



# Q4 2022 Earnings Call

February 28<sup>th</sup>, 2023





# Legal Statements

## 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. Butterfly Network, Inc.’s (the “Company”) actual results may differ from its 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,” “believes,” “predicts,” “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, statements regarding, the Company’s expectations with respect to financial results, future performance, the development and commercialization of products and services, and the size and potential growth of current or future markets for its products and services. These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from those discussed in the forward-looking statements. Most of these factors are outside the Company’s control and are difficult to predict. Factors that may cause such differences include, but are not limited to: the impact of COVID-19 on the Company’s business, including issues relating to Omicron and other variants; the ability to recognize the anticipated benefits of the business combination; the Company’s ability to grow and manage growth profitably; the success, cost and timing of the Company’s product and service development and commercialization activities, including the degree that its products and services are accepted and used by healthcare professionals; the potential attributes and benefits of the Company’s products and services; the Company’s ability to obtain and maintain regulatory approval for its products, and any related restrictions and limitations of any approved product; the Company’s ability to identify, in-license or acquire additional technology; the Company’s ability to maintain its existing license, manufacture, supply and distribution agreements; the Company’s ability to compete with other companies currently marketing or engaged in the development of products and services that the Company is currently marketing or developing; changes in applicable laws or regulations; the size and growth potential of the markets for the Company’s products and services, and its ability to serve those markets, either alone or in partnership with others; the pricing of the Company’s products and services and reimbursement for medical procedures conducted using its products and services; the Company’s estimates regarding expenses, revenue, capital requirements and needs for additional financing; the Company’s financial performance; the Company’s ability to raise financing in the future; and other risks and uncertainties indicated from time to time in the Company’s filings with the Securities and Exchange Commission. The Company cautions that the foregoing list of factors is not exclusive. The Company cautions you not to place undue reliance upon any forward-looking statements, which speak only as of the date of this presentation. The Company does 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 the Company’s expectations or any change in events, conditions or circumstances on which any such statement is based.



## **Our Mission.**

**To democratize healthcare by making medical imaging accessible to everyone.**

## **Our Vision.**

**That all people, everywhere, get the right care, driven by the right clinical decisions at the right time.**



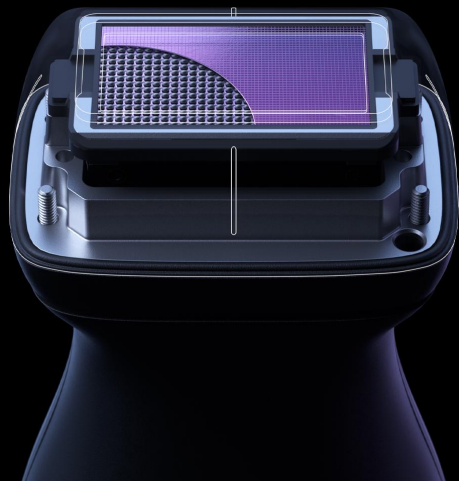


# The Butterfly Solution

Butterfly completes the information gap with powerful insights, delivered in an intuitive and easy way...

