UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended April 30, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number: 001-42549

Kestra Medical Technologies, Ltd.

(Exact Name of Registrant as Specified in its Charter)

Bermuda	**Not Applicable**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
3933 Lake Washington Blvd NE, Suite 200	
Kirkland, WA	**98033**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (425) 279-8002

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares, par value $1.00 per share	KMTS	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. YES ☒ NO ☐

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. YES ☐ NO ☒

Indicate by check mark whether the Registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES ☒ NO ☐

Indicate by check mark whether the Registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit such files). YES ☒ NO ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES ☐ NO ☒

The aggregate market value of the Registrant's Common Shares held by non-affiliates, based upon the closing price of the Common Shares on October 31, 2025, as reported by the Nasdaq Stock Market LLC, was approximately $618.7 million. Common Shares held by each executive officer and director and by each person who is deemed to be an affiliate of the Registrant have been excluded from such computation. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

The number of shares of the Registrant's Common Shares outstanding as of July 9, 2026 was 58,602,497.

DOCUMENTS INCORPORATED BY REFERENCE

The information required by Part III of this Annual Report, to the extent not set forth herein, is incorporated herein by reference from the registrant's definitive proxy statement relating to the Annual Meeting to be held in 2026, which definitive proxy statement shall be filed with the Securities and Exchange Commission within 120 days after the end of the fiscal year to which this Annual Report relates (the "Proxy Statement").

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Explanatory Note

On March 7, 2025, Kestra Medical Technologies, Ltd. completed its initial public offering of its Common Shares, par value $1.00 per share (the "Common Shares"). Kestra Medical Technologies, Ltd. was formed solely for the purpose of completing the initial public offering and prior to the consummation of the initial public offering, did not engage in any business or activities other than those incidental to its formation, the organizational transactions consummated in connection with the initial public offering and the preparation of the prospectus and registration statement in connection with the initial public offering. Prior to the consummation of the initial public offering, the Company's business was conducted through West Affum Intermediate Holdings Corp. In connection with the initial public offering, certain organizational transactions were completed, pursuant to which West Affum Intermediate Holdings Corp. became a wholly owned subsidiary of Kestra Medical Technologies, Ltd. West Affum Intermediate Holdings Corp. is the predecessor to Kestra Medical Technologies, Ltd. for financial reporting purposes.

Except as otherwise indicated or the context requires, "Kestra," the "Company," "we," "our," "us" and other similar terms refer collectively to West Affum Intermediate Holdings Corp. and its consolidated subsidiaries for periods prior to the consummation of the initial public offering, and to Kestra Medical Technologies, Ltd. and its consolidated subsidiaries for periods following the consummation of the initial public offering.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K ("Annual Report") contains "forward-looking" statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on our management's beliefs and assumptions and on information currently available to our management. The forward-looking statements are contained principally in the section captioned "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Forward-looking statements include information concerning our possible or assumed future results of operations, business strategies, technology developments, financing and investment plans, dividend policy, competitive position, industry and regulatory environment, potential growth opportunities and the effects of competition. Forward looking statements include statements that are not historical facts and can be identified by terms such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "objective," "ongoing," "plan," "potential," "predict," "project," "should," "will" and "would," or the negative of these terms, or other comparable terminology intended to identify statements about the future. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. We caution you that the foregoing list does not contain all of the forward-looking statements made in this Annual Report.

Important factors that could cause actual results, performance or achievements to differ materially from our expectations are described in Part I, Item 1A, "Risk Factors" and elsewhere in this Annual Report, and include, but are not limited to, the following:

- our ability to continue to expand the commercialization of our ASSURE WCD, including associated products and services as part of our Cardiac Recovery System platform, or to commercialize any future product candidates and begin generating revenue;
- our ability to maintain regulatory approvals for our ASSURE WCD and to obtain new regulatory approvals necessary to distribute our ASSURE WCD in new markets or to distribute additional products we develop in the future;
- the rate and degree of market acceptance of our ASSURE WCD or any future product candidates that receive the necessary marketing and other regulatory approvals;
- the availability of reimbursement for our products;
- our ability to scale the manufacturing of our ASSURE WCD, obtain sufficient and timely supplies of components necessary to manufacture our ASSURE WCD and effectively manage inventory and distribution;
- our ability to hire and retain qualified personnel, including senior management and sales professionals;
- estimates of our total addressable market and near-term achievable market for our products;
- the timing or likelihood of regulatory filings and approvals or clearances;
- our growth plans, including our plans to enter into new markets;
- our ability to establish and maintain intellectual property protection for our products or defend ourselves against claims of infringement;
- the progress, timing, costs and results of our clinical trials;
- changes and developments relating to our regulatory landscape;
- our financial performance and changes in market trends;
- the increased expenses associated with being a public company; and
- changes and developments relating to our competitors and our industry.

These risks are not exhaustive. Investors should also carefully read the factors described under Part I. Item 1A. “Risk Factors” in this Annual Report for a description of certain other risks that could, among other things, harm our business and financial performance and cause our actual results to differ from those expressed in forward-looking statements. We operate in a very competitive and rapidly changing environment where new risk factors may emerge from time to time, and it is not possible for our management to predict all risk factors, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in, or implied by, any forward-looking statements.

You should not rely on forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this Annual Report primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition and operating results. These forward-looking statements speak only as of the date of this Annual Report. We undertake no obligation to update any forward-looking statements made in this Annual Report to reflect events or circumstances after the date of this Annual Report or to reflect new information or the occurrence of unanticipated events, except as required by law. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures or investments. We intend the forward-looking statements contained in this Annual Report to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”).

In addition, statements that “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based on information available to us as of the date of this Annual Report. While we believe that information provides a reasonable basis for these statements, that information may be limited or incomplete. Our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all relevant information. These statements are inherently uncertain, and investors are cautioned not to unduly rely on these statements.

You should read this Annual Report and the documents that we reference in this Annual Report completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of the forward-looking statements in this Annual Report by these cautionary statements.

Trademarks and Service Marks

ASSURE, CARDIAC RECOVERY SYSTEM, KESTRA, KESTRA CARESTATION and ASSURE ASSIST and other trademarks and service marks appearing in this Annual Report are the property of the Company. This Annual Report also contains trade names, trademarks and service marks of other companies, which are the property of their respective owners. Solely for convenience, trademarks and trade names referred to in this Annual Report may appear without the ® or ™ symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensor to these trademarks and trade names.

Industry and Market Data

Certain industry data and market data included in this Annual Report were obtained from independent third-party surveys, market research, publicly available information, reports of governmental agencies and industry publications and surveys. Management's estimates presented herein are based upon management's analysis of internally compiled data, independent third-party surveys and industry publications prepared by a number of sources and other publicly available information. We obtained the industry and market data set forth in this Annual Report from our own internal estimates and research, as well as from academic and industry publications, research, surveys and studies conducted by third parties. Internal estimates are derived from publicly available information released by industry analysts and third-party sources, our internal research and our industry experience, and are based on assumptions made by us based on our knowledge of the industry and market, which we believe to be reasonable. We believe that the information from academic and industry publications, research, surveys and studies conducted by third parties included in this Annual Report is reliable.

Additionally, our estimated total addressable market is based on epidemiology data regarding cardiac patient populations with low ejection fractions, payor data on WCD reimbursement rates, the average initial prescription duration for our ASSURE WCD and our estimates of the industry average initial prescription duration for WCDs generally. Our total addressable market in the United States is based on epidemiology data from third-party sources including the American Heart Association and the Heart Failure Society of America and the Medicare reimbursement rate for WCDs as of January 2026 as published in the Centers for Medicare and Medicaid Services DMEPOS Fee Schedule. Our estimated total addressable market outside the United States is based on estimated average reimbursement rates and initial prescription durations for WCDs derived from internally collected data from industry sources and market participants and our internal estimates based on such data, as well as epidemiology data from third-party sources including PubMed, UptoDate, Statistica and the European Society of Cardiology in the following select international markets: Japan, Germany, United Kingdom, France, Italy, Spain, Canada, Poland, Australia, Romania, Netherlands, Belgium, Czech Republic, Sweden, Hungary, Austria, Switzerland, and Denmark. These international markets were selected because they have already adopted WCD therapy or have a history of ICD utilization.

SUMMARY RISK FACTORS

Our business is subject to numerous risks and uncertainties, including those described in Part I. Item 1A. "Risk Factors" in this Annual Report. You should carefully consider these risks and uncertainties when investing in our common shares. The principal risks and uncertainties affecting our business include the following:

- we have a limited operating history, which may make it difficult for you to evaluate our current business and its likelihood of success and viability. If we are unable to manage our business and any fluctuations in our business effectively, our business and growth prospects could be materially and adversely affected;

- we have a history of net losses, and there is no assurance as to when we will achieve profitability, if at all, even as we continue to grow and scale our business. As part of such continued growth, we may need to raise equity or debt financing in the future. If we are unable to raise capital when needed, we may be forced to delay or scale back our growth plans, which could materially and adversely affect our results of operations and prospects;

- we generate revenue primarily from the lease of our ASSURE WCD as part of our Cardiac Recovery System platform, and we are therefore highly dependent on our ASSURE WCD for our continued success;

- our business is dependent upon healthcare providers, hospitals and patients adopting our solutions, and if we fail to obtain and maintain broad adoption, our business would be adversely affected;

- our commercial success depends in part on the extent to which governmental authorities and health insurers provide coverage and adequate reimbursement levels. Failure to obtain and maintain coverage and adequate reimbursement for our products could limit our ability to market those products and make it difficult for us to operate profitably;

- we are actively expanding our sales force and customer service resources, and if we are unable to effectively manage this growth, including hiring, training and retaining qualified personnel and scaling our commercial operations, our business, operating results and prospects could be adversely affected;

- we have limited experience supplying our ASSURE WCD in quantities and providing services on a broad scale that is both commercially successful and meets clinical needs, and production or service delays or shortfalls may occur, which could adversely affect our business;

- we depend on a limited number of third-party suppliers and contract manufacturers to manufacture and recondition our ASSURE WCD and its components, which could make us vulnerable to supply shortages and price fluctuations that could harm our business;

- our clinical study initiatives may be complex, lengthy, expensive and carry uncertain outcomes; future trials and studies by us or others may fail to replicate positive results observed to date;

- billing for our products is complex, and we must dedicate substantial time and resources to the billing process;

- if our competitors are able to develop or market products and services that are more effective, or gain greater acceptance in the marketplace, than any products and services we develop, our commercial opportunities will be reduced or eliminated;

- we have identified material weaknesses in our internal control over financial reporting, and may identify additional material weaknesses. If our remediation of material weaknesses in our internal control over financial reporting is not effective, or we fail to develop and maintain effective internal control over financial reporting, our ability to produce timely and accurate financial statements could be impaired, which could harm our business and negatively impact the value of our common shares;

- third parties may assert that we are employing their intellectual property and other proprietary technology without authorization, and we may become a party to litigation or administrative proceedings related to intellectual property that could be costly, time-consuming, or unsuccessful and could hinder our ability to commercialize our existing or future products;

- our efforts to obtain intellectual property protection and the intellectual property rights we obtain may be inadequate, and our business may be adversely affected as a result;
- we may be subject to claims challenging the inventorship of our patents and other intellectual property
- changes in the regulatory environment may make it more difficult and costly for us to manufacture, market or distribute our products, or to obtain approval for any future products;
- if we fail to comply with healthcare and other governmental regulations, we could face substantial penalties and our business, results of operations and financial condition could be adversely affected; and
- Bain Capital has significant influence over us, and its interests may conflict with ours or yours.

PART I

Item 1. Business.

Overview

We are a commercial-stage wearable medical device and digital healthcare company focused on transforming patient outcomes in cardiovascular disease through connected monitoring, therapeutic intervention, and data-driven clinical insights. We have developed and are commercializing the Cardiac Recovery System platform, an integrated cardiac recovery ecosystem designed to support patients at elevated risk of sudden cardiac arrest ("SCA") during vulnerable periods of recovery.

Our Cardiac Recovery System platform is anchored by the ASSURE® Wearable Cardioverter Defibrillator ("WCD"), which continuously monitors patient heart rhythms and automatically delivers defibrillation therapy when life-threatening ventricular arrhythmias are detected. The platform also includes digital patient engagement and clinical workflow solutions designed to improve patient adherence, support care coordination, and provide actionable clinical insights throughout the recovery process.

We believe the ASSURE WCD is differentiated by its patient-centered design, including comfort, wearability, and low false alarm rates, which are intended to improve patient compliance during extended wear periods. In addition, our integrated platform generates continuous cardiac rhythm data and clinically actionable insights that may assist healthcare providers in managing patients during vulnerable recovery periods. We believe these capabilities position Kestra to participate in the growing cardiac recovery market and support future platform expansion opportunities. As of April 30, 2026, our ASSURE WCD has protected nearly 40,000 patients since commercial launch.

Market Overview and Opportunity

There are three primary types of defibrillators used to treat life-threatening ventricular arrhythmias: implantable cardioverter defibrillators ("ICDs"), external defibrillators, and wearable cardioverter defibrillators ("WCDs"). ICDs are permanently implanted devices intended for long-term protection, while external defibrillators are typically used in acute emergency settings and require intervention by another individual. WCDs provide continuous, non-invasive protection during temporary periods of elevated sudden cardiac arrest risk.

Many patients recovering from recent myocardial infarction, newly diagnosed cardiomyopathy, or other cardiac events are not immediate candidates for ICD implantation due to clinical guidelines, reimbursement requirements, or the need for optimization of guideline-directed medical therapy. During this recovery period, patients may remain at meaningful risk for life-threatening arrhythmias.

We believe WCD therapy plays an important role during this vulnerable interval by providing continuous protection while supporting clinical decision-making throughout the recovery process. We further believe the combination of therapy delivery, patient engagement, and clinically actionable cardiac insights positions our Cardiac Recovery System platform to address an important unmet need in cardiac recovery management. The expected wear duration of the WCD varies based on the patient indication, with most patients being prescribed the WCD for three months or longer.

Limitations of Other Commercially Available WCDs

The WCD is indicated for use in patients who are at risk for SCA and are not candidates for, or refuse, an ICD. However, limitations of other commercially available WCDs, such as patient comfort and false alarm rate, as well as gaps in awareness by healthcare providers of its broader diagnostic utility have led to underutilization of the therapy. Many indicated patients do not receive a prescription and some choose not to wear a WCD. Patients who choose not to wear a WCD are often left reliant on first responders or EMS in the event of a SCA. This reliance poses a significant risk, as only 16% of sudden cardiac events occur in public places where an automated external defibrillator might be available according to the American Heart Association. Based on data from the American Medical Association, the average time for EMS arrival is 7 minutes from the time of a 911 call, and often longer in rural communities. During this critical time, survival rates decline by 7% to 10% for every minute that passes.

Our Market Opportunity

Since the approval of the first WCD in 2001, global WCD revenues have grown significantly, reaching approximately $1.1 billion in 2025, with over 80% of the revenues coming from the United States. Based on our commercial results and publicly reported financial data from our competitor, we estimate the WCD market grew in the low to mid-teens in 2025, an acceleration from high single digit growth in recent years. We expect that growth to continue, driven by increased awareness and education about WCD

therapy, a growing body of clinical evidence, and the rapidly growing heart failure population. Despite being available for over 25 years and proven effective in treating dangerous cardiac rhythms when worn by patients, WCD therapy reached just 16% of eligible U.S. patients in 2025, highlighting a significant opportunity for growth. We attribute this low penetration to poor patient compliance, driven by the limitations of our leading competitor's device. The ASSURE WCD, as part of our broader Cardiac Recovery System platform, is designed to prioritize patient comfort and compliance, addressing common barriers to acceptance experienced by other commercially available WCDs.

