficiencies in the aggregate constitute a material weakness. We are in the process of designing and implementing controls and taking other actions to remediate the material weaknesses described above, including the following:

- We have hired **and continue to hire**, additional accounting and IT personnel, ~~including a new chief financial officer, hired in April 2021~~, to bolster our reporting, technical accounting and IT capabilities. Additionally, we designed and implemented controls to formalize roles and review responsibilities to align with our team’s skills and experience and we are designing and implementing controls over segregation of duties.
- We have designed and implemented controls related to the period- end financial reporting process, including formal accounting policies, procedures and controls to achieve complete, accurate and timely financial accounting, reporting and disclosures. Additionally, we have designed and implemented controls over the preparation and review of account reconciliations and journal entries.
- We have designed and implemented controls to timely identify and account for non- routine, unusual or complex transactions and other technical accounting and financial reporting matters, including controls over the preparation and review of accounting memoranda addressing these matters.
- We have designed and implemented IT general controls, including controls over program change management, the review and update of user access rights and privileges, controls over batch jobs and data backups, and program development approvals and testing. We have engaged third- party specialists to assist with testing and validating the operating effectiveness of certain controls over financial reporting to gain assurance that such controls are present and operating as designed, as well as to help review and update existing documentation of our internal controls for compliance with the Sarbanes- Oxley Act of 2002. We are working to remediate the material weaknesses as efficiently and effectively as possible and expect full remediation could potentially go beyond December 31, **2023-2024**. At this time, we cannot provide an estimate of costs expected to be incurred in connection with implementing this remediation plan; however, these remediation measures will be time consuming, will result in us incurring significant costs, and will place significant demands on our financial and operational resources. Our ability to use net operating loss (“ NOL ”) carryforwards and other tax attributes may be limited ~~following the Merger~~. We have incurred substantial losses during our history and our ability to become profitable in the near future is uncertain. To the extent that we continue to generate taxable losses, unused losses will carry forward to offset future taxable income, if any, until such unused losses expire (if at all). As of December 31, **2022-2023**, we had federal NOL carryforwards of approximately \$ **140-171. 4-6** million, of which \$ 15. 0 million are subject to expire at various times beginning in 2033, and \$ **125-156. 4-6** million that have no expiration date and will be carried forward indefinitely. We also had state NOL carryforwards of approximately \$ **56-89. 2-9** million that will begin to expire in **2033-2026**, unless previously utilized. On December 31, **2022-2023**, we had federal and state research and development credit carryforwards of approximately \$ **8-11. 4-0** million and \$ 5. **1-6** million, respectively. The research and development credit carryforwards will begin expiring in **2030-2033**, unless previously utilized. Federal NOLs incurred in tax years beginning after December 31, 2017 and before January 1, 2021 may be carried back to each of the five tax years preceding such loss, and NOLs arising in tax years beginning after December 31, 2020 may not be carried back. Because we have had no taxable income in prior years, we do not anticipate carrying back any of our net operating losses. Moreover, federal NOLs generated in taxable years ending after December 31, 2017, may be carried forward indefinitely, but the deductibility of such federal NOLs may be limited to 80 % of our taxable income annually for tax years beginning after December 31, 2020. Our NOL carryforwards are subject to review and possible adjustment by the IRS, and state tax authorities. In addition, in general, under Sections 382 and 383 of the Code, a corporation that undergoes an “ ownership change ” is subject to limitations on its ability to utilize its pre- change NOLs or tax credits to offset future taxable income or taxes. For these purposes, an ownership change generally occurs where the aggregate stock ownership of one or more stockholders or groups of stockholders who own at least 5 % of a corporation’s stock increases their ownership by more than 50 percentage points over their lowest ownership percentage within a specified testing period. Our existing NOLs or credits may be subject to limitations arising from previous ownership changes, and future changes in our stock ownership, many of which are outside of our control, could result in an ownership change under Sections 382 and 383 of the Code. Our NOLs or credits may also be impaired under state law. Accordingly, we may not be able to utilize a material portion of our NOLs or credits. If we determine that an ownership change has occurred and our ability to use our historical NOLs or credits is materially limited, it will harm our future operating results by effectively increasing our future tax obligations. Section 382 and 383 of the Code would apply to all net operating loss and tax credit carryforwards, whether the carryforward period is indefinite or not. If we earn taxable income, such limitations could result in increased future tax liability to us and our future cash flows could be adversely affected. We have recorded a full valuation allowance related to our NOLs and other deferred tax assets due to the uncertainty of the ultimate realization of the future benefits of those assets. Comprehensive tax reform legislation could adversely affect our business and financial condition. The rules dealing with U. S. federal, state and local income taxation are constantly under review by persons involved in the legislative process and by the Internal Revenue Service, or IRS, and the U. S. Treasury Department. Changes to tax laws (which changes may have retroactive application) could adversely affect us or holders of our common stock. In recent years, many changes have been made and changes are likely to continue to occur in the future. Additional changes to U. S. federal income tax law are currently being contemplated. Future changes in tax laws could have a material adverse effect on our business, cash flow, financial condition or results of operations. It cannot be predicted whether, when, in what form, or with what effective dates, new tax laws may be enacted, or regulations and rulings may be enacted, promulgated or issued under