## From innovation

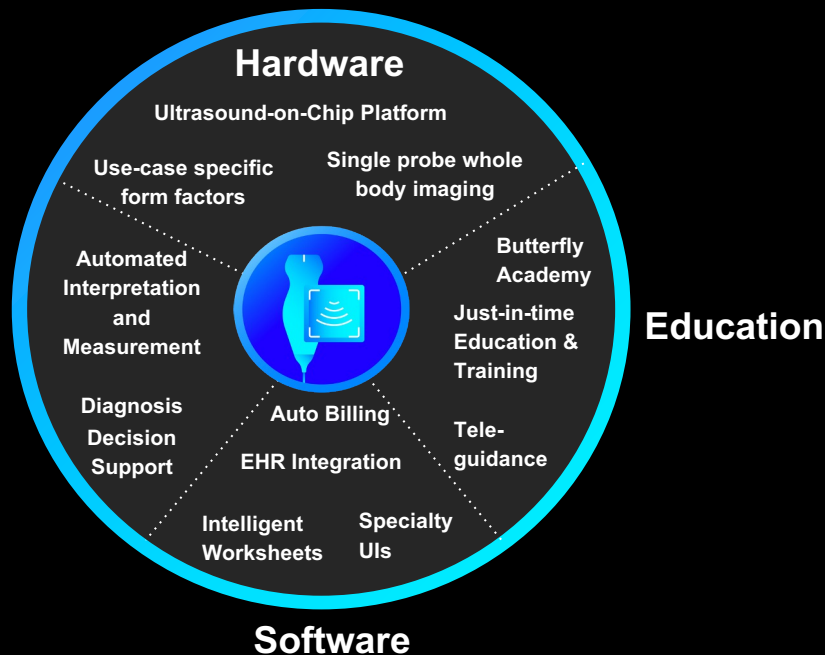
Our Ultrasound-on-Chip™ enables whole body scanning with a single probe for the first time ever.



Artificial Intelligence

## To a complete solution

Our comprehensive solution unlocks the true potential of ultrasound information once and for all.

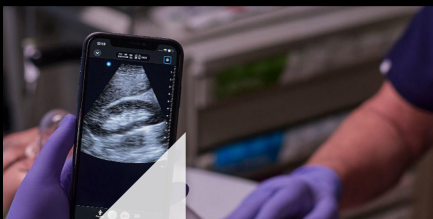




# Butterfly Goes Where POCUS Cannot Go...

By making Butterfly easy, and demonstrating its economic value, we will go where competitors cannot...

Health Systems



International Expansion



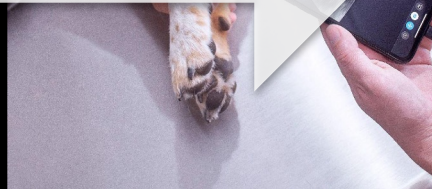
Home



Adjacent Value Streams



Easy. Everywhere. Economical.



Butterfly has the only comprehensive enterprise SW solution to deploy at scale

Butterfly's **accessibility** (ease of use & A.I.) and **affordability** has enabled it to go where traditional POCUS cannot

Butterfly's **Teleguidance™**, and ease of use, will enable powerful clinical insights to be shared from the convenience of patients' homes

Butterfly's comprehensive solution solves the information gap in Veterinary Medicine

# Butterfly's Product Portfolio is Evolving to Fit the Needs of *All* Our Customers

A fit-to-purpose product portfolio will drive clinical practice improvements and widespread adoption...



## Ultrasound Experts

Clinicians trained on medical ultrasound

## Acute Care, Hospital

Advanced imaging, workflows, billing, and EMR connectivity



## All Clinicians

Clinicians without ultrasound experience

## Outpatient, Clinic

Low user burden assessment tools to support clinical practice



## Patient & Caregiver

No ultrasound knowledge

## Home

Extending assessment tools to patients at home



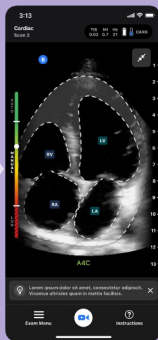
# Only Butterfly Has the Technology Platform for Rapid Portfolio Development...

## Ultrasound Experts



Today: 2023

## All Clinicians



Phase I: 12-24

## Patients and Caregivers



Phase II: 24-36

### Software Infrastructure

#### Fully Integrated

- Device
- Mobile App
- Artificial Intelligence
- Enterprise Software
- EMR & PACS Connectivity

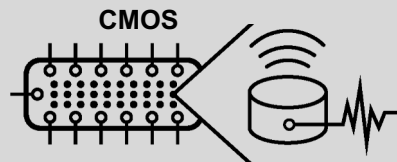


Cloud



Mobile App

### Ultrasound-on-chip



MEMS (Micro-Electro-Mechanical Systems)