The WCD is indicated for use in patients who are at risk for SCA and are not candidates for, or refuse, an ICD. Medical guidelines recommend WCD use in those patients with a low left ventricular ejection fraction ("LVEF") and a recent myocardial infarction (MI), recent revascularization procedure or newly diagnosed nonischemic cardiomyopathy with heart failure symptoms. In addition, patients with documented ventricular tachycardia ("VT") or ventricular fibrillation ("VF") or an inherited genetic condition that places them at high risk for SCA, or patients who have had their ICD temporarily explanted are also indicated for WCDs. According to the Americal Heart Association ("AHA"), approximately 1.8 million people in the U.S. each year experience a serious cardiac event, such as an MI, or are diagnosed with heart failure. Among these patients, around 800,000 patients have low LVEF, placing them at an elevated risk of SCA. Additionally, approximately 50,000 patients each year either have documented VT or VF, an inherited genetic condition, or have had their ICD temporarily explanted. Based on the foregoing annual incidences, the current Medicare reimbursement rate of $3,589 per patient per month, and our average initial WCD prescription length of 3.4 months, we believe the total, annual addressable market in the U.S. for the ASSURE WCD is approximately $10 billion.

While our current commercial focus is on the U.S., 18% of global WCD revenues in 2025 were generated internationally, representing approximately $200 million, and that has primarily been concentrated in Western Europe where the market has been most developed, as well as in Japan. In select international markets, we estimate based on patient population data collected by various third-party industry sources that there are approximately 3.7 million people each year who experience an MI, are diagnosed with heart failure, have documented VT or VF, have an inherited genetic condition, or have had their ICD temporarily explanted. Among these patients, based on the same third-party industry sources, we estimate that approximately 1.8 million patients meet the indications for WCD therapy. Based on estimated average WCD wear prescription length in these international markets of 2.5 months per patient and estimated average reimbursement rate of $3,000 per patient per month derived from industry data and internal estimates, we believe this represents an approximately $14 billion total annual market opportunity outside the U.S. as of 2025. We have not received any regulatory approvals to commercialize our products outside of the U.S. and have not submitted any applications to obtain such regulatory approvals. However, we are currently planning to pursue CE Mark approval in Europe and, in the future, intend to strategically commercialize in selected international countries. We anticipate Western Europe to be our initial focus due to favorable market dynamics and our goal is to obtain regulatory approvals to begin distributing our ASSURE WCD in certain markets in Western Europe within the next three years.

Our Solution

Our Product

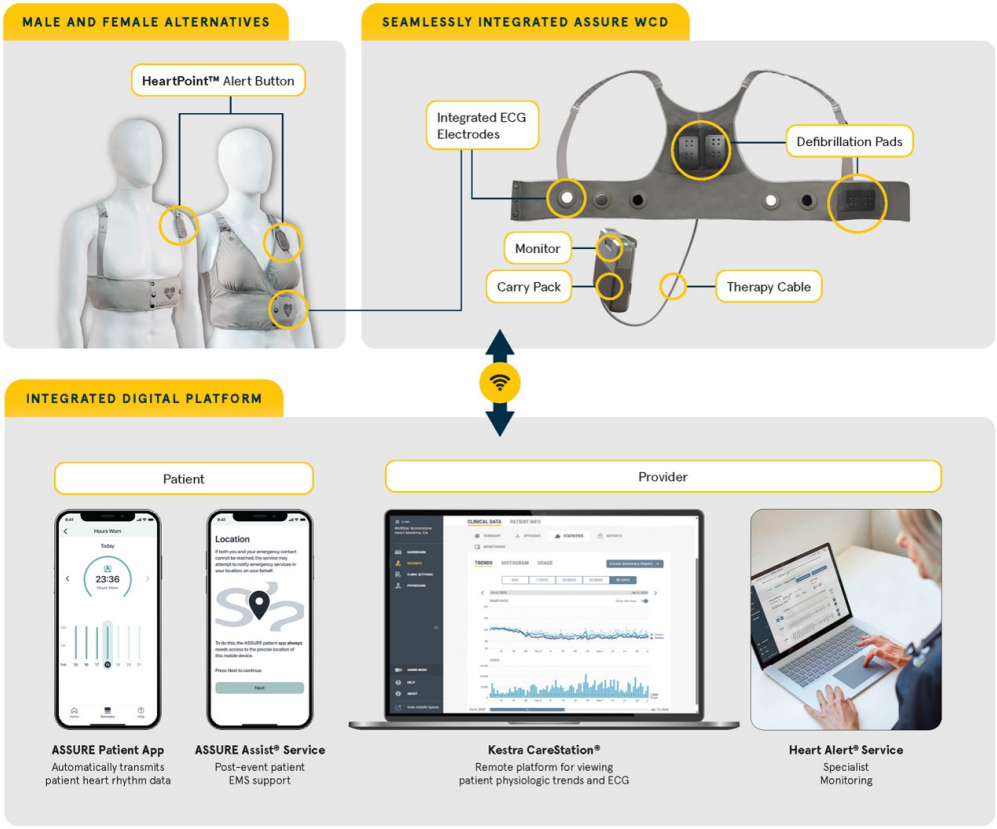
The ASSURE WCD serves as the foundation our Cardiac Recovery System platform, which pairs proven protection with clinically informed insights to support patients throughout the recovery journey. The ASSURE WCD automatically monitors elevated risk patients and, if needed, delivers a defibrillation shock to return the patient's heart to normal rhythm. It was purpose-built to enhance patient comfort and compliance and directly address the key barriers to adoption associated with the other commercially available WCDs. The ASSURE WCD received FDA approval on July 27, 2021 for adult patients at elevated risk of SCA who are not candidates for, or decline, an ICD.

Our Platform

Building on this foundation, the Cardiac Recovery System platform includes a suite of digital and clinical support solutions designed to provide a more connected approach to patient management. Integrated solutions—including the ASSURE patient application, Kestra CareStation® remote patient management platform, Heart Alert Services, and ASSURE Assist®—provide clinicians with greater visibility into patient status and support informed care decisions.

The ASSURE patient application engages patients through real-time mobile connectivity and facilitates communication between patients and healthcare providers. The Kestra CareStation remote patient management platform equips providers with alert-based notifications and patient data that may support timely clinical decision-making. Heart Alert Services and ASSURE Assist work together to enhance patient safety by notifying healthcare providers of significant arrhythmias and facilitating emergency response when therapy is delivered. ASSURE Assist is designed to notify emergency services when a therapeutic shock is administered, helping to support timely post-event care.

In April 2026, we announced the release of the Enhanced ASSURE Detection Algorithm, a software enhancement to the ASSURE WCD that incorporates insights derived from the ASSURE WCD Clinical Evaluation Post-Approval Study ("ACE-PAS") registry dataset. The Enhanced ASSURE Detection Algorithm was designed to further improve rhythm discrimination and reduce unnecessary alarms while maintaining the device's ability to identify and treat life-threatening ventricular arrhythmias. The graphic below provides an overview of the integrated components of our Cardiac Recovery System platform and how they support patients and healthcare providers:



Key Benefits of Our Solution

We believe our Cardiac Recovery System platform offers notable benefits and an improved user-experience that differentiates it from the only other commercially available WCD. These benefits include:

- ***Modern and advanced design to improve comfort, performance and maximize wearability.*** The Sensorfit garments were developed with an athletic and sportswear designer and are tailored for body inclusivity, offering two styles and a wide range of sizes. We believe that having separate, gender-specific designs is particularly important given women make up approximately 40% of SCA patients. Overall wearability is further supported by the results of our post-approval study ("ACE-PAS") which demonstrate a median wear time of greater than 23 hours per day. In addition to improving comfort and wearability, our unique Sensorfit garment design incorporates cushioned electrodes that are embedded in the fabric to improve electrode contact and, ultimately, improve electrocardiogram ("ECG") signal quality.

- ***High fidelity ECG leading to fewer false alarms.*** The ASSURE WCD is designed to minimize false alarms. Reduction in false alarms may lead to lower patient anxiety, improved patient satisfaction and increased patient compliance. The overall level of noise is reduced through use of resistive ECG electrodes that are cushioned and securely bonded to the fabric, custom shielded cables, and isolation circuitry. The ASSURE WCD also utilizes four channels of high-quality ECG, combined with

Adaptive Patient Intelligence ("API"), a proprietary technology that adapts to the patient heart rhythm to filter out artifacts and improve performance even in a noisy environment. Primary results from ACE-PAS, announced in November 2025, which enrolled 21,612 patients across the United States, reported a low false alarm rate with only 6% of our patients experiencing a false alarm. The latest updates to the ASSURE WCD include the Enhanced ASSURE Detection Algorithm, whose projected impact is estimated to result in only 3% of ASSURE patients experiencing a false alarm. This compares to 46% of patients experiencing a false alarm for the leading competitor's device, as reported in the Journal of Interventional Cardiac Electrophysiology Study.

- ***Product innovations and integrated digital solutions and services supporting the patient throughout the cardiac care continuum.*** Our Cardiac Recovery System platform is a comprehensive suite of proprietary wearable and fully integrated digital solutions and services for monitoring, diagnosing, and protecting patients through their cardiac recovery journey. We believe our Cardiac Recovery System platform represents a competitive advantage, with the goal of ultimately improving the prescriber and patient experience, maximizing patient comfort and compliance, and increasing adoption of our system. In addition, our Cardiac Recovery System platform's capabilities allow healthcare providers to identify other clinically significant arrhythmias.

- ***Improved energy delivery to enhance efficacy and safety.*** The ASSURE WCD delivers a 170-joule shock to better serve patients with higher defibrillation thresholds, compared to the leading competitor device which delivers a 150-joule shock. In addition, our system has a minimum defibrillation capacity of 25 shocks, providing a significant safety buffer for patients who experience multiple cardiac events within a short period of time, such as a VT storm—a condition characterized by repeated episodes of sustained VT requiring intervention.

Our Product Portfolio

In addition to our commercialized products, we continue to invest in expanding our offerings and product portfolio. For example, in January 2026, we announced a strategic collaboration with Biobeat Technologies ("Biobeat"), which has developed the only clinically validated, FDA-cleared cuffless, patch-worn ambulatory blood pressure monitoring ("ABPM") device. The device leverages photoplethysmography-based sensing to deliver continuous, noninvasive blood pressure measurement over a 24-hour period for hypertension diagnosis and management in the outpatient cardiac recovery setting. We intend to integrate Biobeat's technology into its product portfolio to make ABPM data available for patients prescribed the ASSURE WCD.

Our Strategy

We believe the continued growth of our company will be driven by the following ***success factors***:

- Large, growing, and underpenetrated WCD market;
- Highly innovative Cardiac Recovery System platform designed to protect patients from SCA and improve patient compliance and healthcare provider adoption;
- Comprehensive and fully integrated suite of mission critical digital solutions and services for driving patient and healthcare provider engagement;
- Material investments in infrastructure to support rapid growth and scale;
- Established reimbursement and favorable payor coverage;
- Strong and compelling body of clinical evidence;
- Broad research and development capabilities and a robust intellectual property portfolio; and
- Highly experienced management team and board with proven commercial growth success.

To fully achieve our mission of providing innovative, intuitive medical technologies to protect and support at-risk patients, we intend to pursue the following ***growth strategies***:

- Continue to capture share of the current WCD prescriptions in the U.S.;
- Expand adoption of our Cardiac Recovery System platform in the U.S. to increase the penetration of the U.S. total addressable WCD market;
- Build upon our strong base of clinical evidence;
- Continue our payor engagement to broaden coverage and increase reimbursement;
- Innovate our system and bolster our digital healthcare platform and data management capabilities;
- Drive gross profit expansion and operating leverage;
- Pursue expansion in international markets; and
- Strategically pursue adjacent markets with new products offerings and differentiated services.

Clinical Trials

We are committed to building upon our strong foundation of clinical evidence demonstrating the efficacy of our ASSURE WCD and our broader Cardiac Recovery System platform, with 10 publications completed to date. We believe our ongoing clinical initiatives will further validate the benefits of our system and may support stronger guideline recommendations for WCD therapy.

Preclinical and human clinical safety and effectiveness data provided the basis for PMA approval of the ASSURE WCD in July 2021. That evidence included an extensive series of engineering verification tests and statistically robust animal studies, followed by two investigational device exemption ("IDE") human trials, ACE-DETECT and ACE-CONVERT. Our ASSURE Patient Registry continues to serve as a cornerstone for generating real-world evidence on our ASSURE WCD's performance. All patients prescribed the ASSURE WCD in the U.S. after August 5, 2022 are included in the Registry. As of April 30, 2026, our ongoing registry has enrolled approximately 40,000 patients.

Most recently, we announced the primary results of primary results from the ASSURE WCD Clinical Evaluation Post-Approval Study ("ACE-PAS") in November 2025, which underscored the ASSURE WCD's competitive advantages in wearability, usability, and patient compliance, providing strong support for continued adoption. ACE-PAS has been the largest prospective real-world study of wearable defibrillators to date. Key outcomes from ACE-PAS include 100% successful conversion rate for VT and VF events and an inappropriate-shock rate of 0.0065 per patient-month, with only 6% of our patients experiencing a false alarm, compared to 46% for our leading competitor's device. Among 16,441 patients who completed wear at data cut-off, median daily use was more than 23 hours per day, with one third of patients in the study continuing use beyond 90 days. The study also revealed that 2.6% of patients experienced at least one life-threatening VT or VF event within only a few months of being prescribed the ASSURE WCD, highlighting the need for the product. The ASSURE system facilitated the detection of high-rate atrial fibrillation in 4.2% of patients (35% previously undiagnosed) and severe bradycardia or asystole in 0.3% of patients, enabling the potential for more timely intervention.

Third Party Coverage, Reimbursement and Payor Relations

We derive nearly all our revenue from the direct billing of various third-party payors, including Medicare, Medicaid, private payors and other healthcare-related organizations, for the lease of our ASSURE WCD to patients as part of our Cardiac Recovery System platform. Additionally, any costs associated with our solution that are not covered by third-party payors, such as co-payments, are billed directly to the patient by our team.

We have strong, established payor relationships, including some of the largest private payors in the U.S. Based on our estimates, we are contracted or enrolled as an in-network healthcare provider with payors currently covering over 290 million lives as of April 30, 2026. These contracts allow us to be an in-network healthcare provider for patients, enabling them to access our system at

a competitive rate and copay. These established payor relationships reduce our administrative burden in authorization and billing for our ASSURE WCD. Our payor relationships are supported by our revenue cycle management platform, which streamlines reimbursement processes by ensuring claims are accurately prepared and submitted according to individual payor requirements, facilitating timely collections. These capabilities are an important element in our strategy to increase operational efficiency and support both patient and healthcare provider satisfaction.

WCDs are reimbursed as Durable Medical Equipment under the DMEPOS Fee Schedule and our ASSURE WCD is eligible for payment under the existing HCPCS code K0606. Code K0606 falls under the Capped Rental monthly reimbursement rate for lease payments. K0606 is an active 2026 HCPCS code defined as an automated external defibrillator, with integrated ECG analysis, garment type. The Medicare allowable for code K0606 is approximately $3,589 per month for months one to three and reduces 25% to $2,692 for months four to thirteen published in the CMS DMEPOS Fee Schedule in January 2026, while the maximum Medicare allowable over the course of their lease is approximately $37,683. The standard patient co-insurance is 20%. We have been issued a Medicare Provider Number by the CMS, which enables us to bill Medicare for reimbursement for our ASSURE WCD. Reimbursement rates for WCDs have shown consistent, favorable trends, with published Medicare reimbursement rates having increased at a CAGR of over 2.5% from 2016 to 2026.

Private payor reimbursement rates are generally in line with Medicare rates and vary based on several factors, including but are not limited to, the payor, geographic location, and contract terms. Most large, national payors have established coverage policies in place to cover WCD therapy.

Outside the U.S., reimbursement levels vary by country and by region. Some countries or regions may require us to gather additional clinical data before granting coverage and reimbursement for our ASSURE WCD. We intend to work with payors to obtain coverage and reimbursement approval in countries and regions we intend to enter in the future, including select countries in Western Europe such as Germany and France. We estimate that these two countries include approximately 600,000 WCD-indicated patients, representing a sizeable opportunity for future international expansion.

Sales and Marketing

Our commercial strategy and our direct sales force primarily target general cardiologists, interventional cardiologists, cardiac electrophysiologists, and advanced practice providers within hospitals and clinics in the U.S., as these represent the primary healthcare providers managing the care of patients at elevated risk of SCA and who typically make decisions regarding WCD prescriptions. Our sales, marketing and product education efforts are focused on capturing market share and driving adoption by offering healthcare providers an innovative, safe and effective WCD alternative.

