



Butterfly Network Q3 2024 Earnings Call

November 1, 2024



Forward Looking Statements

This presentation includes “forward-looking statements” within the meaning of the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. Our actual results may differ from our expectations, estimates, and projections and, consequently, you should not rely on these forward-looking statements as predictions of future events. Words such as “expect,” “estimate,” “project,” “budget,” “forecast,” “anticipate,” “intend,” “plan,” “may,” “will,” “could,” “should,” “believe,” “predict,” “potential,” “continue,” and similar expressions (or the negative versions of such words or expressions) are intended to identify such forward-looking statements. These forward-looking statements include, without limitation, our expectations with respect to financial results, future performance, commercialization and plans to deploy our products and services, development of products and services, and the size and potential growth of current or future markets for our products and services. Forward-looking statements are based on our current beliefs and assumptions and on information currently available to us. These forward-looking statements involve significant known and unknown risks and uncertainties and other factors that could cause the actual results to differ materially from those discussed in the forward-looking statements. Most of these factors are outside our control and are difficult to predict. Factors that may cause such differences include, but are not limited to: our ability to grow and manage growth effectively; the success, cost, and timing of our product and service development activities; the potential attributes and benefits of our products and services; the degree to which our products and services are accepted by healthcare practitioners and patients for their approved uses; our ability to obtain and maintain regulatory approval for our products, and any related restrictions and limitations of any approved product; our ability to identify, in-license, or acquire additional technology; our ability to maintain our existing license, manufacturing, supply, and distribution agreements; our ability to compete with other companies currently marketing or engaged in the development of products and services that we are currently marketing or developing; changes in applicable laws or regulations; the size and growth potential of the markets for our products and services, and our ability to serve those markets, either alone or in partnership with others; the pricing of our products and services, and reimbursement for medical procedures conducted using our products and services; our estimates regarding expenses, revenue, capital requirements, and needs for additional financing; our financial performance; our ability to raise financing in the future; and other risks and uncertainties indicated from time to time in our most recent Annual Report on Form 10-K, as amended, or in subsequent filings that we make with the Securities and Exchange Commission. We caution that the foregoing list of factors is not exclusive. We caution you not to place undue reliance upon any forward-looking statements, which speak only as of the date of this press release. We do not undertake or accept any obligation or undertake to release publicly any updates or revisions to any forward-looking statements to reflect any change in our expectations or any change in events, conditions, or circumstances on which any such statement is based.





2024 Strategic Pillars



Strengthen Core

- Penetrate further into Hospitals, Clinic, Veterinary, Med Schools, globally
- Segment market: iQ+ affordable workhouse & high-end, feature-rich iQ3

Accelerate growth in our core business.



Expand

- Transform standard of care through new applications and AI powered tools
- Allow novice users to scan in home
- One probe per provider model vs. one per many

Expand market with new users and applications.



Differentiate

- Continue investing in our Ultrasound-on-Chip™
- Continue R&D of multiple fit-for-purpose form factors
- Drive awareness of environmental benefits of non-lead crystal probe

Maintain differentiated technology positioning.



Generate

- Improved 2024 Guidance: \$79-\$81mm or over 20% growth
- Maintain balance between investment & return: Efficient use of capital via high impact investment

Drive our pathway to profitability.



Validating Butterfly's strong ROI.

For Enterprises



Case study

University of Rochester Medical Center Boosts Ultrasound Charge Capture by 116%.

URMC launched a system-wide ultrasound program to improve imaging access, streamline workflows, and increase revenue capture

[Read more](#)

For Individuals

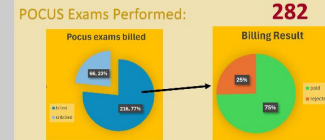
Financial Results of POCUS in a Family Medicine Practice

A Case Study

Stephen Erickson, MD FAAFP RMSK
Jefferson Healthcare, Pt. Townsend, WA

RESULTS:

One Year POCUS Revenue Report:



POCUS exams denied by Payor: **54 (25%)**

Gross Charges for Exams Billed: **\$26,649**

Net Revenue Collected: **\$11,726**

Average additional revenue
per POCUS exam performed: **\$41.58**

Estimated 1st yr. cost of POCUS equipment: **\$4849**

(Includes cost in 2021 for Handheld ultrasound & iPad, Rolling Cart and iPad holding device, 2023 cost of Consumables (ultrasound gel, etc), and Software Subscription for Security, Image Management, Image Archiving, & Quality Assurance)



Medical Education Momentum Continues with ScanLab™



Kansas City University sets new standard in point-of-care ultrasound education with AI-guided training curriculum

Oct 8, 2024

KCU incorporates Butterfly Network's AI-guided ScanLab™ education application into its curriculum to empower dedicated, hands-on ultrasound training.

