Butterfly™
The New Image of Health

Q1 2022 Earnings Call

May 5, 2022



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 activities; the potential attributes and benefits of the Company’s products and services; the degree to which the Company’s products and services are accepted by healthcare practitioners and patients for their approved uses; 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; manufacturing and supply of the Company’s products; 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 most recent Annual Report on Form 10-K, as amended, or in subsequent filings that it makes 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.

Introduction

Dr. Todd Fruchterman, President & CEO

Joining Our Team



Heather C. Getz

Executive Vice President
Chief Financial Officer

The problem we are solving: *Enabling more informed clinical decisions*

Many clinical decisions are made with incomplete information. We're here to change that.





The vision.

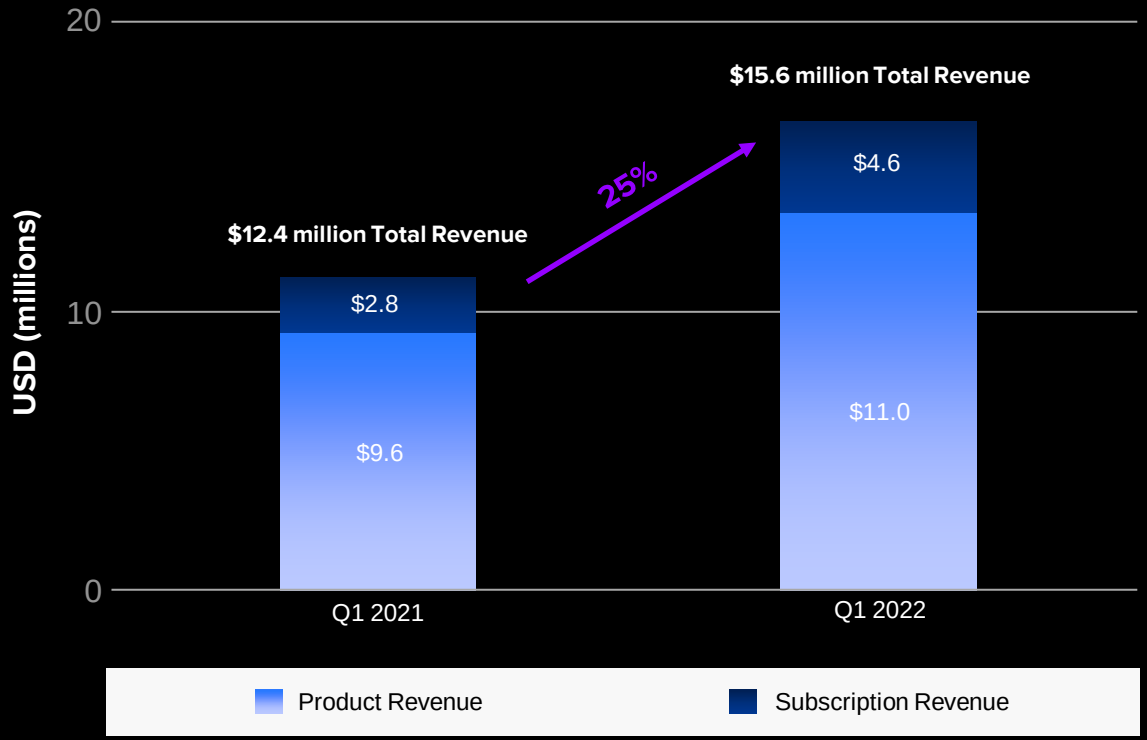
That all people, everywhere, get the right care, driven by the right clinical decisions at the right time.

The mission.

Create access to valuable clinical insights using innovative ultrasound technology, made simple with artificial intelligence, to benefit all patients worldwide.