Our commercial team is comprised of approximately 130 direct sales representatives as well as more than 40 sales and clinical support professionals as of April 30, 2026. This team is responsible for developing sales territory business plans, targeting and opening new accounts, and driving adoption of our Cardiac Recovery System platform. Once a healthcare provider prescribes our ASSURE WCD to a patient, our direct sales team is supported by a contracted team of over 500 Assure Patient Specialists ("APS") who assist patients with fitting and training. These specialists assist with fitting patients with the appropriate size and gender-specific option of the ASSURE WCD and provide training on its proper wear and use. At fitting, we deliver our ASSURE WCD from our distribution network to the patient. When a patient’s wear time has concluded, the device is returned for reprocessing and reintroduction into the distribution network.

We have initially focused on establishing key customer accounts and expansion into high WCD-volume areas. Our commercial team has been successful at driving adoption of the ASSURE WCD with hospitals ranging from top academic medical centers to community hospitals, and we plan to continue to further scale our commercial team to reach a wider range of healthcare providers across the entire U.S. Long term, we plan to expand internationally, and we believe the prevalence of single payor health systems outside of the U.S. provides an opportunity to efficiently penetrate large pools of net new eligible lives. As of April 30, 2026, we have not received any regulatory approvals to commercialize our products outside of the U.S. and have not submitted any applications to obtain such regulatory approvals. However, we are currently planning to pursue CE Mark approval in Europe and, in the future, intend to strategically commercialize in select international countries. We anticipate Western Europe to be our initial focus due to favorable market dynamics and our goal is to obtain regulatory approvals to begin distributing our ASSURE WCD in certain markets in Western Europe within the next three years.

Research & Development

We are committed to investing in research and development activities to advance our Cardiac Recovery System platform as well as develop and commercialize next-generation products. Over a decade of investment in our research and development capabilities has resulted in a highly experienced and capable innovation engine. Designed as a scalable platform, our Cardiac

Recovery System platform supports future extensions and enhancements, enabling the integration of new therapeutic and diagnostic capabilities to support our existing fleet of ASSURE WCDs. The platform also enables data collection from patients that will support training of automated algorithms to detect and predict clinically relevant events. We also intend to leverage the Class I nature of our broader suite of digital solutions to continually enhance the digital capabilities of our Cardiac Recovery System platform, offering greater data transparency, diagnostic flexibility, and workflow efficiency.

Through the ASSURE Patient Registry, we are maximizing the utility of this system to collect and leverage aggregated, de-identified data to build clinical evidence and support innovations in prediction, prevention, and therapy. For example, we aim to develop advanced capabilities to deliver personalized clinical decision support. Our efforts to continuously innovate reflect our vision of leveraging our unique capabilities to deliver smarter, more effective solutions for cardiac patients.

In addition to serving high-acuity patient populations, we believe we are positioned to expand our offerings to a broader range of cardiac patients, including those with previously undiagnosed atrial fibrillation, advanced hypertension, and other cardiac conditions. Our long-term vision is to deliver a comprehensive and cohesive ecosystem of monitoring, diagnostics, and therapy that seamlessly supports patients as their health conditions evolve. In addition, in January 2026, we announced a strategic collaboration with Biobeat Technologies, which has developed the only clinically validated, FDA-cleared cuffless, patch-worn ABPM device. The device leverages photoplethysmography-based sensing to deliver continuous, noninvasive blood pressure measurement over a 24-hour period for hypertension diagnosis and management in the outpatient cardiac recovery setting. We intend to integrate Biobeat's technology into its product portfolio to make ABPM data available for patients prescribed the ASSURE WCD.

We have established a tenured and dedicated research and development team comprised of highly skilled engineers and program managers with extensive experience in external and implantable defibrillation, as well as more than a decade of experience creating our next generation wearable medical device. In addition, we have strong software development resources capable of innovating advanced algorithms, user interfaces, and connectivity solutions to enhance the functionality and user experience of our Cardiac Recovery System platform.

Manufacturing and Supply

We utilize third-party manufacturing and supply partners to manufacture our ASSURE WCD and its components. We believe outsourcing the manufacture of our ASSURE WCD provides the expertise and capacity required to effectively and efficiently scale production based on the demand. We select our third-party partners to ensure that our ASSURE WCD and its components are of the highest quality and adhere to all applicable regulations. We employ a rigorous manufacturing and supplier partner assessment, qualification, and selection process to target partners that meet the requirements of the FDA and the International Organization for Standardization, as well as quality standards supported by internal policies and procedures. Our quality assurance program monitors and maintains manufacturing and supplier partner performance through qualification and periodic reviews and audits. Our tier-one third-party manufacturing and supplier partners, which supply our SensorFit Garment and assemble our ASSURE WCD, are also independently audited by the FDA. We rely on a single or limited number of suppliers for certain components of our ASSURE WCD. We seek to manage single-source supplier risk by regularly assessing the quality and capacity of our partners, as well as by qualifying alternative partners and developing contingency plans for responding to disruptions.

Our third-party manufacturing and supplier partners inspect, test, and assemble our ASSURE WCD and its components under strict manufacturing processes supported by internal policies and procedures. Our third-party partners are all in compliance with current Good Manufacturing Practice regulations applicable to our ASSURE WCD. Both of our tier-one third-party manufacturing and supplier partners are headquartered in the U.S. and provide products from their facilities based in the U.S.

We utilize a lease business model where certain components of our ASSURE WCD are reused for multiple patients. At the end of a prescription, the patient ships our ASSURE WCD back to our third-party manufacturing partner, who disposes of the single-use items, such as our SensorFit Garment, and then inspects, tests, and recertifies the other components for use by another patient. The reusable nature of our ASSURE WCD allows each device to be deployed multiple times, thereby reducing the ongoing demand for new inventory. These reconditioning processes are validated and FDA approved. We also have preventative maintenance and repair processes that can further extend the life of each ASSURE WCD.

We utilize an inventory distribution strategy where we pre-emptively deploy our ASSURE WCD and its components to a central distribution location, as well as 20 additional strategically located third-party warehouses across the U.S. This is done to ensure our ASSURE WCD is available for immediate use no matter where a patient is located. Inventory stock is allocated based on historical ASSURE WCD utilization in that territory, as well as sales forecasting to account for growing demand. Using this strategy, ASSURE WCD components are typically replenished within a 24-hour window. We believe this distribution model optimizes the availability of our ASSURE WCD inventory, supports growth, and minimizes the impact of localized weather, transportation delays, or other disruptions.

Our tier-one third-party manufacturing and supplier partners also operate facilities in Asia and Europe, equipped with localized manufacturing and reconditioning capabilities. These facilities can leverage our proven systems and processes in the U.S. to support our future international needs.

Competition

Our currently marketed products and any future products we commercialize will be subject to competition. The WCD market has historically been served by a single incumbent commercial product, the LifeVest WCD, which is marketed by ZOLL Medical, a wholly owned subsidiary of Asahi Kasei Corporation. In May 2025, a new market entrant received FDA approval for an adhesive-based external defibrillator.

We believe that the primary factors in developing a competitive WCD include:

- product safety and effectiveness;
- detection algorithm sensitivity, specificity and false alarm rate;
- patient physical and psychological comfort and ease of use;
- ability to integrate within the patient monitoring ecosystem;
- quality, breadth and ongoing generation of clinical evidence;
- technological innovation, product enhancements and speed of innovation;
- capital required to achieve PMA approval as well as to facilitate post-commercial initial inventory; and
- regulatory status and speed to market.

Additionally, we believe that the following factors are required to commercially compete in the WCD market:

- patient and healthcare provider connectivity and engagement;
- post-event monitoring and emergency support;
- effective marketing to and education of patients, physicians, other healthcare providers and hospitals;
- company, product and brand recognition;
- device reusability and durability;
- reimbursement and payor coverage;
- complexity in building up the remote cardiac monitoring ("RCM") capabilities and logistics to support broad-based commercialization and service levels; and
- recruitment and retention of a qualified and experienced sales force.

We believe that our Cardiac Recovery System platform will continue to be advantaged in the market due to our differentiated and integrated features enabling superior patient comfort, compliance, connectivity and support. However, our competitors, current and future, may have greater financial and personnel resources than we have and may have advantages over us in any of the aforementioned factors. For a discussion of risks related to our competition, see 'Item 1A. Risk Factors – *If our competitors are able to develop or market products and services that are more effective, or gain greater acceptance in the marketplace, than any products and services we develop, our commercial opportunities will be reduced or eliminated*."

Intellectual Property

In order to remain competitive, we must develop and maintain protection for the proprietary aspects of our technologies. We rely on a combination of patent, copyright, trademark and trade secret laws, and confidentiality and invention assignment agreements to protect our intellectual property rights. The protection of intellectual property has been and remains a priority for us.

We rely on utility patent, design patent or other similar protection and registration mechanisms through various jurisdictions that relate to our ASSURE WCD. As of April 30, 2026, we have rights to 264 issued U.S. and foreign patents, consisting of 229 issued patents in the U.S., 17 issued patents in the European Union, 8 issued patents in Japan, 5 issued patents in Australia and 5 issued patents in China. Additionally, as of April 30, 2026, we had 125 pending published and unpublished U.S. and foreign patent applications, consisting of 114 pending published and unpublished patent applications in the U.S., 5 pending published patent applications in the European Union, 2 pending published patent applications in Japan, 1 pending published patent applications in Australia and 3 pending published patent applications in China. Assuming all required fees and other charges are paid, the earliest expiry date for issued patents owned or used by us is in February 2031.

We rely on trademarks, service marks, trade names and brand names, such as our registered or applied for trademarks for the marks ASSURE, CARDIAC RECOVERY SYSTEM, KESTRA, KESTRA CARESTATION and ASSURE ASSIST to distinguish our products from the products of our competitors. We have registered or applied for each of these marks in the United States and, for certain markets, in selected locations internationally, but we may be unable to obtain, maintain, protect or enforce our trademarks in the markets where we currently or may in the future operate.

We also rely upon trade secrets, know-how, continuing technological innovation, and licensing opportunities, to develop and maintain our competitive position. However, trade secrets and know how may be difficult to protect. We protect our proprietary rights through a variety of methods, including confidentiality agreements and proprietary information agreements with third party contract manufacturers, suppliers, employees, consultants and others who may have access to proprietary information that we own or license for use.

There is no active litigation involving any of our patents or other intellectual property rights and we have not received any notices of patent infringement. We may be required to enforce or defend our intellectual property rights against third parties in the future. For additional information regarding these and other risks related to our intellectual property portfolio and their potential effect on us, see "Risk Factors—Risks Related to Our Intellectual Property."

Government Regulation

Our products and our operations are subject to extensive and ongoing regulation by the FDA, the CMS and other federal and state authorities in the United States. Regulations cover virtually every critical aspect of a medical device company's business operations, including research activities, product development, quality and risk management, contracting, reimbursement, medical communications, and sales and marketing. In addition, we are subject to regulation by CMS, state law, and private payor requirements as a DME supplier with respect to our product leasing and payor billing operations. In the United States, the Federal Food, Drug and Cosmetic Act (the "FDCA") and the implementing regulations of the FDA govern, among other things, product design and development, pre-clinical and clinical testing, premarket notifications and clearance or approval, investigational device exemption, establishment registration and device listing, product manufacturing, quality systems, import and export, product labeling, product storage, medical device reporting, recalls and field safety corrective actions, advertising and promotion, revenues and distribution, and post-market surveillance (including complaint handling and adverse event reporting). Our business is subject to various federal, state and local regulations, including, but not limited to, ISO 13485, ISO 14971 and the FDA's Quality System Regulation ("QSR") contained in 21 CFR Parts 801, 803, 807, 812, 814, and 820.

FDA Premarket Clearance and Approval Requirements

Unless an exemption applies, each medical device commercially distributed in the United States requires either FDA clearance of a premarket notification ("510(k)") under Section 510(k) of the FDCA or approval of a premarket approval application ("PMA").

Under the FDCA, medical devices are classified into one of three classes—Class I, Class II or Class III—depending on the degree of risk associated with each medical device and the extent of manufacturer and regulatory control needed to ensure its safety and effectiveness. Class I includes devices with the lowest risk to the patient and are those for which safety and effectiveness can be assured by adherence to the FDA's General Controls for medical devices, which include compliance with the applicable portions of the QSR, establishment registration and product listing, reporting of adverse events, and truthful and non-misleading labeling, advertising and promotional materials. Class II devices are subject to the FDA's General Controls, and special controls

as deemed necessary by the FDA to ensure the safety and effectiveness of the device. These special controls can include performance standards, special labeling requirements, post-market surveillance, patient registries and FDA product-specific guidance documents.

While most Class I devices are exempt from the 510(k) premarket notification requirement, manufacturers of most Class II devices are required to submit to the FDA a premarket notification under Section 510(k) of the FDCA requesting clearance to commercially distribute the device.

Devices deemed by the FDA to pose the greatest risks, such as life-sustaining or life-supporting devices, those that are of substantial importance in preventing impairment of human health, or which present a potential unreasonable risk of illness or injury, are placed in Class III, requiring approval of PMA. The PMA process is more stringent, time-consuming and expensive than the 510(k) clearance process. Some pre-amendment devices are unclassified but are subject to the FDA's premarket notification and clearance process in order to be commercially distributed.

Our ASSURE WCD is a Class III device that has received a PMA. For the purpose of our PMA, our digital health platform is separate from our ASSURE WCD and is treated as an FDA Class I 510(k)-exempt device.

510(k) Clearance Marketing Pathway

The FDA's permission to commercially distribute a device subject to a 510(k) premarket notification is generally known as 510(k) clearance. Under the 510(k) clearance process, the manufacturer must submit to the FDA a premarket notification demonstrating that the device is "substantially equivalent" to either a device that was legally marketed prior to May 28, 1976, the date upon which the Medical Device Amendments of 1976 were enacted, and for which a PMA is not required, a device that has been reclassified from Class III to Class II or I, or another commercially available device that was cleared through the 510(k) process. The FDA's 510(k) clearance process usually takes from three to twelve months but may take longer. The FDA may require additional information, including clinical data, to make a determination regarding substantial equivalence. FDA collects user fees for certain medical device submission and annual fees and for medical device establishments.

If the FDA agrees that the device is substantially equivalent to a predicate device currently on the market, it will grant 510(k) clearance to commercially market the device. If the FDA determines that the device is not "substantially equivalent" to a previously cleared device, the device is automatically designated as a Class III device. The device sponsor must then fulfill more rigorous PMA requirement as described below. After a device receives 510(k) clearance or de novo classification, any modification that could significantly affect its safety or effectiveness, or that would constitute a major change or modification in its intended use, will require a new 510(k) clearance or, depending on the modification, PMA approval or de novo classification. The FDA requires each manufacturer to determine whether the proposed change requires submission of a 510(k), de novo request or a PMA in the first instance, but the FDA can review any such decision and disagree with a manufacturer's determination. If the FDA disagrees with a manufacturer's determination, the FDA can require the manufacturer to cease marketing and/or request the recall of the modified device until 510(k) marketing clearance or PMA approval is obtained or a de novo request is granted. In these circumstances, the manufacturer may be subject to significant regulatory fines or penalties.

De Novo Classification Process

Medical device types that the FDA has not previously classified are automatically classified into Class III regardless of the level of risk they pose. The Food and Drug Administration Modernization Act of 1997 established a route to market for low-to-moderate risk medical devices that are automatically placed into Class III due to the absence of a predicate device, called the "Request for Evaluation of Automatic Class III Designation," or the de novo classification procedure. This procedure allows a manufacturer whose novel device is automatically classified into Class III to request down-classification of its medical device into Class I or Class II on the basis that the device presents low or moderate risk, rather than requiring the submission and approval of a PMA application. Pursuant to the Food and Drug Administration Safety and Innovation Act (the "FDASIA") manufacturers may request de novo classification directly without first submitting a 510(k) pre-market notification to the FDA and receiving a not-substantially-equivalent determination. De novo classification requests are subject to the payment of user fees.