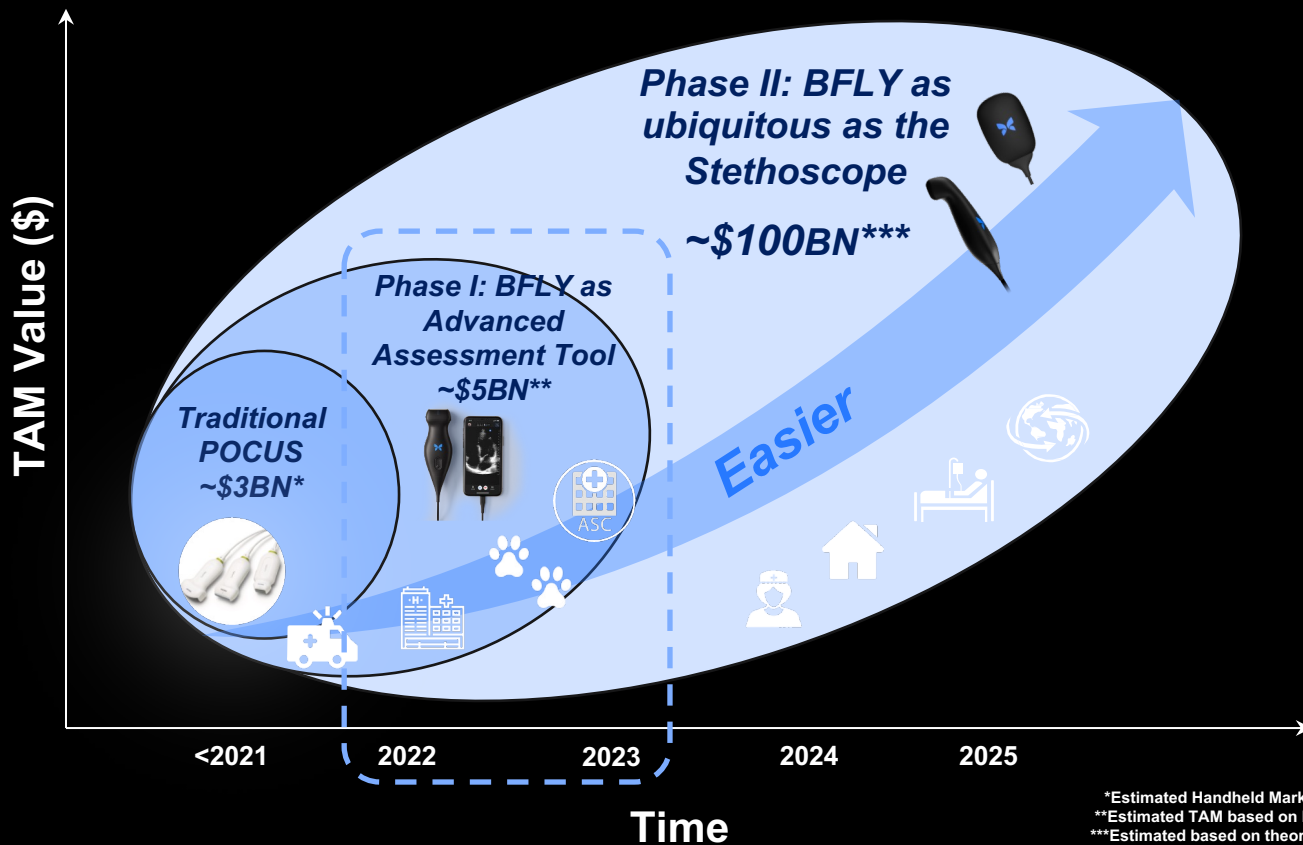
#### Versatile

- Whole Body Probe
- Electronic Beam Steering
- 3D Imaging



# Butterfly is Disrupting and Expanding the Traditional TAM

By making Butterfly easy, and proving its economic value, we will go where traditional POCUS can't and become as ubiquitous as the stethoscope...