Q1 2022 Revenue Growth of 25% Year-over-Year

$15.6 million total revenue in Q1 2022



Year-over-Year Growth

15% Product Revenue

60% Subscription Revenue

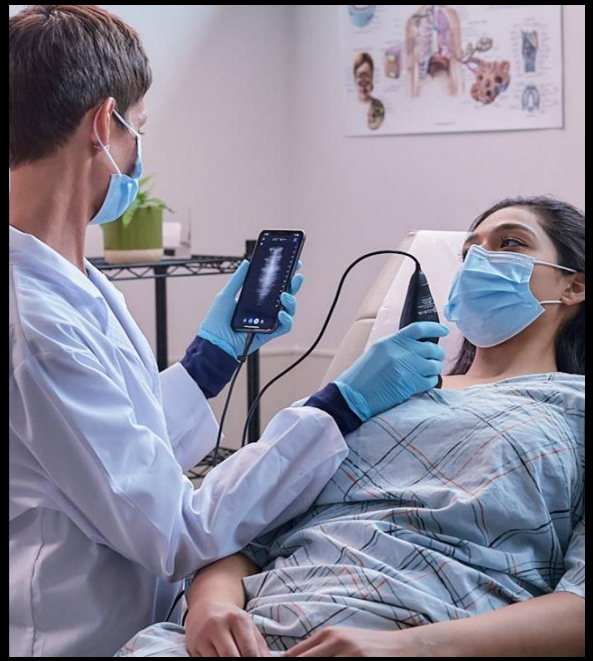
25% Overall Revenue

Due to rounding, numbers presented may not add up precisely to the totals provided.