Under FDASIA, FDA is required to classify the device within 120 days following receipt of the de novo request, although the process may take significantly longer. If the manufacturer seeks reclassification into Class II, the manufacturer must include a draft proposal for special controls that are necessary to provide a reasonable assurance of the safety and effectiveness of the medical device. If FDA grants the de novo request, the device may be legally marketed in the United States. However, the FDA may reject the request if the FDA identifies a legally marketed predicate device that would be appropriate for a 510(k) notification, determines that the device is not low-to-moderate risk, or determines that General Controls would be inadequate to control the risks and/or special controls cannot be developed. After a device receives de novo classification, any modification that could significantly affect its safety

or efficacy, or that would constitute a major change or modification in its intended use, will require a new 510(k) clearance or, depending on the modification, another de novo request or even PMA approval.

PMA Pathway

Class III devices require a PMA before they can be marketed, although some pre-amendment Class III devices for which the FDA has not yet required a PMA are cleared through the 510(k) process. The PMA process is more demanding than the 510(k) premarket notification process. In a PMA application, the applicant must demonstrate that the device is safe and effective, and the PMA application must be supported by extensive data, which may include data from pre-clinical studies and human clinical trials. The PMA application must also contain a full description of the device and its components, a full description of the methods, facilities and controls used for manufacturing, and proposed labeling. The PMA process is burdensome, and in practice, the FDA's review of a PMA application may take up to several years following initial application.

Following submission of a PMA application, the FDA conducts an initial filing review to determine whether the application is sufficiently complete to permit substantive review. If the application is accepted for filing, the FDA's review goal under the FDCA is 180 days; however, actual review timelines are typically longer and may extend well beyond this timeframe depending on the complexity of the application, the need for Advisory Committee input, and the number and scope of FDA information requests. During the review process, the FDA frequently issues requests for additional information or clarification (e.g., deficiency letters), and the sponsor's responses to these requests can significantly impact the overall review timeline. The FDA can delay, limit or deny approval of a PMA application for many reasons, including:

- the device may not be safe, effective, reliable or accurate to the FDA's satisfaction;
- the data from pre-clinical studies and clinical trials may be insufficient to support approval;
- the manufacturing process or facilities may not meet applicable requirements; and
- changes in FDA approval policies or adoption of new regulations may require additional data.

An advisory panel of experts from outside the FDA may be convened to review and evaluate the application and provide recommendations to the FDA as to the approvability of the device. The FDA may or may not accept the panel's recommendation. In addition, the FDA will generally conduct a preapproval inspection of the applicant, its clinical trial data and clinical sites, as well as its third-party manufacturers' or suppliers' manufacturing facility or facilities to ensure compliance with FDA requirements, including the QSR. PMA applications are also subject to the payment of user fees, which for 2026 includes a standard application fee of $579,272.

The FDA will approve the new device for commercial distribution if it determines that the data and information in the PMA application constitute valid scientific evidence and that there is reasonable assurance that the device is safe and effective for its intended use(s). The FDA may approve a PMA application with post-approval conditions intended to ensure the safety and effectiveness of the device, including, among other things, restrictions on labeling, promotion, sale and distribution, and collection of long-term follow-up data from patients in the clinical study that supported a PMA or requirements to conduct additional clinical studies post-approval. The FDA may condition a PMA on some form of post-market surveillance when deemed necessary to protect the public health or to provide additional safety and efficacy data for the device in a larger population or for a longer period of use. In such cases, the manufacturer might be required to follow certain patient groups for a number of years and to make periodic reports to the FDA on the clinical status of those patients. Failure to comply with the conditions of approval can result in material adverse enforcement action, including withdrawal of the approval.

Certain changes to an approved device, such as changes in manufacturing facilities, methods, or quality control procedures, or changes in the design performance specifications, which affect the safety or effectiveness of the device, require submission of a PMA supplement. PMA supplements often require submission of the same type of information as a PMA application, except that the supplement is limited to information needed to support any changes from the device covered by the original PMA application and may not require as extensive clinical data or the convening of an advisory panel. Certain other changes to an approved device require the submission of a new PMA, such as when the design change causes a different intended use, mode of operation, and technical basis of operation, or when the design change is so significant that a new generation of the device will be developed, and the data that were submitted with the original PMA application are not applicable for the change in demonstrating a reasonable assurance of safety and effectiveness.

Clinical Trials

Clinical trials are almost always required to support a PMA application and are sometimes required to support a 510(k) submission. We completed clinical trials for our ASSURE WCD in March 2020 and received our PMA for our ASSURE WCD in July 2021. Most recently, we announced results from the post-approval clinical study of the ASSURE WCD in November 2025, and we may in the future engage in additional clinical trials and other clinical initiatives to support additional indications and stronger guideline recommendations for WCD therapy and to obtain regulatory approvals to market our products in new markets. All clinical investigations of investigational devices to determine safety and effectiveness must be conducted in accordance with the FDA's IDE regulations which govern investigational device labeling, prohibit promotion of the investigational device, and specify an array of recordkeeping, reporting and monitoring responsibilities of study sponsors and study investigators. If the device presents a "significant risk" to human health, as defined by the FDA, the FDA requires the device sponsor to submit an IDE application to the FDA, which must become effective prior to commencing human clinical trials. If the device under evaluation does not present a significant risk to human health, then the device sponsor is not required to submit an IDE application to the FDA before initiating human clinical trials, but must still comply with abbreviated IDE requirements and obtain Institutional Review Board, or IRB approval when conducting such trials. A significant risk device is one that presents a potential for serious risk to the health, safety or welfare of a patient and either is implanted, used in supporting or sustaining human life, substantially important in diagnosing, curing, mitigating or treating disease or otherwise preventing impairment of human health, or otherwise presents a potential for serious risk to a subject. An IDE application must be supported by appropriate data, such as animal and laboratory test results, showing that it is safe to test the device in humans and that the testing protocol is scientifically sound. The IDE will automatically become effective 30 days after receipt by the FDA unless the FDA notifies the company that the investigation may not begin. If the FDA determines that there are deficiencies or other concerns with an IDE for which it requires modification, the FDA may permit a clinical trial to proceed under a conditional approval.

In addition, regardless of the degree of risk presented by the medical device, clinical studies must be approved by, and conducted under the oversight of, an IRB for each clinical site. The IRB is responsible for the initial and continuing review of the IDE, and may pose additional requirements for the conduct of the study. If an IDE application is approved by the FDA and one or more IRBs, human clinical trials may begin at a specific number of investigational sites with a specific number of patients, as approved by the FDA. If the device presents a non-significant risk to the patient and does not require an IDE application, a sponsor may begin the clinical trial after obtaining approval for the trial by one or more IRBs without separate approval from the FDA, but must still follow abbreviated IDE requirements, such as monitoring the investigation, ensuring that the investigators obtain informed consent, and labeling and record-keeping requirements. The FDA's approval of an IDE application allows clinical testing to go forward, but it does not bind the FDA to accept the results of the trial as sufficient to prove the product's safety and efficacy, even if the trial meets its intended success criteria. All clinical trials must be conducted in accordance with applicable FDA regulations including for example those that govern good clinical practices, IRB review, investigational device labeling, prohibitions on promotion, and recordkeeping, reporting and monitoring responsibilities of study sponsors and study investigators. Required records and reports are subject to inspection by the FDA. The results of clinical testing may be unfavorable or, even if the intended safety and efficacy success criteria are achieved, may not be considered sufficient for the FDA to grant approval or clearance of a product. Clinical trials that meet certain requirements must be entered into the clinical trials registry at clinicaltrials.gov.

The commencement or completion of any clinical trial may be delayed or halted, or be inadequate to support approval of a PMA application, for numerous reasons, including, but not limited to, the following:

- the FDA or other regulatory authorities do not approve a clinical trial protocol or a clinical trial, or place a clinical trial on hold;
- patients do not enroll in clinical trials at the rate expected;
- patients, sponsor or study sites do not comply with trial protocols;
- patient follow-up is not at the rate expected;
- patients experience adverse side effects;
- patients die during a clinical trial, even though their death may not be related to the products that are part of our trial;
- IRBs and third-party clinical investigators may delay or reject the trial protocol;
- third-party clinical investigators decline to participate in a trial or do not perform a trial on the anticipated schedule or consistent with the clinical trial protocol, good clinical practices or other FDA requirements;

- the sponsor or third-party organizations do not perform data collection, monitoring and analysis in a timely or accurate manner or consistent with the clinical trial protocol or investigational or statistical plans;
- third-party clinical investigators have significant financial interests related to the sponsor or the study that the FDA deems to make the study results unreliable, or the company or investigators fail to disclose such interests;
- regulatory inspections of our clinical trials, which may, among other things, require us to undertake corrective action or suspend or terminate our clinical trials;
- changes in governmental regulations or administrative actions;
- the interim or final results of the clinical trial are inconclusive or unfavorable as to safety or efficacy; and
- the FDA concludes that our trial design is inadequate to demonstrate safety and efficacy.

Post-market Regulation

After a device is cleared or approved for marketing, numerous and pervasive regulatory requirements continue to apply. These include:

- establishment registration and device listing with the FDA;
- QSR requirements, which require manufacturers, including third-party manufacturers and suppliers, to follow stringent design, testing, control, documentation and other quality assurance procedures during all aspects of the design and manufacturing process, as well as maintain various records;
- labeling and marketing regulations, which require that promotion is truthful, not misleading, fairly balanced and provide adequate directions for use and that all claims are substantiated, and also prohibit the promotion of products for uncleared, unapproved or "off-label" uses and impose other restrictions on labeling;
- requirements related to promotional activities;
- FDA guidance on off-label dissemination of information and responding to unsolicited requests for information;
- clearance or approval of product modifications to 510(k)-cleared devices that could significantly affect safety or effectiveness or that would constitute a major change in intended use of one of our cleared devices, or approval of a supplement for certain modifications to PMA devices;
- medical device reporting regulations, which require that a manufacturer report to the FDA if a device it markets may have caused or contributed to a death or serious injury, or has malfunctioned and the device or a similar device that it markets would be likely to cause or contribute to a death or serious injury, if the malfunction were to recur;
- correction, removal and recall reporting regulations, which require that manufacturers report to the FDA field corrections and product recalls or removals if undertaken to reduce a risk to health posed by the device or to remedy a violation of the FDCA that may present a risk to health;
- complying with the federal law and regulations requiring Unique Device Identifiers on devices and also requiring the submission of certain information about each device to the FDA's Global Unique Device Identification Database;
- the FDA's recall authority, whereby the agency can order device manufacturers to recall from the market a product that is in violation of governing laws and regulations; and
- post-market surveillance activities and regulations, which apply when deemed by the FDA to be necessary to protect the public health or to provide additional safety and effectiveness data for the device.

Additionally, the FDA may require us to conduct post-market surveillance studies or establish and maintain a system for tracking our products through the chain of distribution to the patient level. The FDA enforces regulatory requirements by conducting periodic, unannounced inspections and market surveillance. Inspections may include the manufacturing facilities of our subcontractors.

The FDA has broad regulatory compliance and enforcement powers. Failure to comply with applicable regulatory requirements can result in enforcement actions by the FDA and other regulatory agencies. These may include any of the following sanctions or consequences:

- warning letters or untitled letters that require corrective action;
- fines and civil penalties;
- unanticipated expenditures;
- delays in approving or refusal to approve future products;
- suspension or withdrawal of FDA 510(k) clearance or PMAs that have already been granted;
- product recall, withdrawal, administrative detention or seizure;
- interruption of production, including partial suspension or total shutdown;
- operating restrictions, including refusal to grant export approvals for devices being shipped to foreign markets;
- injunctions, consent decrees; and
- criminal prosecution.

We and our contract manufacturers, specification developers and some suppliers of components of our products, are also required to comply with current good manufacturing practice requirements set forth in the QSR. The QSR requires a quality system for the design, manufacture, packaging, labeling, storage, installation and servicing of marketed devices, and it includes extensive requirements with respect to quality management and organization, device design, buildings, equipment, purchase and handling of components or services, production and process controls, packaging and labeling controls, device evaluation, distribution, installation, complaint handling, servicing, and record keeping. The FDA evaluates compliance with the QSR through periodic unannounced inspections that may include the manufacturing facilities of our subcontractors. If the FDA believes that we or any of our contract manufacturers or regulated suppliers are not in compliance with these requirements, it can shut down such manufacturing operations, require recall of our products, refuse to approve new marketing applications, institute legal proceedings to detain or seize products, enjoin future violations or assess civil and criminal penalties against us or our officers or other employees.

Advertising and promotion of medical devices is regulated by the FDA, as well as the Federal Trade Commission depending on the type of device and by state regulatory and enforcement authorities. Promotional activities for FDA-regulated products of other companies have been the subject of enforcement action brought under healthcare reimbursement laws and consumer protection statutes. Furthermore, under the federal U.S. Lanham Act and similar state laws, competitors and others can initiate litigation relating to advertising claims.

Fraud and Abuse Laws

In addition to FDA restrictions, there are numerous federal and state laws pertaining to healthcare fraud and abuse, including anti-kickback laws and physician self-referral laws. Our relationships with healthcare providers and other third parties are subject to scrutiny under these laws. Violations of these laws are punishable by criminal and civil sanctions, including, in some instances, imprisonment and exclusion from participation in federal and state healthcare programs, including the Medicare, Medicaid and Veterans Administration health programs.

Federal Anti-Kickback and Self-Referral Laws

The federal Anti-Kickback Statute prohibits persons from knowingly and willfully soliciting, receiving, offering or providing remuneration (including any kickback, bribe or rebate), directly or indirectly, overtly or covertly, to induce either the referral of an

individual, or the furnishing, recommending, or arranging of a good or service, for which payment may be made under a federal healthcare program such as Medicare and Medicaid or other federal healthcare programs. The term "remuneration" has been broadly interpreted to include anything of value, including such items as gifts, discounts, the furnishing of supplies or equipment, credit arrangements, waiver of payments and providing anything at less than its fair market value. Although there are a number of statutory exceptions and regulatory safe harbors protecting some common activities from prosecution, the exceptions and safe harbors are drawn narrowly. Practices that involve remuneration that may be alleged to be intended to induce prescribing, purchases or recommendations may be subject to scrutiny if they do not qualify for an exception or safe harbor. Failure to meet all of the requirements of a particular applicable statutory exception or regulatory safe harbor does not make the conduct per se illegal under the Anti-Kickback Statute. Instead, the legality of the arrangement will be evaluated on a case-by-case basis based on a review of all its relevant facts and circumstances. Several courts have interpreted the statute's intent requirement to mean that if any one purpose of an arrangement involving remuneration is to induce referrals of (or purchases, or recommendations related to) federal healthcare covered business, the Anti-Kickback Statute has been implicated and potentially violated.

The penalties for violating the federal Anti-Kickback Statute include imprisonment for up to five years, fines of up to $25,000 per violation and possible exclusion from federal healthcare programs such as Medicare and Medicaid. Many states have adopted prohibitions similar to the federal Anti-Kickback Statute, some of which do not have the same exceptions and apply to the referral of patients for healthcare services reimbursed by any source, not only by the Medicare and Medicaid programs. Further, the Anti-Kickback Statute was amended by the Patient Protection and Affordable Care Act ("ACA"). Specifically, under the Anti-Kickback Statute, the government must prove the defendant acted "knowingly" to prove a violation occurred. The ACA added a provision to clarify that with respect to violations of the Anti-Kickback Statute, "a person need not have actual knowledge" of the statute or specific intent to commit a violation of the statute. This change effectively overturns case law interpretations that set a higher standard under which prosecutors had to prove the specific intent to violate the law. In addition, the ACA codified case law that a claim including items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the federal civil False Claims Act.

We plan to provide the initial training to providers and patients necessary for appropriate use of our ASSURE WCD through training and educating patients, cardiologists, cardiac electrophysiologists, key opinion leaders from these disciplines and medical societies. We may hire or contract with a network of ASSURE patient specialists to assist with fitting and training patients and such specialists will be reimbursed for their services at fair market value.

Noncompliance with the federal Anti-Kickback Statute could result in our exclusion from Medicare, Medicaid or other governmental programs, restrictions on our ability to operate in certain jurisdictions, and civil and criminal penalties.

Federal law also includes a provision commonly known as the "Stark Law," which prohibits a physician from referring Medicare or Medicaid patients to an entity providing "designated health services," including a company that furnishes durable medical equipment, in which the physician has an ownership or investment interest or with which the physician has entered into a compensation arrangement. Violation of the Stark Law could result in denial of payment, disgorgement of reimbursements received under a noncompliant arrangement, civil penalties, and exclusion from Medicare, Medicaid or other governmental programs. We believe that we have structured our provider arrangements to comply with current Stark Law requirements. Nevertheless, a determination of liability under such laws could result in fines and penalties and restrictions on our ability to operate in these jurisdictions.