<https://www.prnewswire.com/news-releases/kansas-city-university-sets-new-standard-in-point-of-care-ultrasound-education-with-ai-guided-training-curriculum-302268356.html>



International Expansion

- Opened new markets in Indonesia, the Netherlands, and Belgium.
- Launched iQ3 in Europe, with a well-attended launch event at the Gherkin in London.



Butterfly iQ+ Vet™

Continue to work with Kansas State University and Beef Cattle Institute (BCI) to disseminate findings on value of POCUS for managing Bovine Respiratory Disease.




www.youtube.com/watch?v=eSI53JyfZHs




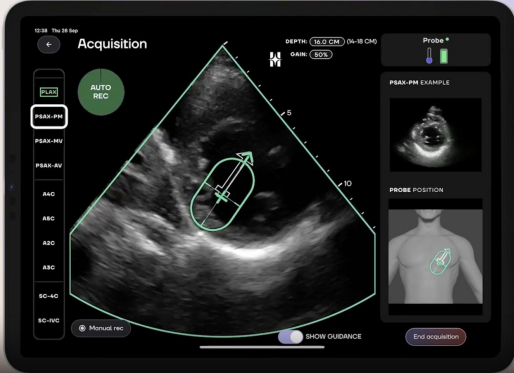
Butterfly Garden™


Signed 2 new partners and announced the commercial launch of a second education application!

 **businesswire**
A BERKSHIRE HATHAWAY COMPANY

HeartFocus Unveils AI-powered Education App for Conducting Clinical-Grade Heart Scans, Available on Butterfly Network's Handheld Ultrasound Devices

HeartFocus




 **Butterfly Garden™**
AI Marketplace

INTRODUCING
HeartFocus



AI-guidance for cardiac scans on your Butterfly probe. Now available for download on iOS.

 **HeartFocus**





Welcome, Steve Cashman!

Executive Vice President
Chief Business Officer
Butterfly Network

Record Quarterly Revenue

Improved Full Year Adjusted EBITDA Guidance

USD (millions)	Q3 2024	Q3 2023**	Change
Revenue	\$20.6	\$15.4	33%
Gross Margin	59.5%	60.8%	(1.3) pts
Operating expense	\$29.5	\$41.9	(30%)
Adjusted EBITDA Loss*	\$(8.4)	\$(12.5)	33%
Cash, Cash Equivalents and Restricted Cash	\$97.8	\$138.7	\$(40.9)

Increased 2024 Revenue Guidance to \$79-81 million or over 20% growth and improved Adjusted EBITDA Guidance to a loss of \$42-\$40 million.

We continue to reduce losses, increase efficiency and support cash runway into 2027.

*reconciliation of Adjusted EBITDA, which is a non-GAAP measure, to the most comparable GAAP measure included in press release

**except Cash, Cash Equivalents and Marketable Securities, which is 12/31/23



Butterfly March 2024 Investor Day

Key Takeaways

Butterfly is leading a digital ultrasound revolution with its robust R&D roadmap.

Butterfly Garden and Powered by Butterfly will contribute to meaningful revenue generation over the next five years.

Butterfly has a HomeCare business plan in place, and is actively initiating the lung and bladder programs.

Butterfly's success is inevitable.

Access event replay on-demand at:

<https://ir.butterflynetwork.com/events-and-presentations/default.aspx>

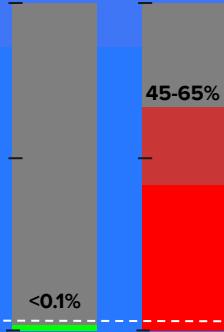


Update on the EU's Restriction of Hazardous Substances (RoHS) Directive Efforts

EU RoHS limits compliant vs. EU RoHS exemption compliant



Butterfly cMUT ultrasound devices are RoHS limits compliant.



Piezoelectric ultrasound devices are RoHS exemption compliant.

RoHS limit 0.1% - - - - -

Content of lead in homogeneous material (% weight).

Read the 2020 Exemption Renewal Form for Lead in Crystal Ultrasound Transducers:

https://s27.q4cdn.com/524696391/files/doc_downloads/2024/10/Ex_14-IV_COCIR_Renewal-Request.pdf



Butterfly March 2024 Investor Day

Key Takeaways

Butterfly is leading a digital ultrasound revolution with its robust R&D roadmap.

Butterfly Garden and Powered by Butterfly will contribute to meaningful revenue generation over the next five years.

Butterfly has a HomeCare business plan in place, and is actively initiating the lung and bladder programs.

Butterfly's success is inevitable.

Access event replay on-demand at:

<https://ir.butterflynetwork.com/events-and-presentations/default.aspx>





**A New Paradigm for
Ultrasound-on-Chip™ Powered Innovation**

Thank you!
Questions?