existing or new tax laws, which could result in an increase in our or our stockholders' tax liability or require changes in the manner in which we operate in order to minimize or mitigate any adverse effects of changes in tax law or in the interpretation thereof. Additional Risks Related to Ownership of Our Common Stock and Us Operating as a Public Company **We will continue to incur increased costs as a result of operating as a public company, and our management are required to devote substantial time to new compliance initiatives. As a public company, we incur significant legal, accounting and other expenses that we did not incur as a private company. In addition, the Sarbanes Oxley Act of 2002 and rules subsequently implemented by the Securities and Exchange Commission and the NYSE have imposed various requirements on public companies, including establishment and maintenance of effective disclosure and financial controls and corporate governance practices. Our management and other personnel need to devote a substantial amount of time to these compliance initiatives. Moreover, these rules and regulations increase our legal and financial compliance costs and make some activities more time-consuming and costly. For example, we expect that these rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance. Pursuant to the Sarbanes Oxley Act, we are required to furnish a report by our management on our internal control over financial reporting, including an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. However, while we remain an emerging growth company, we are not required to include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. To achieve compliance with Section 404 of the Sarbanes Oxley Act within the prescribed period, we are engaged in a process to document and evaluate our internal control over financial reporting, which is both costly and challenging. In this regard, we need to continue to dedicate internal resources, potentially engage outside consultants and adopt a detailed work plan to assess and document the adequacy of internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing that controls are functioning as documented and implement a continuous reporting and improvement process for internal control over financial reporting. Despite our efforts, there is a risk that neither we nor our independent registered public accounting firm will be able to conclude within the prescribed timeframe that our internal control over financial reporting is effective as required by Section 404 of the Sarbanes Oxley Act. This could result in an adverse reaction in the financial markets due to a loss of confidence in the reliability of our financial statements. In addition, if we are not able to continue to meet these requirements, we may not be able to remain listed on NYSE.** The price of our common stock and warrants may be volatile. The price of our ~~Common common Stock stock~~ ~~Warrants warrants~~ as well as our ~~Common common Stock stock~~ ~~Warrants warrants~~ may fluctuate due to a variety of factors, including: • changes in the industries in which we and our customers operate; • developments involving our competitors; • changes in laws and regulations affecting our business; • variations in our operating performance and the performance of our competitors in general; • actual or anticipated fluctuations in our quarterly or annual operating results; • publication of research reports by securities analysts about us or our competitors or our industry; • the public's reaction to our press releases, other public announcements and filings with the SEC; • actions by stockholders; • additions and departures of key personnel; • commencement of, or involvement in, litigation involving the combined company; • changes in our capital structure, such as future issuances of securities or the incurrence of additional debt; • the volume of shares of our Common Stock available for public sale; and • general economic and political conditions, including but not limited to ~~the COVID-19 pandemic~~, global supply chain disruptions, recessions, interest rates, inflation, local and national elections, fuel prices, international currency fluctuations, corruption, political instability and acts of war or terrorism. These market and industry factors may materially reduce the market price of our Common Stock and warrants regardless of our operating performance. Stock markets have experienced extreme price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many technology companies. Stock prices of many technology companies, including e-commerce companies, have fluctuated in a manner unrelated or disproportionate to the operating performance of those companies. If the stock prices for technology companies or the broader stock market continue to experience a loss of investor confidence, the trading price of our common stock could decline for reasons unrelated to our business, financial condition or results of operations. We do not intend to pay cash dividends for the foreseeable future. We currently intend to retain our future earnings, if any, to finance the further development and expansion of our business and do not intend to pay cash dividends in the foreseeable future. Any future determination to pay dividends will be at the discretion of our board of directors and will depend on our financial condition, results of operations, capital requirements, restrictions contained in future agreements and financing instruments, business prospects and such other factors as its board of directors deems relevant. If analysts do not continue to publish research about our business or if they publish inaccurate or unfavorable research, our stock price and trading volume could decline. The trading market for our common stock depends in part on the research and reports that analysts publish about our business. We do not have any control over these analysts. We currently have limited research coverage by securities and industry analysts. If other securities or industry analysts do not commence coverage of our company, the trading price for our stock could be negatively impacted. If one or more of the analysts who cover us downgrade our common stock or publish inaccurate or unfavorable research about our business, the price of our common stock would likely decline. If few analysts cover us, demand for our common stock could decrease and our common stock price and trading volume may decline. Similar results may occur if one or more of these analysts stop covering us in the future or fail to publish reports on us regularly. We may be subject to securities litigation, which is expensive and could divert management attention. The market price of our common stock may be volatile and, in the past, companies that have experienced volatility in the market price of their stock have been subject to securities class action litigation. We may be the target of this type of litigation in the future. Securities litigation against us could result in substantial costs and divert management's attention from other business concerns, which could seriously harm our business. Future issuances and / or resales of our Common Stock may increase the volatility of and / or cause the market price of our securities to drop significantly, even if our business is doing well.