Federal False Claims Act

The Federal False Claims Act provides, in part, that the federal government may bring a lawsuit against any person whom it believes has knowingly presented, or caused to be presented, a false or fraudulent request for payment from the federal government, or who has made a false statement or used a false record to get a claim approved. In addition, amendments in 1986 to the Federal False Claims Act have made it easier for private parties to bring "qui tam" whistleblower lawsuits against companies under the Federal False Claims Act. Penalties include fines ranging from $5,500 to $11,000 for each false claim, plus three times the amount of damages that the federal government sustained because of the act of that person. Qui tam actions have increased significantly in recent years, causing greater numbers of healthcare companies to have to defend a false claim action, pay fines or be excluded from Medicare, Medicaid or other federal or state healthcare programs as a result of an investigation arising out of such action.

There are other federal anti-fraud laws that that prohibit, among other actions, knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program, including private third-party payors, knowingly and willfully embezzling or stealing from a healthcare benefit program, willfully obstructing a criminal investigation of a healthcare offense, and knowingly and willfully falsifying, concealing or covering up a material fact or making any materially false, fictitious or fraudulent statement in connection with the delivery of or payment for healthcare benefits, items or services.

Additionally, HIPAA established two federal crimes in related to healthcare fraud and false statements relating to healthcare matters. The healthcare fraud statute prohibits knowingly and willfully executing a scheme to defraud any healthcare benefit program, including private payors. A violation of this statute is a felony and may result in fines, imprisonment or exclusion from government sponsored programs. The false statements statute prohibits knowingly and willfully falsifying, concealing or covering up a material fact or making any materially false, fictitious or fraudulent statement in connection with the delivery of or payment for healthcare benefits, items or services. A violation of this statute is a felony and may result in fines or imprisonment.

Civil Monetary Penalties Law

In addition to the Anti-Kickback Statute and the civil and criminal False Claims Acts, the federal government has the authority to seek civil monetary penalties ("CMPs"), assessments, and exclusion against an individual or entity based on a wide variety of prohibited conduct. For example, the Civil Monetary Penalties Law authorizes the imposition of substantial CMPs against an entity that engages in activities including, but not limited to: (1) knowingly presenting or causing to be presented, a claim for services not provided as claimed or which is otherwise false or fraudulent in any way; (2) knowingly giving or causing to be given false or misleading information reasonably expected to influence the decision to discharge a patient; (3) offering or giving remuneration to any beneficiary of a federal healthcare program likely to influence the receipt of reimbursable items or services; (4) arranging for reimbursable services with an entity which is excluded from participation from a federal healthcare program; (5) knowingly or willfully soliciting or receiving remuneration for a referral of a federal healthcare program beneficiary; or (6) using a payment intended for a federal health care program beneficiary for another use. Noncompliance can result in civil money penalties of up to $10,000 for each wrongful act, assessment of three times the amount claimed for each item or service and exclusion from the federal healthcare programs.

State Fraud and Abuse Provisions

Many states have also adopted some form of anti-kickback and anti-referral laws and a false claims act. We believe that we are in compliance with such laws. Violations of state fraud and abuse laws may be punishable by criminal and civil sanctions, including fines and civil monetary penalties, the possibility of exclusion from state healthcare programs, disgorgement, and corporate integrity agreements, which impose, among other things, rigorous operational and monitoring requirements on companies. Similar sanctions and penalties, as well as imprisonment, also can be imposed upon executive officers and employees of such companies.

Physician Payment Sunshine Act

Transparency laws regarding payments or other items of value provided to healthcare providers and teaching hospitals may also impact our business practices. The federal Physician Payment Sunshine Act requires most medical device manufacturers to report annually to the Secretary of Human Health Services financial arrangements, payments, or other transfers of value made by that entity to physicians and teaching hospitals. The payment information is made publicly available in a searchable format on a CMS website. We will need to dedicate significant resources to establish and maintain systems and processes in order to comply with these regulations. Failure to comply with the reporting requirements can result in significant civil monetary penalties.

Data Privacy and Security Laws

We may also be subject to data privacy and security regulation by both the federal government and the states in which we conduct our business. The HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act ("HITECH"), and their respective implementing regulations, imposes specified requirements relating to the privacy, security and transmission of individually identifiable health information, applicable to health plans, healthcare clearinghouses and certain health care providers, referred to as covered entities, and the business associates with whom such covered entities contract for services. Among other things, HITECH makes HIPAA's security standards directly applicable to business associates, defined as service providers of covered entities that create, receive, maintain or transmit protected health information in connection with providing a service for or on behalf of a covered entity. In performing our activities as a DME supplier, we are a covered entity under HIPAA, and as a result, must implement a HIPAA privacy and security program in accordance with HIPAA requirements. In addition, we are a business associate with respect to our billing distribution partnership with a third-party DME provider, to which we will provide assistance with preparing and reviewing claims to be submitted to payors, and as a result, must comply with the HIPAA privacy and security requirements set forth in our business associate agreement. With regard to our other operations, we are not a covered entity or a business associate, though we may be subject to certain HIPAA requirements in our collection of individually identifiable health information from patients. HITECH also created four new tiers of civil monetary penalties and gave state attorneys general new authority to file civil actions for damages or injunctions in federal courts to enforce the federal HIPAA laws and seek attorneys' fees and costs associated with pursuing federal civil actions. In addition, many state laws govern the privacy and security of health information in certain circumstances, many of which differ from HIPAA and each other in significant ways and may not have the same effect. At the state level, the California Consumer Privacy Act, as amended by the California Privacy Rights Act, for example, affords California residents expended privacy rights and provides for civil penalties for violations and a private right of action related to certain data security breaches; and Washington's My Health My Data Act extends privacy protections for Washington residents for health data beyond what HIPAA covers, granting Washington residents with more control over their health data by allowing them to access, delete, and restrict its use. Similar legislations have been advanced in other states as well as in Congress.

The Federal Trade Commission (the "FTC") also has authority to initiate enforcement actions against entities that mislead customers about HIPAA compliance, make deceptive statements about privacy and data sharing in privacy policies, fail to limit third-party use of personal health information, fail to implement policies to protect personal health information, or engage in other unfair practices that harm customers or that may violate Section 5 of the FTC Act. Even when HIPAA does not apply, failing to take appropriate steps to keep consumers' personal information secure may constitute unfair acts or practices in or affecting commerce under the FTC Act. The FTC expects a company's data security measures to be reasonable and appropriate in light of the sensitivity and volume of consumer information it holds, the size and complexity of its business and the cost of available tools to improve security and reduce vulnerabilities.

Our business is also subject to the Bermuda Personal Information Protection 2016 Act ("PIPA"). The PIPA was fully implemented on January 1, 2025 and regulates how any organization in Bermuda may use personal information through a combination of principle based and prescriptive rules. Prescriptive rules for in scope organizations (i.e., those that use personal information, noting "use" is broadly defined) include a requirement to only use personal information where a legal condition applies, a requirement to appoint a data privacy officer, a requirement to provide all individuals with a privacy notice that must contain at a minimum certain required information and requirement to understand and comply with individual rights around access, rectification and erasure.

Although we work to comply with applicable laws, regulations and standards, our contractual obligations, research protocols, and other obligations, any actual or perceived failure by us or our employees, representatives, contractors, consultants, or other third parties to comply with such requirements or adequately address data privacy and security concerns, even if unfounded, could result in, among other adverse impacts, damage to our reputation, loss of customer confidence in our security measures, withdrawal or withholding of customer consent for using patient data, government investigations, and enforcement actions and litigation and claims by third parties, any of which could have a material adverse effect on our business, financial condition, results of operations, and prospects.

U.S. Foreign Corrupt Practices Act

The U.S. Foreign Corrupt Practices Act (the "FCPA") prohibits U.S. corporations and their representatives from offering, promising, authorizing or making corrupt payments, gifts or transfers to any foreign government official, government staff member, political party or political candidate in an attempt to obtain or retain business abroad. The FCPA also obligates companies whose securities are listed in the United States to comply with accounting provisions requiring the company to maintain books and records that accurately and fairly reflect all transactions of the corporation, including international subsidiaries, and to devise and maintain an adequate system of internal accounting controls for international operations. Activities that violate the FCPA, even if they occur wholly outside the United States, can result in criminal and civil fines, imprisonment, disgorgement, oversight, and debarment from government contracts.

U.S. Centers for Medicare and Medicaid Services; Coverage and Reimbursement

In the United States, our commercial success depends in part on the extent to which governmental authorities, private health insurers and other third-party payors provide coverage for and establish adequate reimbursement levels for our products and related services. Medicare is a federal program administered by CMS through fiscal intermediaries and carriers. Available to individuals aged 65 or over, and certain other individuals, the Medicare program provides, among other things, healthcare benefits that cover, within prescribed limits, the major costs of most medically necessary care for such individuals, subject to certain deductibles and copayments.

CMS has established guidelines for the coverage and reimbursement of certain products, supplies and services. In general, in order to be reimbursed by Medicare, a healthcare product or service furnished to a Medicare beneficiary must be reasonable and necessary for the diagnosis or treatment of an illness or injury, or to improve the functioning of a malformed body part. The methodology for determining coverage status and the amount of Medicare reimbursement varies based upon, among other factors, the setting in which a Medicare beneficiary received healthcare products and services. Any changes in federal legislation, regulations and policy affecting Medicare coverage and reimbursement relative to our products could have a material effect on our performance.

CMS also administers the Medicaid program, a cooperative federal/state program that provides medical assistance benefits to qualifying low income and medically needy persons. State participation in Medicaid is optional, and each state is given discretion in developing and administering its own Medicaid program, subject to certain federal requirements pertaining to payment levels, eligibility criteria and minimum categories of services. The coverage, method and level of reimbursement varies from state to state and is subject to each state's budget restraints. Changes to the coverage, method or level of reimbursement for our products may affect future revenue negatively if reimbursement amounts are decreased or discontinued.

All CMS programs are subject to statutory and regulatory changes, retroactive and prospective rate adjustments, administrative rulings, interpretations of policy, intermediary determinations, and government funding restrictions, all of which may materially increase or decrease the rate of program payments to healthcare facilities and other healthcare providers, including those paid for our products.

Significant uncertainty exists as to the coverage and reimbursement status of any product candidates for which we may seek regulatory approval by the FDA or other government authorities. Patients who are prescribed treatments for their conditions and providers performing the prescribed services generally rely on third-party payors to reimburse all or part of the associated healthcare costs. Patients are unlikely to use any product candidates we may develop unless coverage is provided and reimbursement is adequate to cover a significant portion of the cost of such product candidates. With respect to our ASSURE WCD, and any other product candidates we may develop, to the extent they are approved, the distribution of our ASSURE WCD and other future product candidates will depend, in part, on the extent to which third-party payors, including government health programs such as Medicare and Medicaid, commercial health insurers, and managed care organizations, provide coverage, and establish adequate reimbursement levels for, such product candidates. The process for determining whether a payor will provide coverage for a product may be separate from the process for setting the price or reimbursement rate that the payor will pay for the product once coverage is approved. Third-party payors are increasingly challenging the prices charged, examining the medical necessity, and reviewing the accuracy of claims and overall cost-effectiveness of medical products and services and imposing controls to manage costs. Third-party payors may limit coverage to specific products on an approved list, also known as a formulary, which might not include all of the approved products for a particular indication.

In order to secure coverage and reimbursement for any product that might be approved for sale, a company may need to conduct expensive clinical studies in order to demonstrate the medical necessity and cost-effectiveness of the product, in addition to the costs required to obtain FDA or other comparable marketing approvals. Nonetheless, product candidates may not be considered medically necessary or cost effective. A decision by a third-party payor not to cover any product candidates we may develop could reduce physician utilization of such product candidates once approved and have a material adverse effect on our revenues, results of operations and financial condition. Additionally, a payor's decision to provide coverage for a product does not imply that an adequate reimbursement rate will be approved. Further, one payor's determination to provide coverage for a product does not assure that other payors will also provide coverage and reimbursement for the product, and the level of coverage and reimbursement can differ significantly from payor to payor. Third-party reimbursement and coverage may not be available to enable us to maintain price levels sufficient to realize an appropriate return on our investment in product development.

Coverage policies and third-party reimbursement rates may change at any time. Even if favorable coverage and reimbursement status is attained for one or more products for which a company or its collaborators receive marketing approval, less favorable coverage policies and reimbursement rates may be implemented in the future.

Healthcare Reform and Cost Containment Measures

There have been and continue to be proposals by the federal government, state governments, regulators and third-party payors to control or manage the increased costs of healthcare and, more generally, to reform the U.S. healthcare system. Adoption of price controls and cost-containment measures, and adoption of more restrictive policies in jurisdictions with existing controls and measures, could further limit a company's revenue generated from the sale of any approved products.

For example, the ACA contains a number of significant provisions, including those governing enrollment in federal healthcare programs, reimbursement changes and fraud and abuse measures, all of which will impact existing government healthcare programs and will result in the development of new programs. Since its enactment, there have been numerous judicial, administrative, executive and legislative challenges to certain aspects of the ACA. For example, various portions of the ACA have faced legal and constitutional challenges, including in the United States Supreme Court; the Trump administration issued various Executive Orders which eliminated cost sharing subsidies and various provisions that would impose a fiscal burden on states or a cost, fee, tax, penalty or regulatory burden on individuals, healthcare providers, health insurers, or manufacturers of pharmaceuticals or medical devices; and Congress introduced several pieces of legislation aimed at significantly revising or repealing the ACA. While the ACA remains in effect, it continues to be subject to modification through legislative, regulatory and administrative actions, the impact of which on our business cannot be predicted.

Other legislative changes have been proposed and adopted since the ACA was enacted, include the Budget Control Act of 2011, which among other things, included reductions to Medicare payments to providers of 2% per fiscal year, which went into effect in April 2013 and, due to subsequent legislative amendments to the statute, including the BBA, will remain in effect through 2030 unless additional Congressional action is taken. In January 2013, the American Taxpayer Relief Act of 2012 was signed into law, which, among other things, reduced Medicare payments to several providers, including hospitals, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years.

We expect additional state and federal healthcare reform measures to be adopted in the future, particularly in light of the current presidential administration which has stated its intent to make some changes to the regulatory landscape overseen by, for example, the HHS, including the FDA, any of which could, among others, change product approval pathways, or limit the amounts that federal and state governments will pay for healthcare products and services, which could result in reduced demand for our products or additional pricing pressures.

Additionally, regional healthcare authorities and individual hospitals are increasingly using bidding procedures to determine what products to purchase and which suppliers will be included in their healthcare programs. CMS also continues to implement a competitive bidding program ("CBP") enacted under the Medicare Prescription Drug, Improvement and Modernization Act of 2003 that applies to certain suppliers of durable medical equipment, prosthetics, orthotics and supplies. Under the CBP, suppliers that operate in a designated bidding area are required to submit electronic bids for certain products; CMS awards contracts to suppliers that offer the best price and meet applicable quality and financial standards. At this time, it is unclear whether the CBP will have an impact on the pricing or the commercialization of our current or future products.

Team Members and Human Capital Resources

As of April 30, 2026, we had over 443 full time team members, substantially all of which are located in the U.S. None of our team members is subject to a collective bargaining agreement or represented by a trade or labor union, and we have not experienced any material work stoppages to date. We consider our relationship with our team members to be good, and we are committed to inclusion and policies and procedures to maintain a safe work environment.

Our human capital resources objectives include, as applicable, identifying, recruiting, retaining, incentivizing and integrating our team members. We believe our success depends on our ability to attract, retain, develop and motivate diverse highly skilled personnel. In particular, we depend upon the personal efforts and abilities of the principal members of our senior management to partner effectively as a team, and who provide strategic direction, develop our business, manage our operations and maintain a cohesive and stable work environment. We also rely on qualified sales managers and other skilled employees, who possess technical expertise in operations, scientific knowledge, engineering and quality management experience, in order to operate our business successfully.

Our compensation program is designed to retain, motivate and, as needed, attract highly qualified executives. Accordingly, we use a mix of competitive base salary, cash-based annual incentive compensation, equity compensation awards, including performance-based equity, and other employee benefits.