Thinking Differently with Better Information, Earlier in Care

Butterfly is designed to change the paradigm of how clinical decisions are made

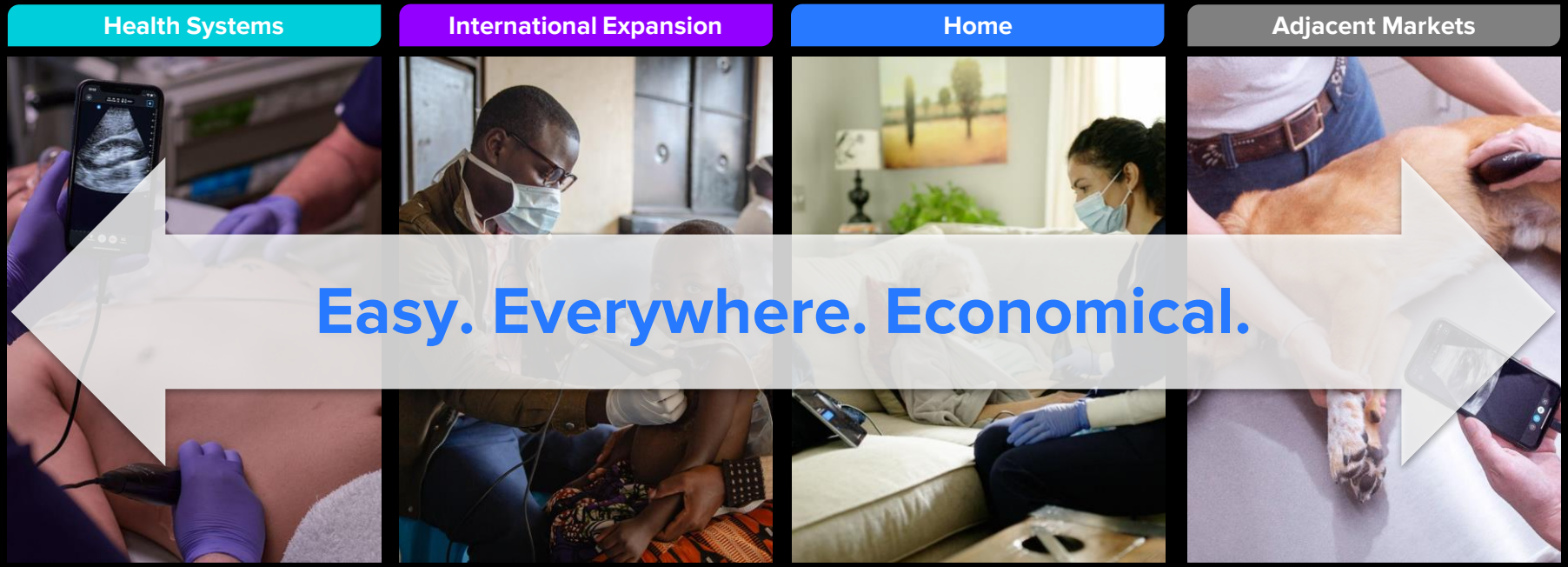






Advancing Execution and Impact

Core principles applied across strategic pillars to drive adoption



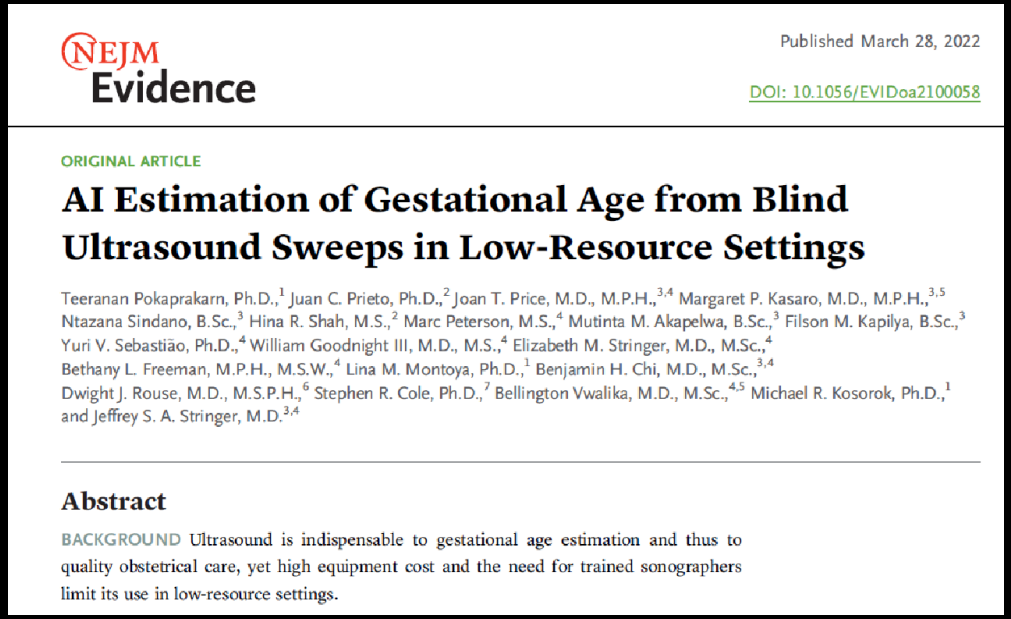
Butterfly iQ+ is a prescription device intended for qualified healthcare professionals only. Potential future home use is subject to regulatory authorization

Easy.

Building evidence with a landmark publication

- With a Butterfly device, a smartphone and support from AI, practitioners were able to utilize Butterfly to conduct blind abdomen ultrasound sweeps and gather the necessary data to accurately assess gestational age

- This study offers hope to millions of mothers when it comes to determining risk and sequencing care



NEJM Evidence

Published March 28, 2022

DOI: 10.1056/EVIDoa2100058

ORIGINAL ARTICLE

AI Estimation of Gestational Age from Blind Ultrasound Sweeps in Low-Resource Settings