14, 666, 667 shares of our ~~Common common Stock stock~~ may be issued (the “ Markforged Earnout Shares ”) upon ~~the~~ ~~Company achieving our achievement of~~ certain Earnout Triggering Events (as described in the Merger Agreement and Note ~~13~~ ~~11~~ to our consolidated financial statements), and additional shares may be issued upon exercise of the outstanding warrants to purchase shares of our Common Stock. To the extent such additional shares of our Common Stock are issued, it will result in dilution to the holders of our Common Stock and an increase to the number of shares eligible for resale in the public market. Sales, or the potential for sales, of substantial numbers of such shares in the public market could increase the volatility of and / or adversely affect the market price of our Common Stock. The obligations associated with being a public company involve significant expenses and require significant resources and management attention, which may divert from our business operations. As a public company, we are subject to the reporting requirements of the Exchange Act and the Sarbanes- Oxley Act. The Exchange Act requires the filing of annual, quarterly and current reports with respect to a public company’ s business and financial condition. The Sarbanes- Oxley Act requires, among other things, that a public company establish and maintain effective internal control over financial reporting. As a result, we incur significant legal, accounting and other expenses that we did not previously incur. Our entire management team and many of ~~its our~~ other employees will need to devote substantial time to compliance ~~, and may not effectively or efficiently manage its transition into a public company~~. These rules and regulations result in us incurring substantial legal and financial compliance costs and make some activities more time- consuming and costly. For example, these rules and regulations will likely continue to make it more difficult and more expensive for us to obtain director and officer liability insurance, and it may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be difficult for us to attract and retain qualified people to serve on ~~its our~~ board of directors, ~~its our~~ board committees or as executive officers. We are currently an emerging growth company within the meaning of the Securities Act, and to the extent we have taken advantage of certain exemptions from disclosure requirements available to emerging growth companies or smaller reporting companies, this could make our securities less attractive to investors and may make it more difficult to compare our performance with other public companies. We are currently an “ emerging growth company ” within the meaning of the Securities Act, as modified by the JOBS Act, and we may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes- Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and shareholder approval of any golden parachute payments not previously approved. As a result, our shareholders may not have access to certain information they may deem important. We cannot predict whether investors will find our securities less attractive because we will rely on these exemptions. If some investors find our securities less attractive as a result of our reliance on these exemptions, the trading prices of our securities may be lower than they otherwise would be, there may be a less active trading market for our securities and the trading prices of our securities may be more volatile. Further, Section 102 (b) (1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non- emerging growth companies but any such election to opt out is irrevocable. We have elected not to opt out of such extended transition period, which means that when a standard is issued or revised and it has different application dates for public or private companies, we, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of our financial statements with another public company, which is neither an emerging growth company nor an emerging growth company which has opted out of using the extended transition period, difficult or impossible because of the potential differences in accounting standards used. When we cease to be an emerging growth company, we will no longer be able to take advantage of certain exemptions from reporting, and ~~,~~ absent other exemptions or relief available from the SEC, we will also be required to comply with the auditor attestation requirements of Section 404 of the Sarbanes- Oxley Act. We will incur additional expenses in connection with such compliance and our management will need to devote additional time and effort to implement and comply with such requirements. Delaware law and our certificate of incorporation and bylaws contain certain provisions, including anti- takeover provisions that limit the ability of stockholders to take certain actions and could delay or discourage takeover attempts that stockholders may consider favorable. The DGCL and our certificate of incorporation and bylaws contain provisions that could have the effect of rendering more difficult, delaying, or preventing an acquisition that stockholders may consider favorable, including transactions in which stockholders might otherwise receive a premium for their shares. These provisions could also limit the price that investors might be willing to pay in the future for shares of our common stock, and therefore depress the trading price of our Common Stock. These provisions could also make it difficult for stockholders to take certain actions, including electing directors who are not nominated by the current members of our board of directors or taking other corporate actions, including effecting changes in our management. Among other things, our certificate of incorporation and bylaws include provisions regarding: • the ability of our board of directors to issue shares of preferred stock, including “ blank check ” preferred stock and to determine the price and other terms of those shares, including preferences and voting rights, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquirer; • the board of directors are classified into three classes, with only one class being elected each year to serve three- year terms. As a result, in most circumstances, a person can gain control of our board only by successfully engaging in a proxy contest at two or more annual stockholders meetings; • the certificate of incorporation will prohibit cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates; • the limitation of the liability of, and the indemnification of, our directors and officers; • the ability of our board of directors to amend the bylaws,