Corporate Information

Our principal office is located at 3933 Lake Washington Blvd Northeast, Suite 200, Kirkland, Washington, 98033. We use our website at kestramedical.com to communicate important information about our company, including news releases and financial information. We also make available on our investor relations webpage, free of charge, copies of our Securities and Exchange Commission ("SEC") filings and submissions, which can be found at the SEC's website, www.sec.gov, as soon as reasonably practicable after electronically filing or furnishing such documents with the SEC. Shareholders may also request copies of these documents by writing to our Corporate Secretary at the address above. Website references are provided throughout this document for convenience only. The contents of these websites do not constitute a part of this Annual Report and shall not be deemed incorporated by reference into this Annual Report unless expressly noted.

Item 1A. Risk Factors.

Investing in our common shares involves a high degree of risk. You should consider carefully the risks and uncertainties described below, together with all of the other information in this Annual Report, including the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the related notes thereto, before deciding to invest in our common shares. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties that we are unaware of, or that we currently believe are not material, may also become important factors that affect us. If any of the following risks occur, our business, financial condition, results of operations and prospects could be materially and adversely affected. In that event, the market price of our common shares could decline, and you could lose all or part of your investment. Please also see "Special Note Regarding Forward-Looking Statements."

Risks Related to Our Business

We have a limited operating history, which may make it difficult for you to evaluate our current business and its likelihood of success and viability. If we are unable to manage our business and any fluctuations in our business effectively, our business and growth prospects could be materially and adversely affected.

We are a commercial-stage, wearable medical device and digital healthcare company focused on transforming patient outcomes in cardiovascular disease through connected monitoring, therapeutic intervention, and data-driven clinical insights. We have developed and are commercializing our Cardiac Recovery System platform, a comprehensive and advanced system that integrates monitoring, therapeutic treatment, digital health, and patient support services into a single, unified solution. The cornerstone of our Cardiac Recovery System platform is the ASSURE WCD. We completed clinical trials for our ASSURE WCD in March 2020, received our PMA for our ASSURE WCD on July 27, 2021 and fully commercially launched our ASSURE WCD in August 2022, and therefore do not have a long history operating as a commercial company. We are continuing to develop the capabilities and infrastructure to increase our commercial organization, distribution, supply chain and revenue cycle management capabilities to further strengthen our market penetration. However, there is no assurance as to the extent to which we will be able to continue to scale our business and expand our market penetration. Consequently, any predictions you make about our future success or viability may not be as accurate as they could be if we had a longer operating history. We may be unsuccessful for a number of reasons, including:

- responses of our primary competitor, and other start-up or large companies that are emerging or may emerge as competitors in the future, who have or may develop more technologically advanced products, stronger relationships with healthcare providers, and greater capital, marketing and other resources than our company;
- limitations on our ability to demonstrate the differentiation and advantages of our ASSURE WCD or other products we may develop in the future and their relative safety, efficacy and ease of use over other products in the market;
- the limited size and geographic scope of our sales and marketing capabilities as compared to our primary competitor and the learning curve required for our direct sales force personnel to become effective in processing prescriptions of our products and capturing market share;
- our inability to continue to provide products that are clinically effective, meet our desired product profile and are capable of being supplied at quantities and at a cost that addresses the clinical needs and commercial opportunities we target;
- our inability to obtain sufficient and timely supplies of components necessary to manufacture our products or secure second source suppliers if our primary suppliers are unable to fulfill our orders;
- our inability to timely make improvements to our products in response to feedback from patients or from the medical community;
- insufficient financial or other resources to support our commercialization efforts; and
- the introduction and market acceptance of new, more effective or less expensive competing products and technologies.

In addition, as a company with a limited operating history, we may encounter unforeseen expenses, difficulties, complications, delays and other known and unknown factors. The challenges we face in managing our evolving business place significant demands on our management, financial, operational, manufacturing, technological and other resources. In particular, rapid and continued growth increases the challenges involved in a number of areas, including recruiting and retaining sufficient skilled personnel, maintaining consistent and high-quality products and customer service to meet increased demand for our products, and developing and maintaining revenue cycle management, inventory management, payor contracting, supply chain and information

technology infrastructure that can support the growing scale of our business and ensuring our compliance with the laws and regulations of our markets and new markets we may enter into. We are continuing to invest in and grow our commercial activities. As we continue to grow, we may also need to invest significant resources to improve and expand our portfolio of technologies and solutions, scale up our manufacturing capabilities through our third-party suppliers and expand our distribution resources, including our network of APSs. We may not be able to do this in a cost-effective manner or at all. We cannot assure you that any changes in scale, related quality or compliance assurance will be successfully implemented or that appropriate personnel will be available to facilitate the management of and changes to our business. If we do not adequately address these risks and difficulties, our ability to support and further grow our current commercial activities may be negatively impacted.

We have a history of net losses, and there is no assurance as to when we will achieve profitability, if at all, even as we continue to grow and scale our business. As part of such continued growth, we may need to raise equity or debt financing in the future. If we are unable to raise capital when needed, we may be forced to delay or scale back our growth plans, which could materially and adversely affect our results of operations and prospects.

The development, manufacturing and distribution of medical technologies is capital intensive. From our inception in 2014 through the full commercial launch of our ASSURE WCD in August 2022, we made significant investments in research and development efforts, developing and running clinical trials to obtain regulatory approval for our ASSURE WCD, and enabling manufacturing activities in support of our product development efforts to prepare for the commercialization of our ASSURE WCD. Since the commercial launch of our ASSURE WCD, we have incurred, and expect to continue to incur, significant expenses related to our sales, marketing, product manufacturing and distribution functions and processes and establishing the infrastructure, including revenue cycle management capabilities, necessary to continue to support its commercialization. More recently, we have also incurred expenses relating to operating as a public company. We had net losses of $131.6 million and $113.8 million for the fiscal years ended April 30, 2026 and 2025, respectively, and as of April 30, 2026, we had an accumulated deficit of $651.9 million.

In order to achieve profitability, we will need to continue to make investments to successfully grow and scale our business while managing our expenses. We expect to continue to incur losses for the next several years and there is no assurance as to when we will achieve profitability, if at all, or whether we will be able to maintain profitability, if achieved, in the future. Factors that have impacted, and that we expect will continue to impact, our ability to achieve profitability and our capital requirements include:

- our continued investments in recruiting, training and retaining our direct sales force and supporting our commercial infrastructure as our operations continue to grow;
- our ability to manage the costs of manufacturing and distributing our ASSURE WCD and increase our gross profits through supply chain efficiencies and manufacturing process improvements;
- changes in reimbursement rates for WCDs, including as a result of improved market access and shifts in patient mix towards patients with longer wear duration;
- the availability of reimbursement from payors, including Medicare, Medicaid and private payors, to cover the cost of our products;
- the effectiveness of our revenue cycle management infrastructure and our ability to timely and accurately collect payments from payors, which may be impacted by seasonality due to the resetting of patient healthcare insurance plan deductibles at certain times of the year;
- our ability to establish and maintain collaborations with technology, commercial and clinical partners on favorable terms, if at all; and
- the scope, prioritization and number of our research and development initiatives.

We expect our expenses to continue to increase as our business grows, including as a result of our ongoing efforts to grow our sales and commercial organization, increase our brand awareness through programmatic and industry-specific advertising, conduct clinical studies to expand the clinical evidence supporting the efficacy of our ASSURE WCD and our broader Cardiac Recovery System platform and engage in research and development initiatives and potential partnerships to enhance and broaden our suite of solutions. Our efforts to continue to grow and scale our business may not be successful or may prove more expensive than we currently anticipate, and we may not succeed in increasing our revenue sufficiently to offset these higher expenses or at all.

While we believe that our existing cash, cash equivalents and investments will be sufficient to fund our operating and capital needs for at least the next 12 months, we may need additional funding, which may include future equity and debt financing. We may

experience lower than expected cash generated from operating activities or greater than expected capital expenditures, cost of revenue or operating expenses, and we may require additional funding in the future to further our growth plans. Fundraising efforts can divert management from their day-to-day activities, which may adversely affect our ability to further commercialize our ASSURE WCD and otherwise grow our business. Any disruptions in the financial markets or other adverse macroeconomic conditions may make equity and debt financing more difficult to obtain and may have a material adverse effect on our ability to meet our fundraising needs. We cannot guarantee that future financing will be available in sufficient amounts or on terms favorable to us, if at all. Moreover, the terms of any financing may adversely affect the holdings or the rights of our shareholders and the issuance of additional securities, whether equity or debt, by us, or the possibility of such issuance, may cause the market price of our shares to decline. The sale of additional equity or convertible securities would dilute all of our shareholders. The incurrence of indebtedness would result in increased fixed payment obligations, and we may be required to agree to certain restrictive covenants, such as limitations on our ability to incur additional debt, limitations on our ability to acquire, sell or license intellectual property rights and other operating restrictions that could adversely impact our ability to conduct our business. We could also be required to seek funds through arrangements with collaborators or otherwise at an earlier stage than otherwise would be desirable, and we may be required to relinquish rights to some of our technologies or current or future products or otherwise agree to terms unfavorable to us, any of which may have a material adverse effect on our business, financial condition, results of operations and prospects. Additionally, if we are capital constrained and unable to raise capital when needed, we may not be able to meet our obligations, which may limit or halt our ability to continue operations, or we may be forced to delay or scale back our growth plans, including our initiatives to increase market adoption of our ASSURE WCD and further our market penetration, which could materially and adversely affect our results of operations and prospects.

We generate revenue primarily by leasing our ASSURE WCD as part of our Cardiac Recovery System platform, and we are therefore highly dependent on our ASSURE WCD for our continued success.

We generate revenue primarily by leasing our ASSURE WCD to patients for a fixed amount on a month-to-month basis as part of our Cardiac Recovery System platform. We expect that revenues from our ASSURE WCD and associated products and services delivered as part of our Cardiac Recovery System platform will continue to account for nearly all of our revenue for the foreseeable future. Our ability to execute our growth strategy and become profitable will significantly depend upon educating healthcare providers on the clinical efficacy and diagnostic utility of WCD therapy, broadening healthcare providers' awareness of WCD-eligible populations, advancing the adoption of our ASSURE WCD and increasing our brand awareness, including through peer-to-peer education and effectively engaging with payors to educate them of the benefits of our Cardiac Recovery System platform and optimize reimbursement. We may incur significant expenses in our efforts to engage with healthcare providers to broaden awareness of the benefits of our ASSURE WCD, and there is no assurance that such efforts will lead to increased adoption of our ASSURE WCD or that we will generate sufficient revenue to offset the expenses incurred in connection with such efforts. In addition, some healthcare providers may have a preference for other treatment options or may be reluctant to alter their practice patterns and undergo the training and other transition processes, including updating billing procedures, required to enable them to prescribe our ASSURE WCD to their patients. Additionally, patients may decide to not utilize, and some payors may decide not to provide reimbursement for, our ASSURE WCD if, among other potential reasons, they believe our pricing is too high or that alternative devices are either more clinically efficacious, cost-effective or more comfortable to use than our product.

We derive nearly all our revenue from the direct billing of various third-party payors, including Medicare, Medicaid, private payors and other healthcare-related organizations, for the lease of our ASSURE WCD to patients as part of our Cardiac Recovery System platform. We also bill patients for co-insurance payments and deductibles. As such, our cash flows and our ability to generate revenue depend on our ability to obtain and maintain broad in-network payor coverage of and optimize reimbursement for our ASSURE WCD. Patients are unlikely to use our product unless coverage is provided and reimbursement is adequate to cover a significant portion of the cost. As a result, healthcare providers may be reluctant to adopt our product for patients covered by non-contracted insurance policies because of the uncertainty surrounding reimbursement. Our gross profit is also affected by payors' reimbursement rates for our ASSURE WCD, as well as our ability to increase our reimbursement realization. Although reimbursement rates for WCDs have generally increased in recent years, there is no assurance that they will remain at or increase from historical levels. A decrease in reimbursement rates for our ASSURE WCD, or the introduction of other limitations to payors' coverage for our ASSURE WCD, could adversely affect our results of operations and financial condition. For more information on factors that may affect our reimbursement rates, see also "*—Our commercial success depends in part on the extent to which governmental authorities and health insurers provide coverage and adequate reimbursement levels. Failure to obtain and maintain coverage and adequate reimbursement for our products could limit our ability to market those products and make it difficult for us to operate profitably*." Additionally, as we continue to scale our business, our ability to achieve profitability will depend on our efforts to increase our reimbursement realization for our ASSURE WCD, including through achieving manufacturing process improvements and supply chain efficiencies. If we are unable to achieve such efficiencies, including as a result of increased costs of manufacturing and distributing our products such as increased pricing of materials and electronics components, labor rates, shipping rates and inflation, our ability to grow our business could be adversely affected.

Our business is dependent upon healthcare providers, hospitals and patients adopting our solutions, and if we fail to obtain and maintain broad adoption, our business would be adversely affected.

Our ability to execute our growth strategy and become profitable will depend on our ability to educate healthcare providers, hospitals and patients on the benefits of our ASSURE WCD and associated products and services delivered as part of our Cardiac Recovery System platform over the existing product and services in the market. There is no assurance that the products and solutions we offer through our Cardiac Recovery System platform or other potential products we may develop in the future will achieve and maintain widespread market adoption over the long term or at all. Market acceptance of the solutions and services we provide through our Cardiac Recovery System platform or other potential products we may develop may be negatively impacted if healthcare providers, hospitals and patients do not perceive WCDs, including our ASSURE WCD, to be useful, safe, effective, reliable and trustworthy or do not perceive the advantages of ASSURE WCD over our main competitor, or if we are unable to provide adequate customer service and sufficient training to patients or effectively harmonize our products with healthcare providers and processes in which we operate. We may in the future engage in additional clinical trials and other clinical initiatives to support additional indications and stronger guideline recommendations for WCD therapy and to obtain regulatory approvals to market our products in new markets. Any studies we, or third parties that we sponsor, may conduct may be expensive, time consuming and may not yield positive results. Negative clinical research results from past, current or future clinical studies or negative publicity or an adverse change to published or unpublished guidelines or recommendations from third parties (including, without limitation, key opinion leaders, medical societies and clinical advisory boards) relating to the use, clinical benefit or risk profile of WCDs in general, including our ASSURE WCD, generally could result in negative perception of the efficiency and safety of our products and affect our brand and reputation. Healthcare providers play a significant role in determining the course of a patient's treatment and, as a result, the type of product that will be used to treat a patient. If we are not successful in convincing healthcare providers of the merits of our ASSURE WCD, they may not prescribe it or recommend it to other healthcare providers and we may be unable to increase revenue, sustain our growth or achieve profitability.

Furthermore, we believe healthcare providers may not adopt our ASSURE WCD unless they determine, based on their personal experience, recommendations from other healthcare providers, available clinical data and published peer-reviewed journal articles, that our ASSURE WCD is an attractive alternative to our competitors' products. Healthcare providers may be hesitant to adopt or switch to our ASSURE WCD for the following reasons, among others:

- long-standing relationships with competitors and distributors that sell other products and their competitive responses and negative selling efforts aimed at our product;
- lack of experience with our products and concerns that we are relatively new to the WCD industry, or concerns that our competitors have greater resources than our company;
- reluctance to change to or use new products;
- perceived liability risk generally associated with the use of new products;
- adverse clinical evidence regarding the clinical benefits of our ASSURE WCD and WCDs in general;
- perception that the clinical evidence for our products is not sufficient or that our products are unproven or experimental; and
- the time commitment that may be required to gain familiarity with and establish the infrastructure, including billing processes, required to adopt our products.

In addition, the medical device industry's relationship with healthcare providers is under increasing scrutiny by federal, state and other foreign and domestic government agencies. In recent years, Congress, the Department of Justice (the "DOJ"), the Office of the Inspector General (the "OIG") of the Department of Health and Human Services (the "HHS") and the state attorneys general have issued subpoenas and other requests for information to, as well as initiated enforcement actions against and entered into settlements with, medical device manufacturers, primarily related to financial arrangements with healthcare providers, regulatory compliance and marketing and product promotional practices. Furthermore, the federal government and certain state governments have enacted legislation to limit and/or increase the transparency of interactions between medical device manufacturers and healthcare providers, pursuant to which we are or may be required by law to disclose certain payments and other transfers of value to healthcare providers or marketing expenditures both nationally and those licensed by certain states. Our failure to comply with laws, rules and regulations governing our relationships with healthcare providers, or an investigation into our compliance by the DOJ, the HHS OIG, state attorneys general or other government agencies, could significantly harm our business.