Teeranan Pokaprakarn, Ph.D.,[1] Juan C. Prieto, Ph.D.,[2] Joan T. Price, M.D., M.P.H.,[3,4] Margaret P. Kasaro, M.D., M.P.H.,[3,5] Ntazana Sindano, B.Sc.,[3] Hina R. Shah, M.S.,[2] Marc Peterson, M.S.,[4] Mutinta M. Akapelwa, B.Sc.,[3] Filson M. Kapilya, B.Sc.,[3] Yuri V. Sebastião, Ph.D.,[4] William Goodnight III, M.D., M.S.,[4] Elizabeth M. Stringer, M.D., M.Sc.,[4] Bethany L. Freeman, M.P.H., M.S.W.,[4] Lina M. Montoya, Ph.D.,[1] Benjamin H. Chi, M.D., M.Sc.,[3,4] Dwight J. Rouse, M.D., M.S.P.H.,[6] Stephen R. Cole, Ph.D.,[7] Bellington Vwalika, M.D., M.Sc.,[4,5] Michael R. Kosorok, Ph.D.,[1] and Jeffrey S. A. Stringer, M.D.[3,4]

Abstract

BACKGROUND Ultrasound is indispensable to gestational age estimation and thus to quality obstetrical care, yet high equipment cost and the need for trained sonographers limit its use in low-resource settings.

Teeranan Pokaprakarn, Ph.D., Juan C. Prieto, Ph.D., Joan T. Price, M.D., M.P.H., Margaret P. Kasaro, M.D., M.P.H., Ntazana Sindano, B.Sc., Hina R. Shah, M.S., Marc Peterson, M.S., Mutinta M. Akapelwa, B.Sc., Filson M. Kapilya, B.Sc., et al. (2022) AI Estimation of Gestational Age from Blind Ultrasound Sweeps in Low-Resource Settings. NEJM Evid 2022;1 (5) DOI:https://doi.org/10.1056/EVIDoa2100058

Everywhere.

Making Butterfly as ubiquitous as the stethoscope

AMERICAN ACADEMY OF FAMILY PHYSICIANS

Recommendation in curriculum guidelines that Family Medicine Residents be trained in point-of-care ultrasound

Butterfly equipping care teams on the frontlines of the crisis at Ukraine







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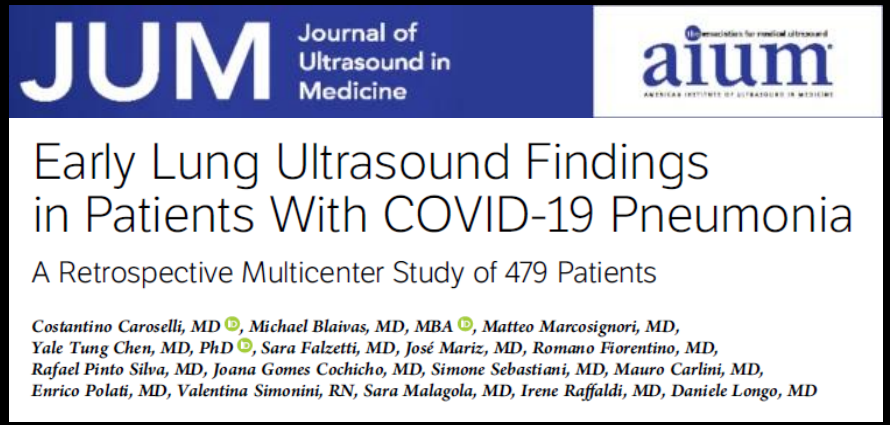
Economical.

Demonstrating the value of point-of-care ultrasound

- Butterfly is increasingly seen as being standard of care is with diagnostic assessment of the lungs
- This retrospective study found that point-of-care ultrasound brings radiation-free, affordable, and equivalent diagnostic accuracy to lung assessment as compared to chest x-ray