\*Estimated Handheld Market Value by 2025 (Source : Omnia)  
\*\*Estimated TAM based on BFLY Market Model  
\*\*\*Estimated based on theoretical maximum of 40M HCPs x BFLY ASP





## Why Butterfly

Health Systems are adopting Butterfly's enterprise software solution to deploy our portfolio of products at historic *scale*

### The Butterfly Enterprise Solution

Butterfly Blueprint™ provides a system-wide ultrasound platform integrated seamlessly into clinical and administrative infrastructure



blueprint™

#### Butterfly is deploying at record scale

Our enterprise platform is deploying at scale across newest key reference sites in Hennepin County and Indiana and at University Hospital Bonn, in addition to established users (e.g., URM, Mayo, Stanford, UCLA, Denver Health and many more)

#### Butterfly is deploying in record time

Technical integration and EMR integration within record 14 days at the University of Maryland

#### Butterfly is transforming clinical practice in health systems and medical education

Large health systems and more than 1/3 of Medical Schools across the US are turning to Butterfly to transform their ultrasound programs and equip all departments with Butterfly's enterprise solution



## Why Butterfly

Butterfly is solving the information gap *at scale* in developed and developing countries

### The Butterfly Global Health Solution

Our team now has the end-to-end (HW, SW, Education and AI) capabilities and solution to train thousands of practitioners *anywhere*



#### A.I. Removes the Burden of Complexity

Our AI applications deliver powerful clinical insight to empower practitioners



#### Fit-to-Purpose Training & Education

Focused on *better medicine*, not sonography



#### Historic Gates Deployment (1,000 Probes)

Proves Butterfly can be implemented at scale with novice users to deliver life-saving care





## Why Butterfly

Butterfly will deliver powerful clinical information *from the home* to patients and practitioners alike

We see the home as the final frontier for Butterfly to deliver powerful clinical insights for millions of patients suffering from chronic conditions...



**Key Applications for patient-self scanning already identified and built into product roadmap...**

CHF, Chronic Renal Failure and Bladder Monitoring all represent clear and viable applications for Butterfly in the home



**Building Clinical Evidence supports the value and ease of patient self-scanning in the home**

Multiple studies concluded, with additional underway, to support self-scanning in the home



**Regulatory Pathways identified**

Working with FDA on pre-sub and additional regulatory pathways to enable home use





## Why Butterfly

**Butterfly is solving the information gap in Veterinary Medicine and becoming part of the standard physical exam...**

### The Butterfly Veterinary Opportunity

Butterfly is transforming Veterinary Medicine by empowering Veterinarians with clinical insights and information across all specialties and species.



#### Butterfly is Evolving Veterinary Education

With Butterfly, Texas Tech University pioneered the first 1:1 vet school deployment in the world; many more in pipeline



#### Historic Petco Deployment

First system-wide Veterinary ultrasound rollout in history with a 1:1 model across Petco Hospitals



#### Butterfly is Becoming Part of the Standard Physical Exam

Thousands of Veterinary Practices are incorporating BFLY into the standard physical exam they offer to their patients