Additionally, adoption of our products may be directly influenced by a number of financial factors, including the extent to which our products have broad coverage from third-party payors and have well-established reimbursement codes and adequate reimbursement rates. The efficacy, safety, performance, patient compliance benefits and cost-effectiveness of our solutions, on a stand-alone basis and relative to competing products and/or services will determine the availability and level of reimbursement received by us. There is no assurance that we will be able to obtain and maintain adequate levels of coverage and reimbursement for our products. In particular, as we seek to expand into new markets in the future, including select international markets, we may be subject to different, and potentially conflicting requirements, to obtain the necessary coverage and reimbursement for our products. Complying with various coverage and reimbursement requirements in each jurisdiction in which we distribute our products may be costly, and we may face difficulty in adequately adjusting our business to comply with any diverging requirements, which could hinder our ability to expand our market reach or launch new products. In order to generate revenue, we will need to target potential prescribers of our products, such as hospitalists, cardiologists and other healthcare providers, as well as potential end-users of our products with whom we have had little contact, which requires significant marketing and sales efforts. Even if we succeed in increasing adoption of our products by healthcare providers and hospitals, maintaining and creating new relationships with third-party payors and developing and commercializing new features or indications for our products, we may be unable to generate sufficient revenue to achieve or sustain profitability.

The revenue we generate from distributing our ASSURE WCDs also varies, in part, based on the wear time of patients who are prescribed our ASSURE WCD. We bill third-party payors for patient use of our ASSURE WCDs based on their wear time. Although we have designed our ASSURE WCD to enhance the comfort of patients and allow for more extended wear times as part of their longer-term cardiac care, the actual wear time of our ASSURE WCDs can vary due to a number of factors, many of which are beyond our control. The emergence of new medical technologies, therapies and other medical advances may reduce the need to wear a WCD for an extended period. Patients may shorten their wear time due to any inconvenience or discomfort from wearing a WCD or because they do not perceive the need to wear a WCD for an extended period of time and are willing to take on the heightened risk of experiencing a SCA from not wearing a WCD. Additionally, healthcare providers may elect to prescribe our ASSURE WCD for a more limited period of time because of concerns of reduced patient compliance with longer wear times, difficulties with obtaining reimbursement from third-party payors for extended wear times, changes in medical guidelines on recommended wear times or other clinical factors that result in the need to shorten or terminate the use of a WCD, such as a patient requiring an ICD sooner than anticipated. If the average wear time of our ASSURE WCD does not increase or is reduced over time, this may limit the revenue we generate, which may negatively impact our results of operations, cash flows and the growth of our business.

Our commercial success depends in part on the extent to which governmental authorities and health insurers provide coverage and adequate reimbursement levels. Failure to obtain and maintain coverage and adequate reimbursement for our products could limit our ability to market those products and make it difficult for us to operate profitably.

In the United States and in other countries, patients who are prescribed medical treatment generally rely on third-party payors to reimburse all or part of the costs associated with their treatment. In the U.S., third-party payors include government healthcare programs such as Medicare, Medicaid, TRICARE and the Veterans Administration and private payors. Coverage and adequate reimbursement from payors are critical to new product acceptance. As we expand our business and enter into new markets, we will need to enter into new payor contracts with national, state, regional and international payors. There is no assurance that we will be able to enter into new payor contracts, or renew our existing payor contracts upon their expiration, on terms acceptable to us, or at all.

Government healthcare programs and other third-party payors may change their coverage and reimbursement policies, as well as payment amounts, in a way that could prevent or limit reimbursement for our products, which would significantly harm our business. Coverage and reimbursement by a third-party payor may depend upon a number of factors, including macro-economic developments, as well as the third-party payor’s determination that use of a product is:

- a covered benefit under its health plan;
- safe, effective, and medically necessary;
- cost-effective;
- supported by peer-reviewed publications and key opinion leaders;
- appropriate for the specific patient; and
- neither experimental nor investigational.

In the U.S., no uniform policy of coverage and reimbursement for products exists among third-party payors. Therefore, coverage and reimbursement for our products can differ significantly from payor to payor. As a result, obtaining coverage and reimbursement approval of a product from a government or other third-party payor is a time-consuming and costly process that typically requires us to provide supporting scientific, clinical and cost-effectiveness data for the use of our products with no assurance that coverage and adequate reimbursement will be obtained. Even if we obtain coverage for a given product, the resulting reimbursement payment rates might not be adequate for us to achieve or sustain profitability or may require co-payments that patients find unacceptably high. There is no assurance that we will be able to maintain adequate coverage and reimbursement for our ASSURE WCD in each of the markets it is distributed.

Market adoption of our products also depends on whether we are able to obtain reimbursement codes so that our products are eligible for reimbursement by payors such as Medicare and Medicaid. Our ASSURE WCD is currently reimbursable under the Healthcare Common Procedure Coding System ("HCPCS") code K0606, which is well-established. HCPCS is a standardized system used by all U.S. insurance payors to provide descriptions of healthcare equipment, supplies and services. HCPCS codes are used by payors to identify what services are being billed and to assign payment rates to those specific services. HCPCS codes for durable medical equipment are assigned and managed by the CMS and a Medicare contractor responsible for Pricing, Data Analysis and Coding ("PDAC"). New products and product revisions must go through a coding verification process to confirm the products meet the requested HCPCS definitions. CMS or its contractor can also review and revise coding assignments if they believe a product no longer meets the assigned HCPCS definition. If the PDAC contractor determines one of our products does not meet the current HCPCS definition, it could remove all coding or assign a different HCPCS code with a lesser payment rate. This could have an adverse impact on our reimbursement rates, results of operations and cash flows.

We were issued a Medicare Provider Number by the CMS, which enables us to bill Medicare for reimbursement for our ASSURE WCD as an accredited DME supplier to the extent the claim meets medical necessity and coverage requirements set forth by Medicare. Determinations of which products or services will be reimbursed under Medicare can be developed at the national level through a national coverage determination ("NCD"), by CMS, or at the local level through a local coverage determination ("LCD"), by one or more of the regional Medicare Administrative Contractors ("MACs"), which are private contractors that process and pay claims on behalf of CMS for different regions. In the absence of an NCD, the MAC with jurisdiction over a specific geographic region will have the discretion to make an LCD and determine the fee schedule and reimbursement rate within the region, and regional LCDs may not always be consistent in their determinations. Currently, no NCD has been issued with respect to products reimbursed pursuant to HCPCS Code K0606, so reimbursement for our ASSURE WCD will depend on the medical necessity and coverage requirements set forth with respect to K0606 in the relevant LCD. Reductions in reimbursement rates, if enacted, could have a material adverse effect on our business. Further, a reduction in coverage by Medicare could cause some commercial third-party payors to implement similar reductions in their coverage or level of reimbursement of our products. Given the evolving nature of the healthcare industry and on-going healthcare cost reforms, we may be subject to changes in the level of coverage for our products by government healthcare programs, once approved for commercial sales, and unfavorable coverage determinations at the national or local level could adversely affect our business and results of operations.

Additionally, healthcare reform legislation or regulation may be proposed or enacted in the future that may adversely affect such policies and amounts. Changes in the healthcare industry directed at controlling healthcare costs or perceived over-utilization of cardiac monitoring products and services in ambulatory care environments could reduce the volume of demand for our products. If more healthcare cost controls are broadly instituted throughout the healthcare industry, the volume of cardiac monitoring solutions prescribed could decrease, resulting in pricing pressure and declining demand for our products.

Our operating results fluctuate significantly and may not fully reflect the underlying performance of our business.

Our results of operations, including our revenue, profitability and cash flow, may vary significantly in the future and period-to-period comparisons of our operating results may not be meaningful. Accordingly, the results of any one quarter or period should not be relied upon as an indication of future performance. Our financial results may fluctuate as a result of a variety of factors, many of which are outside our control and, as a result, may not fully reflect the underlying performance of our business. Fluctuation in quarterly and annual results may decrease the value of our common shares. Factors that may cause fluctuations in our quarterly and annual results include, without limitation:

- market acceptance of our ASSURE WCD and other products and solutions we may develop in the future;
- our ability to obtain marketing approval for our ASSURE WCD in international markets we enter in the future or for other products and solutions we may develop in the future, and the timing and scope of any such approvals we may receive;
- the availability of reimbursement for our ASSURE WCD or any future product candidates at acceptable reimbursement rates;

- the availability of reimbursement for our products and solutions through government healthcare programs at acceptable reimbursement rates;
- the cost of manufacturing our ASSURE WCD or any future product candidates, which may vary depending on the quantity of production and the terms of our agreements with manufacturers and other vendors;
- our ability to attract, hire, train and retain qualified personnel;
- the amount and timing of costs and expenses related to the maintenance and expansion of our business and operations;
- changes in our future pricing policies or those of our competitors;
- the level of demand for our ASSURE WCD or any future product candidates that receive necessary marketing and other regulatory approvals, which may vary significantly;
- general economic, industry and market conditions or extraordinary external events, such as a recession;
- changes in our regulatory environment;
- expenses associated with unforeseen product quality issues;
- the timing and success or failure of clinical trials or post-approval studies for our ASSURE WCD or any future product candidates or competing product candidates;
- any other change in the competitive landscape of our industry, including consolidation among our competitors or partners;
- litigation or other claims against us for intellectual property infringement or otherwise;
- expenses associated with indemnification obligations to third parties that are subject to litigation or claims, including in relation to intellectual property infringement, or incur other losses as a result of their use of our products;
- our ability to obtain additional financing as necessary; and
- advances and trends in new technologies and industry standards.

In addition, our revenue is subject to seasonality as our billings and collections efforts during January and February tend to be lower because of resetting annual patient healthcare insurance plan deductibles. In addition, as our sales grow in the U.S. and any international markets we may enter into in the future, we may experience seasonality based on holidays, vacations and other factors. The cumulative effects of these factors could result in large fluctuations and unpredictability in our quarterly and annual operating results. As a result, comparing our operating results on a period-to-period basis may not be meaningful. This variability and unpredictability could also result in our failing to meet the expectations of industry or financial analysts or investors for any period. If our revenue or operating results fall below the expectations of analysts or investors or below any forecasts we may provide to the market, or if the forecasts we provide to the market are below the expectations of analysts or investors, the price of our common shares could decline substantially. Such a share price decline could occur even if we meet any previously publicly-stated guidance we may have provided.

Macroeconomic conditions could materially adversely affect our business, financial condition, results of operations and prospects.

Macroeconomic conditions, such as inflationary pressure, changes to monetary policy, fluctuations in interest rates, volatile currency exchange rates, credit and debt concerns, decreasing consumer confidence and spending, including capital spending, concerns about the stability and liquidity of certain financial institutions, the introduction of or changes in tariffs or trade barriers, and global recessions can adversely impact demand for our products, which could negatively impact our business, financial condition, results of operations and prospects. Recent macroeconomic conditions have been adversely impacted by geopolitical instability and hostilities in multiple geographies and monetary and financial uncertainties.

The impacts of these macroeconomic conditions, and the actions taken by governments, central banks, companies, and consumers in response, have resulted in, and may continue to result in, higher inflation in the United States and globally, which is likely, in turn, to lead to an increase in costs and may cause changes in fiscal and monetary policy, including additional increases in

interest rates. In a higher inflationary environment, we may be unable to raise the prices of our products sufficiently to keep up with the rate of inflation. A higher inflationary environment can also negatively impact raw material, component, and logistics costs that, in turn, may increase the costs of producing and distributing our products. Although reimbursement rates for WCDs, including our ASSURE WCD, have increased in recent years, adverse macroeconomic conditions could result in payors reducing reimbursement rates, which could negatively impact our profitability and cash flows. Such conditions could also reduce demand for our ASSURE WCD if they adversely affect insured customers' ability to pay insurance deductibles and uninsured customers' ability to lease our device. Other adverse impacts of recent macroeconomic conditions have been, and may continue to be, supply chain constraints, logistics challenges, liquidity concerns in the broader financial services industry, and fluctuations in labor availability.

We may at times experience supply chain constraints, including difficulties obtaining a sufficient supply or increased prices of component materials used in our products, due to macroeconomic factors. Increased interest rates may make access to credit more difficult, which may result in the insolvency of key suppliers, which would exacerbate supply chain challenges. Such supply chain constraints could cause us to fail to meet product demand or maintain our margins.

We are actively expanding our sales force and customer service resources, and if we are unable to effectively manage this growth, including hiring, training and retaining qualified personnel and scaling our commercial operations, our business, operating results and prospects could be adversely affected.

As we continue to commercialize our ASSURE WCD, we are expanding the size and geographic scope of our sales, marketing, and clinical support and customer service organizations in order to develop broad brand awareness and increase market penetration. Our commercial team is comprised of approximately 130 direct sales representatives as well as more than 40 sales and clinical support professionals as of April 30, 2026, up from 80 direct sales representatives and 40 sales and clinical support professionals as of April 30, 2025. Once a healthcare provider prescribes our ASSURE WCD to a patient, our direct sales team is supported by a contracted team of over 500 APSs as of April 30, 2026 who assist patients with fitting and training, up from 300 APSs as of April 30, 2025.

Our continued growth requires us to recruit, hire, onboard, train, manage and retain a significant number of qualified sales, clinical and customer service personnel. In particular, there is significant competition for qualified and experienced sales force personnel, as well as healthcare personnel with the relevant technical and clinical expertise to assist with WCD-related training and patient fittings. Identifying and recruiting qualified personnel and training them in the application of our solutions, on relevant federal and state laws and regulations, and on our internal policies and procedures requires significant time, expense and management attention. New hires and newly contracted APSs require substantial training and time before achieving desired productivity levels, developing customer relationships and completing patient fittings at the levels of quality and efficiency we expect.

As we continue to expand our commercial organization, we expect to incur substantial costs, including increased compensation, commissions, benefits, training and support expenses. We have in the past entered, and expect to continue to enter, into compensation arrangements with our commercial team that may include minimum guaranteed commissions, which may increase our compensation costs without a commensurate increase in revenue if our sales personnel do not operate as efficiently as expected. If we are unable to effectively manage the growth of our commercial operations, successfully integrate and train new personnel, or achieve anticipated productivity and revenue growth from these investments, our business and operating results could be adversely affected.

This growth may also cause operational and managerial challenges, including maintaining consistent sales practices, customer support quality, compliance oversight and coordination across geographies. Management will need to spend additional time and attention recruiting and integrating additional employees. Rapid expansion in personnel could also result in less experienced people marketing and offering our products, which could result in inefficiencies, unanticipated costs and cause disruptions to our operations. Additionally, rapid and significant growth may strain our administrative and operational infrastructure. If we are unable to manage our growth effectively, it may be difficult for us to execute our business strategy and our business could be harmed.

Any growth that we experience in the future could provide challenges to our organization, requiring us to expand our sales personnel and general and administrative infrastructure. In addition to the need to establish effective sales, marketing, patient support and clinical operations capabilities, our future growth will impose significant added responsibilities on our management, including the need to identify, recruit, train and integrate additional employees. Rapid expansion in personnel could mean that less experienced people market and offer our products, which could result in inefficiencies, unanticipated costs and cause disruptions to our operations. Additionally, rapid and significant growth may strain our administrative and operational infrastructure. Our ability to manage our business and growth will require us to continue to improve our operational, financial and management controls, reporting systems and procedures. The time and resources required to optimize these systems and procedures are uncertain, and failure to complete optimization in a timely and efficient manner could adversely affect our operations. If we are unable to manage our growth effectively, it may be difficult for us to execute our business strategy and our business could be harmed.

We also utilize, and may in the future further utilize, third parties to support certain sales, billing, collections, marketing, patient support and distribution activities. For example, we have executed a distribution agreement with a DME supplier to facilitate billing and collections relating to the utilization of ASSURE WCD. We may have limited control over the performance of such third parties, and they may fail to devote sufficient resources or attention to supporting ASSURE WCD effectively. If we are unable to expand and manage our sales and customer service capabilities successfully, either on our own or in collaboration with third parties, we may not be able to maintain or grow sales of our ASSURE WCD or commercialize any future product candidates and our revenue may be materially adversely affected.