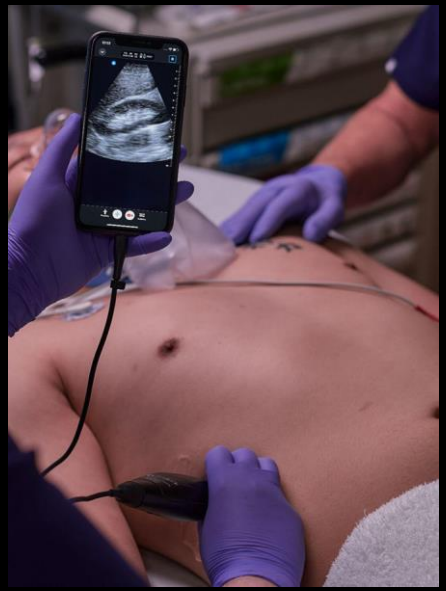


Caroselli, C., Blaivas, M., Marcosignori, M., Tung Chen, Y., Falzetti, S., Mariz, J., Fiorentino, R., Pinto Silva, R., Gomes Cochicho, J., Sebastiani, S., et al. (2022), Early Lung Ultrasound Findings in Patients With COVID-19 Pneumonia. J Ultrasound Med. https://doi.org/10.1002/jum.15944

Butterfly's Reach is Groundbreaking

Strategic pillars for focused innovation and growth across markets

Health Systems



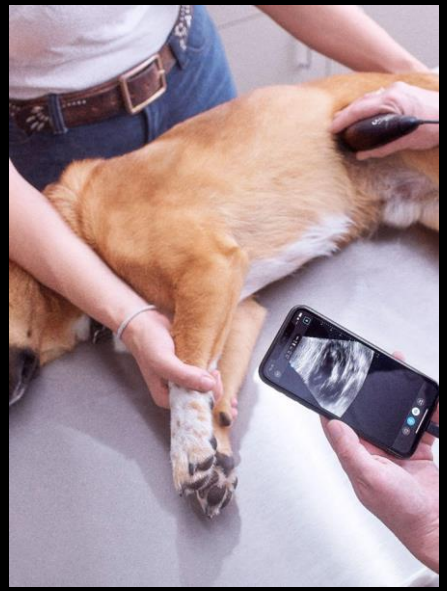
International Expansion



Home



Adjacent Markets



Butterfly iQ+ is a prescription device intended for qualified healthcare professionals only. Potential future home use is subject to regulatory authorization

Health Systems

Launched URMC Partnership to Demonstrate the Power of Butterfly at Scale

Multi-year deployment beginning in the second quarter 2022



Building Blocks

Deploy Butterfly Blueprint™ at scale including both ***software infrastructure*** and ***thousands*** of probes across the URMC system

Education

Integrate Butterfly into education, both medical and allied health, to create a new clinical standard across the care continuum

Clinical Model

Advance clinical care from primary care to critical care, across the full-spectrum including nursing

Research and Insights to Transform Care

Clinical implementation partnered with research and validation for the use of ultrasound and AI for new clinical use-cases

International Expansion

Butterfly International: Developed



- Established a distribution partnership with Novolog, a leading healthcare services group in Israel, which strives to provide services to public and private medical entities in Israel.
- Novolog operates national healthcare projects for the Israeli Ministry of Health and serves as a strategic partner of international pharma and medical device companies operating in Israel. This group operates with the goal of improving the field of healthcare in Israel and adapting it to the challenges of the future.



- East of England Ambulance Trust provides accident and emergency services, covering an area made up of about 6.2 million people.
- Demonstrating the value of Butterfly in the hands of EMS teams, in the United Kingdom

International Expansion

Butterfly International: Developing

- Received a grant in the amount of $5 million from the Bill and Melinda Gates Foundation to use toward ultrasound improvements in maternal and fetal health
- Butterfly will bring 1,000 Butterfly iQ+ probes to Sub-Saharan Africa to mid-level practitioners in Kenya and healthcare workers in South Africa to empower better clinical decision-making with Butterfly iQ+
- This is another important step towards improving worldwide access to medical imaging and advancing our commitment to global health equity