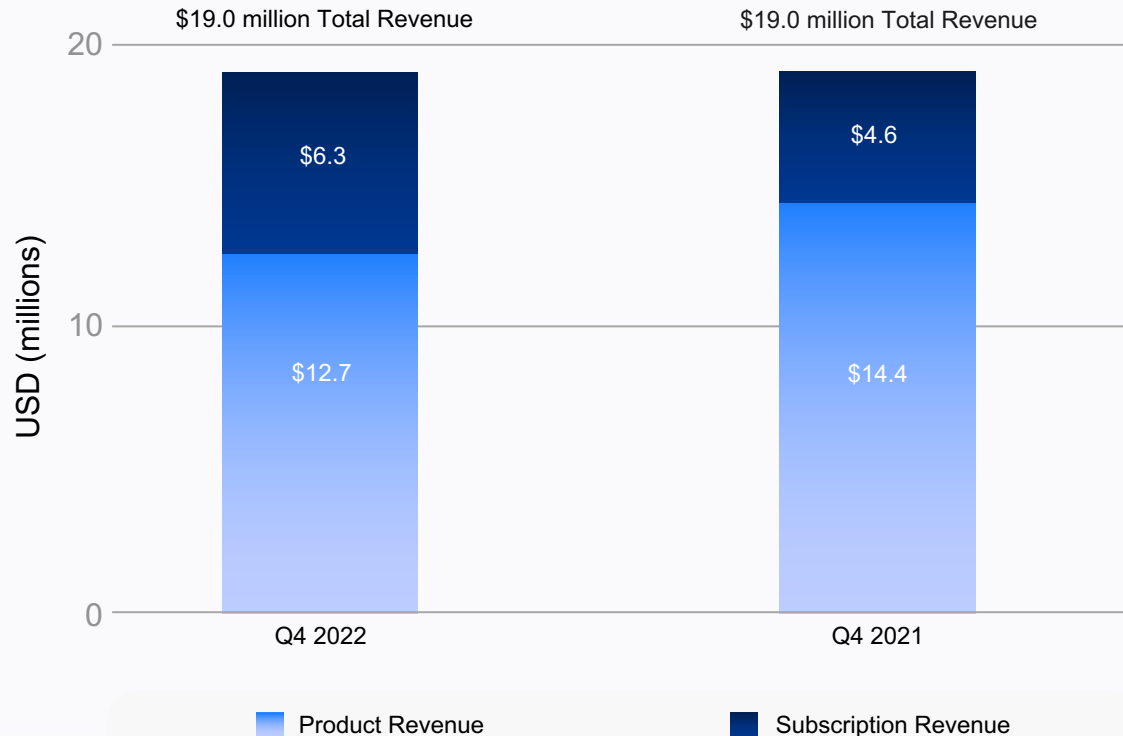


# Q4 2022 Financials

# Total Revenue Flat Year-over-Year



\$19.0 million total revenue in Q4 2022



Year-over-Year  
Growth/(Decline) in Q4

(12%) Product Revenue

38% Subscription Revenue

Flat Overall Revenue

# Q4 2022: Consistent Adjusted Margins and Strong Cash Position



## Selected Financials (Dollars in Millions) – Q4 2022 Compared to Q4 2021

USD (millions)	Q4 2022	Q4 2021
Gross Profit	\$9.6	\$7.5
- Gross Margin	50.3%	39.7%
Adjusted Gross Profit (Loss)*	\$10.3	\$7.5
- Adjusted Gross Margin	54.5%	39.7%
Adjusted EBITDA*	(\$29.3)	(\$35.6)
Cash, Cash Equivalents and Marketable Securities**	\$237.8	\$422.8

\*See the end of this presentation for a reconciliation of Adjusted EBITDA, Adjusted Gross Profit and Adjusted Gross Margin, which are non-GAAP measures, to the most comparable GAAP measures.

\*\*Excludes \$4.3M of restricted cash

# Full Year 2023 Guidance



A reconciliation of Adjusted EBITDA to its corresponding GAAP measure, net loss, is not available on a forward-looking basis because the Company is unable to predict with reasonable certainty the non-cash component of employee compensation expense, changes in its working capital needs, variances in its supply chain, the impact of earnings or charges resulting from matters the Company considers not to be reflective, on a recurring basis, of its ongoing operations, and other such items without unreasonable effort. These items are uncertain, depend on various factors, and could be material to the Company's results computed in accordance with GAAP. Management strongly encourages investors to review the Company's financial statements and publicly-filed reports in their entirety and not rely on any single financial measure.

Metric	Guidance Range
Revenue Growth	High teens to low 20 percent
Adjusted EBITDA Loss	(\$95mm) – (\$85mm)





**Thank you.**