which may allow our board of directors to take additional actions to prevent an unsolicited takeover and inhibit the ability of an acquirer to amend the bylaws to facilitate an unsolicited takeover attempt; and • advance notice procedures with which stockholders must comply to nominate candidates to our board of directors or to propose matters to be acted upon at a stockholders' meeting, which could preclude stockholders from bringing matters before annual or special meetings of stockholders and delay changes in our board of directors and also may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of us. These provisions, alone or together, could delay or prevent hostile takeovers and changes in control or changes in our board of directors or management. The provisions of our bylaws requiring exclusive forum in the Court of Chancery of the State of Delaware and the federal district courts of the United States for certain types of lawsuits may have the effect of discouraging certain lawsuits, including derivative lawsuits and lawsuits against the directors and officers of us, by limiting plaintiffs' ability to bring a claim in a judicial forum that they find favorable. Our bylaws provide that, to the fullest extent permitted by law, and unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, in the event that such court does not have jurisdiction, the federal district court for the District of Delaware or other state courts of the State of Delaware) will be the sole and exclusive forum for any state law claims for (i) any derivative action or proceeding brought on behalf of us, (ii) any action asserting a claim for or based on a breach of a fiduciary duty owed by any current or former director, officer or other employee of us to us or our stockholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL or the Bylaws or Certificate of Incorporation (as either may be amended from time to time) (including the interpretation, validity and enforceability thereof), (iv) any action asserting a claim related to or involving us that is governed by the internal affairs doctrine, and (v) any action asserting an " internal corporate claim " as that term is defined in Section 115 of the DGCL (the " Delaware Forum Provision "). The Delaware Forum Provision, however, does not apply to actions or claims arising under the Exchange Act. The Bylaws also provide that, unless we consent in writing to the selection of an alternate forum, the sole and exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act, and the rules and regulations promulgated thereunder, will be the Federal District Courts of the United States (the " Federal Forum Provision, " and with the Delaware Forum Provision, the " Exclusive Forum Provisions "). In addition, the Bylaws provide that any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock is deemed to have notice of and consented to the Delaware Forum Provision and the Federal Forum Provision, provided, however, that stockholders cannot and will not be deemed to have waived compliance with the U. S. federal securities laws and the rules and regulations thereunder. These provisions may impose additional litigation costs on stockholders in pursuing any such claims and have the effect of discouraging certain lawsuits, including derivative lawsuits and lawsuits against our directors and officers, by limiting plaintiffs' ability to bring a claim in a judicial forum that they find favorable. In addition, while the Delaware Supreme Court and other state courts have upheld the validity of federal forum selection provisions purporting to require claims under the Securities Act be brought in federal court, there is uncertainty as to whether other courts will enforce our Federal Forum Provision. The Federal Forum Provision may also impose additional litigation costs on stockholders who assert that the provision is not enforceable or invalid, and if the Federal Forum Provision is found to be unenforceable, we may incur additional costs associated with resolving such matters. The Court of Chancery of the State of Delaware and the Federal District Courts of the United States may also reach different judgments or results than would other courts, including courts where a stockholder considering an action may be located or would otherwise choose to bring the action, and such judgments may be more or less favorable to us than our stockholders. The private placement warrants issued to the Sponsor, and the Markforged Earnout Shares, are accounted for as liabilities recorded at fair value upon issuance with changes in fair value each period reported in earnings, which may have an adverse effect on the market price of our Common Stock. Under U. S. GAAP, we are required to evaluate our warrants to determine whether they should be accounted for as a warrant liability or as equity. We have concluded that the warrants contain provisions requiring liability classification. Therefore, we are accounting for the warrants as a warrant liability and recorded that liability at fair value upon issuance. We will record any subsequent changes in fair value as of the end of each period for which earnings are reported. The impact of changes in fair value on earnings may have an adverse effect on the market price of our common stock and may cause fluctuations in our results of operations based on factors that are outside of our control. Additionally, the Markforged Earnout Shares are also accounted for as a liability because the triggering events that determine the number of shares to be earned included events that were not indexed to our Common Stock. These liabilities are subject to re- measurement at each balance sheet date. With each such re- measurement, the earnout liability will be adjusted to fair value, with a resulting non- cash gain or loss related to the change in the fair value being recognized in our earnings in the statement of operations. The impact of changes in fair value on earnings may have an adverse effect on the market price of our Common Stock. Due to the recurring fair value measurement, we expect that we will recognize non- cash gains or losses for each future reporting period and that the amount of such gains or losses could be material. 44-43