Home

Same Information, Same Quality, Regardless of Care Setting

Standardization becomes possible when the information is consistent







Clinical studies to show the value of Butterfly for home—based care

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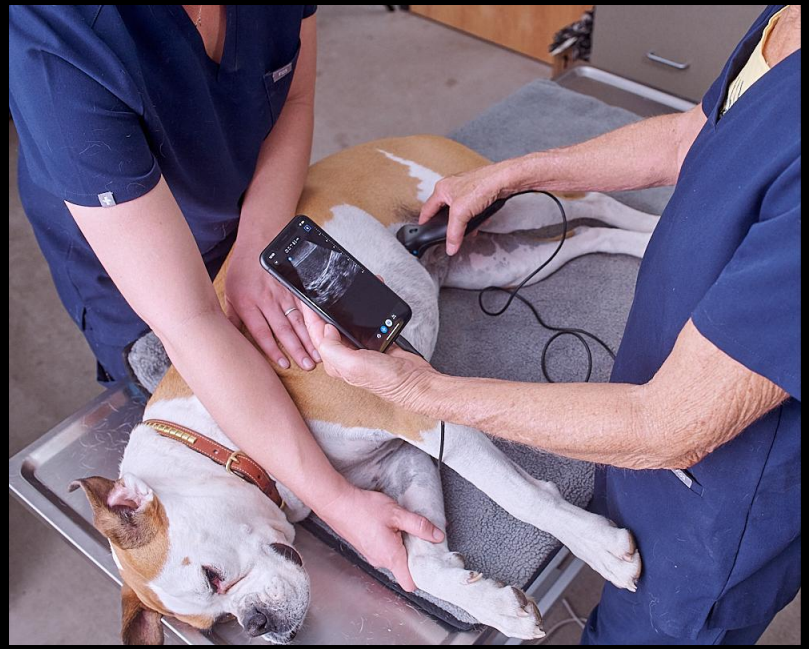
Transforming Care in Veterinary Medicine

petco
THE HEALTH + WELLNESS CO.

- Collaborating with Butterfly to deploy Butterfly iQ+ Vet to Petco's growing network of nearly 200 full-service veterinary hospitals at Petco pet care centers.
- Butterfly iQ+ Vet will arm Petco veterinarians with ultrasound imaging to help speed diagnoses and improve health outcomes.





Q1 2022 Financials

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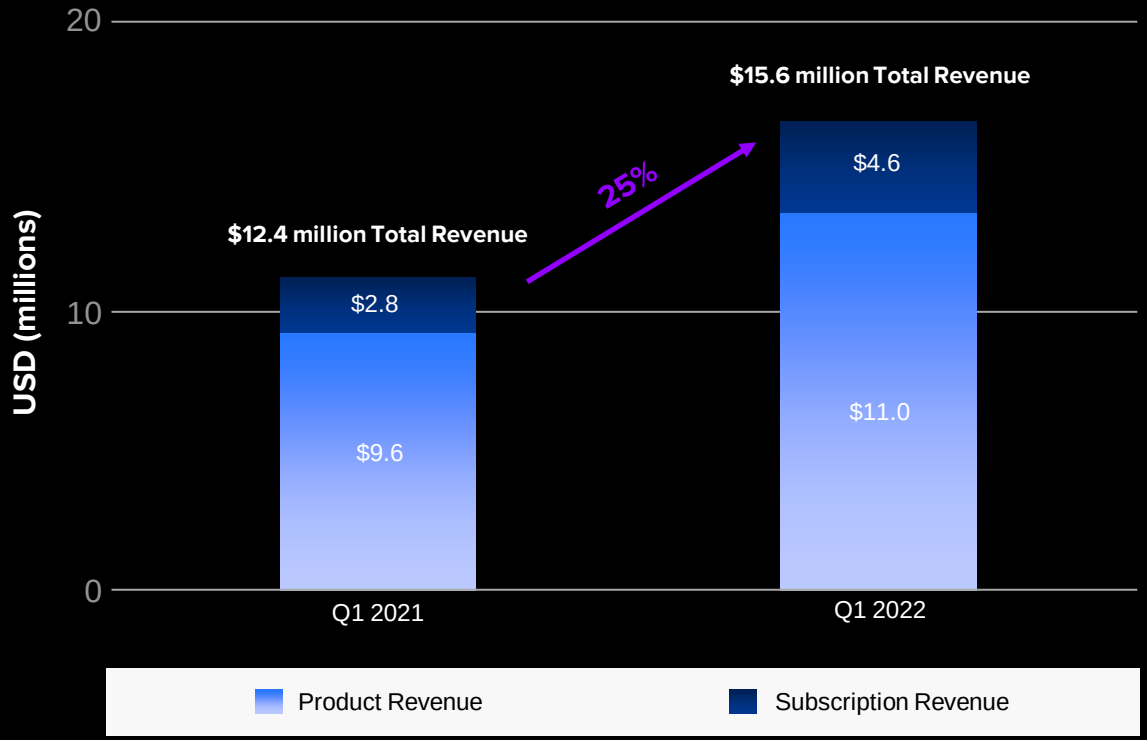

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Q1 2022: Solid Gross and Adjusted Margins

Selected Financials (Dollars in Millions) – Q1 2022 Compared to Q1 2021

USD (millions)	Q1 2022	Q1 2021
Gross Profit	$8.3	$6.4
- Gross Margin	53.6%	51.6%
Adjusted Gross Profit*	$8.8	$5.9
- Adjusted Gross Margin*	56.3%	47.8%
Adjusted EBITDA*	($40.0)	($26.5)
Cash and Cash Equivalents and Marketable Securities	$359.9	$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.

Full Year 2022 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	$83 million – $88 million
Revenue Growth	33% – 41%
Net Loss	($225 million) – ($245 million)
Adjusted EBITDA	($175 million) – ($195 million)

Butterfly Makes it Possible *and Practical*





Thank you.

Reconciliation of Non-GAAP Measures to Comparable GAAP Measures

Appendix A (in thousands, unaudited)

In evaluating the Company's financial performance and outlook, management uses adjusted EBITDA, adjusted gross profit and adjusted gross margin, which are non-GAAP measures. Management uses these non-GAAP measures to evaluate the Company's operating performance in a manner that allows for meaningful period-to-period comparison and analysis of trends in its business. Management believes that such measures are important in comparing current results with prior period results and are useful to investors and financial analysts in assessing the Company's operating performance. The non-GAAP financial information presented here should be considered in conjunction with, and not as a substitute for, the financial information presented in accordance with GAAP. Investors are encouraged to review the reconciliation of these non-GAAP measures to their most directly comparable GAAP financial measures set forth below.

Adjusted EBITDA

(In thousands)	Three months ended March 31, 2022	2021
Net loss	**$ (44,477)**	**$ (690)**
Interest income	(10)	(239)
Interest expense	—	638
Change in fair value of warrant	(5,163)	(54,112)
Other expense, net	100	631
Provision for income taxes	17	24
Stock based compensation	8,730	20,298
Depreciation and amortization	839	458
CEO transition costs	—	5,398
Warranty liability policy change	—	(560)
Transaction bonus	—	1,653
Adjusted EBITDA	**$ (39,964)**	**$ (26,501)**

Adjusted Gross Profit and Adjusted Gross Margin

	Three months ended March 31, 2022	2021
Revenue	$ 15,574	$ 12,443
Cost of revenue	7,232	6,027
Gross profit	**$ 8,342**	**$ 6,416**
Gross margin	**53.6%**	**51.6%**
Add:		
Depreciation and amortization	426	89
Warranty liability policy change	—	(560)
Adjusted gross profit	**$ 8,768**	**$ 5,945**
Adjusted gross margin	**56.3%**	**47.8%**