We have limited experience supplying our ASSURE WCD in quantities and providing services on a broad scale that is both commercially successful and meets clinical needs, and we can experience issues that may lead to production or service delays or shortfalls, which could adversely affect our business.

As we fully commercially launched our ASSURE WCD in August 2022, we have limited experience in supplying our ASSURE WCD in commercial quantities and providing services on a broad scale that is both commercially successful and meets clinical needs. As we continue to scale our commercial operations, we have and may in the future experience issues that can lead to production or service delays or shortfalls. Such production or service delays or shortfalls may be caused by many factors, including the following:

- our ability to develop and maintain the infrastructure necessary to drive our operational efficiency and support our growth;
- key components of our ASSURE WCD are provided by a limited number of suppliers, and we do not currently maintain large inventory levels of these components; if we experience a shortage of or quality issues in any of these components, we would need to identify and qualify new supply sources, which could increase our expenses and result in manufacturing delays;
- our current suppliers and service providers may not be able to provide adequate coverage for new markets we intend to distribute our products to, and there is no assurance that we will be able to engage with new suppliers to cover such new markets on terms acceptable to us, or at all;
- we and our manufacturing partners are subject to state and federal regulations, including the FDA's Quality System Regulation (the "QSR"), for both the manufacture of our products and provision of our services, non-compliance with which could cause an interruption in our ability to manufacture and deliver our products and services; and
- our ability to attract, hire, train and retain qualified personnel in order to scale our services.

In addition to the above factors, we utilize a lease business model, whereby when a patient's indicated wear time has concluded, our ASSURE WCDs are returned for reprocessing and reintroduction into the distribution network. Patients are typically prescribed our ASSURE WCDs for 40 to 90 days, during which time the patient wears the ASSURE WCD primarily at home. Upon conclusion of the prescription period, the patient must return our ASSURE WCD so that we can refurbish and recondition the equipment. We rely on a third-party manufacturer to recondition our used ASSURE WCDs. If there are delays with our third party providers, if our patients fail to return their equipment on time or at all or if the equipment is severely damaged requiring extensive repairs and we are unable to timely deploy the equipment for the next customer's use, then our business, financial condition, results of operations and prospects could be adversely affected. If we are unable to keep up with demand for our products, including our ASSURE WCD, our revenue could be negatively impacted, market adoption of our products could be harmed and we may not be able to compete against our current or future competitors.

Our continued growth depends on our ability to successfully scale manufacturing, service, quality assurance and other operational capabilities, and failure to do so could adversely impact our business.

As we continue to commercialize our products and demand for our ASSURE WCD and associated products and services delivered as part of our Cardiac Recovery System platform or any future products or services increases, we will need to continue to expand our customer service, billing and systems processes and enhance our internal quality assurance program. Additionally, we will need to ensure that our third-party suppliers and service providers, including the third-party suppliers we rely on to manufacture and recondition our ASSURE WCDs, are able to provide adequate supplies and services to support increasing demand for our products. We cannot assure you that any increases in scale, related improvements and quality assurance will be successfully implemented or that appropriate personnel will be available to facilitate growth of our business. Failure to implement necessary procedures, transition to new processes or hire the necessary personnel could result in higher costs of processing data or inability to meet increased demand. There can be no assurance that we will be able to analyze data regarding patients' clinically relevant health events on a timely basis at a level consistent with demand, quality standards and healthcare provider expectations. If we encounter difficulty meeting market

demand, quality standards or healthcare provider expectations, our reputation could be harmed and our prospects and business could suffer.

We depend on a limited number of third-party suppliers and contract manufacturers to manufacture and recondition our ASSURE WCD and its components, which could make us vulnerable to supply shortages and price fluctuations that could harm our business.

We outsource the manufacturing of our ASSURE WCD and all of its components to third-party suppliers, including contract manufacturers that manufacture garments, chargers, monitors, batteries, cables and various accessories for our ASSURE WCD. We also rely on a third-party manufacturing partner to recondition our ASSURE WCDs for use by subsequent patients. As a result, we depend on our third-party suppliers and contract manufacturers to provide us with materials and services in a timely manner that meet our quality, quantity and cost requirements. These suppliers and contract manufacturers can encounter problems during manufacturing for a variety of reasons, any of which could delay or impede their ability to meet demand for our products. Our reliance on third-party suppliers subjects us to a number of risks, including, but not limited to:

- inability to obtain sufficient quantities of components used in our products in a timely manner or on commercially acceptable terms, including shortages of off-the-shelf commercial components;
- delays in the reconditioning of our ASSURE WCDs, which impacts the fleet of devices available to be deployed to new patients;
- supply interruptions resulting from disruptions or changes to, or discontinuations of, a supplier's operations;
- production delays related to the evaluation and testing of products from alternative suppliers and corresponding regulatory qualifications;
- the inability of the manufacturer or supplier to comply with the QSR and other relevant state or federal regulations;
- delays in product shipments resulting from uncorrected defects, reliability issues or a supplier's failure to consistently produce quality components;
- third party litigation or other claims for intellectual property infringement based on key components provided by suppliers;
- delays or increased costs due to the inability of a manufacturer or supplier to provide or import components due to injunctions or import bans;
- delays or increased costs due to the need to secure components from alternative manufacturers or suppliers in order to secure appropriate intellectual property licenses or equivalent rights;
- price fluctuations due to a lack of long-term supply arrangements with our suppliers for key components;
- inability to control the quality of components manufactured by our third-party suppliers;
- trade protection measures, laws and business practices that favor local companies, tariffs, and other duties, especially in light of trade disputes between the United States and several foreign countries, that may impact the supply and costs of certain components that our third-party suppliers source from foreign countries;
- exchange controls, currency restrictions, and fluctuations in currency values;
- political, social, and economic instability;
- difficulties in the protection of intellectual property;
- the outbreak of contagious diseases or other health crises;
- inflation and/or deflation;

- potential adverse tax consequences;
- labor disputes, terrorism, vandalism, cyberattacks, infrastructure failures, natural disasters, severe weather or work stoppages; and
- delays in delivery by our suppliers due to changes in demand from us or their other customers and consequently, our inability to fulfill our contractual obligations to deliver our products to our end-users.

In addition, our suppliers and contract manufacturers may cease producing the components we purchase from them or otherwise decide to cease doing business with us. Further, we maintain limited volumes of inventory from most of our suppliers and contract manufacturers. If we inaccurately forecast demand for finished products, we may be unable to meet customer demand, which could harm our competitive position and reputation.

In addition, if we fail to effectively manage our relationships with our suppliers and contract manufacturers, we may be required to change suppliers or contract manufacturers. While we believe replacement suppliers exist for all materials, components and services necessary to manufacture our ASSURE WCD, establishing additional or replacement suppliers for any of these materials, components or services, if required, could be time-consuming and expensive, and may result in interruptions in our operations and product delivery. Even if we are able to find replacement suppliers, we will be required to verify that the new supplier maintains facilities, procedures and operations that comply with our quality expectations and applicable regulatory requirements. Any of these events could require that we obtain regulatory authority approval before we implement the change, which could result in further delay and which may not be obtained at all. If our third-party suppliers fail to deliver the required commercial quantities of materials on a timely basis and at commercially reasonable prices, and we are unable to find one or more replacement suppliers capable of production at a substantially equivalent cost in substantially equivalent volumes and quality on a timely basis, the continued commercialization of our ASSURE WCD, the supply of our products to customers and the development of any future products will be delayed, limited or prevented, which could have a material adverse effect on our business, financial condition, results of operations and prospects. Any significant delays or interruption in the supply of components and materials necessary for our products, or our inability to obtain substitute components or materials from alternate sources at acceptable terms and in a timely manner could impair our ability to meet demand for our products, fulfill our contractual obligations to deliver our products and harm our business.

The manufacturing facilities and processes of our third-party suppliers are subject to unannounced FDA and state regulatory inspections for compliance with the QSR. Developing and maintaining a compliant quality system is time consuming and expensive. Failure to maintain compliance with, or not fully complying with the requirements of the FDA and state regulators could result in enforcement actions against us or our third-party suppliers, which could include the issuance of warning letters, seizures, prohibitions on product sales, recalls and civil and criminal penalties. Additionally, our third-party suppliers have in the past and may in the future receive 483 letters or warning letters from the FDA for violations of the FDA's requirements. If our third-party suppliers fail to adequately rectify any such violations, they may be subject to fines or penalties, which could significantly impact our manufacturing supply and provision of services and impair our reputation and financial results.

If our suppliers' manufacturing facilities or our research and development facilities are damaged, inoperable, or otherwise unavailable, we could experience manufacturing disruptions, delays in research and development activities, increased costs, and adverse effects on our business and results of operations.

Facilities and equipment of our suppliers could be harmed or rendered inoperable by natural or man-made disasters, including fire, earthquake, terrorism, flooding, cyberattacks, power outages and other natural disasters or infrastructure failures. Any of these may render it difficult or impossible for our suppliers to manufacture products for some period of time. If our suppliers' manufacturing facilities are inoperable for even a short period of time, the inability to manufacture our ASSURE WCD may result in harm to our reputation and our results of operations. Our research and development facilities are subject to similar risks, and inability to access such facilities may result in interruptions to our research and development efforts for our existing products and other products we are developing. Additionally, it may be costly and time-consuming to repair or replace the facilities and equipment we use to conduct our research and development activities and manufacture our products.

Performance issues, service interruptions or price increases by our shipping carriers could adversely affect our business and harm our reputation and ability to provide our services on a timely basis.

Expedited, reliable shipping is essential to our operations. We rely heavily on providers of transport services for reliable and secure point-to-point transport of our ASSURE WCD to our customers and for tracking of these shipments. This in particular is because we employ a lease model whereby at the end of a prescription, each patient ships our ASSURE WCD back to our third-party manufacturing partner, who then reconditions the ASSURE WCD before it is redistributed to the next patient. Delays in the transport of our ASSURE WCDs to and from our suppliers can cause shortages in our inventory of ASSURE WCDs and adversely affect our

ability to respond to customer demands. Should a carrier encounter delivery performance issues such as loss, damage or destruction of any ASSURE WCDs or components thereof, it would be costly to replace such systems or components in a timely manner and such occurrences may damage our reputation and lead to decreased demand for our products and increased cost and expense to our business. In addition, any significant increase in shipping rates, due to trade restrictions or otherwise, could adversely affect our operating margins and results of operations. Similarly, strikes, severe weather, natural disasters or other service interruptions affecting delivery services we use would adversely affect our ability to process orders for our products on a timely basis.

Our clinical study initiatives may be complex, lengthy, expensive and carry uncertain outcomes. Future trials and studies by us or others may fail to replicate positive results observed to date.

In order to support the continued adoption of our products, we will need to continue to invest in clinical study initiatives to grow the body of clinical evidence supporting the safety, efficacy and benefits of our products and solutions. We conduct our own clinical studies and provide support for third party-initiated trials that evaluate different aspects of the ASSURE WCD. There is no assurance of whether we will be able to complete patient enrollment for any clinical trials and delays in completing patient enrollment may result in increased costs or affect the timing or outcome of our clinical trials. If we are unable to timely complete our clinical studies, our ability to continue to develop a sufficient body of clinical evidence to support the safety, efficacy and benefits of our products may be adversely affected, which may negatively impact adoption rates for our products. Clinical trials are difficult to design and implement, can take many years, can be expensive and carry uncertain outcomes. The results of preclinical studies and clinical trials of our products conducted to date and ongoing or future studies and trials of our current, planned, or future products may not be predictive of the results of later clinical trials or real-world performance, and interim results of a clinical trial do not necessarily predict final results. Additionally, clinical trials may produce different results depending on the type of statistical analysis used to report data results, such as per protocol analyses and intent-to-treat analyses. Results produced under one type of statistical analysis may not be consistent with or may not be as favorable as results produced under alternative types of statistical analysis. For example, in the VEST study published in 2018, initial intention-to-treat analysis of WCD therapy did not indicate a statistically significantly lower rate in sudden arrhythmic death when compared to treatment through GDMT alone, whereas the as-treated analysis showed that a significantly lower percentage of patients died when they were wearing the WCD than when they were not. If any studies conducted by third parties on any of our products produce results that are not as favorable as the findings in the clinical trials we conduct, the adoption of our products could be impeded and our reputation in the medical community may be damaged, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Additionally, failure to establish the safety and efficacy of any additional products we may develop in the future would prevent receipt of regulatory clearance or approval and, ultimately, the commercialization of that product or indication for use. Even after any products are cleared or approved in the U.S., commercialization of our products in foreign countries would require clearance, certification or approval by regulatory authorities in those countries. Clearance, certification or approval procedures vary among jurisdictions and can involve requirements and administrative review periods different from, and greater than, those in the United States, including additional pre-clinical studies or clinical trials. Adjusting our clinical trial procedures to satisfy the clearance, certification or approval requirements of different foreign jurisdictions may be costly and may result in delays in our ability to complete our clinical trials and commence the commercialization of our products in such jurisdictions.

The initiation and completion of any of our clinical trials or investigations may be prevented, delayed or halted for numerous reasons. We may experience delays in future clinical trials or investigations for a number of reasons, which could adversely affect the costs, timing or successful completion of our clinical trials, including related to the following:

- we may be required to submit an IDE application to FDA, which must become effective prior to commencing certain human clinical trials of medical devices, and FDA may reject our IDE application and notify us that we may not begin clinical trials;
- regulators and other comparable foreign regulatory authorities may disagree as to the design or implementation of our clinical trials or investigations;
- regulators and/or institutional review boards (“IRB”) or other reviewing bodies may not authorize us or our investigators to commence a clinical trial or investigation, or to conduct or continue a clinical trial or investigation at a prospective or specific trial site;
- we may not reach agreement on acceptable terms with prospective contract research organizations (or “CROs”) and clinical trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and trial sites;
- clinical trials or investigations may produce negative or inconclusive results, and we may decide, or regulators may require us, to conduct additional clinical trials or investigations or abandon product development programs;

- the number of subjects or patients required for clinical trials or investigations may be larger than we anticipate, enrollment in these clinical trials may be insufficient or slower than we anticipate, and the number of clinical trials or investigations being conducted at any given time may be high and result in fewer available patients for any given clinical trial or investigation, or patients may drop out of these clinical trials at a higher rate than we anticipate;

- our third-party contractors, including those manufacturing products or conducting clinical trials or investigations on our behalf, may fail to comply with regulatory requirements or meet their contractual obligations to us in a timely manner, or at all;

- we might have to suspend or terminate clinical trials or investigations for various reasons, including a finding that the subjects are being exposed to unacceptable health risks;

- we may have to amend clinical trial protocols or conduct additional studies to reflect changes in regulatory requirements or guidance, which we may be required to submit to an IRB and/or regulatory authorities for re-examination;

- regulators, IRBs, other reviewing bodies or other parties may require or recommend that we or our investigators suspend or terminate clinical research for various reasons, including safety signals or noncompliance with regulatory requirements;

- the cost of clinical trials or investigations may be greater than we anticipate;

- clinical sites may not adhere to our clinical protocol or may drop out of a clinical trial;

- we may be unable to recruit a sufficient number of clinical trial sites;

- regulators, IRBs, or other reviewing bodies may fail to approve or subsequently find fault with the manufacturing processes or facilities of third-party manufacturers with which we enter into agreement for clinical and commercial supplies, the supply of devices or other materials necessary to conduct clinical trials may be insufficient, inadequate or not available at an acceptable cost, or we may experience interruptions in supply;

- approval policies or regulations of FDA or applicable foreign regulatory agencies may change in a manner rendering our clinical data insufficient for approval; and

- our current or future products may have undesirable side effects or other unexpected characteristics.

Any of these occurrences may significantly harm our business, financial condition, results of operations and prospects. In addition, many of the factors that cause, or lead to, a delay in the commencement or completion of clinical trials or investigations may also ultimately lead to the denial of regulatory approval of any future product candidates. Clinical trials and investigations must be conducted in accordance with the laws and regulations of the FDA and other applicable regulatory authorities' legal requirements, regulations or guidelines, and are subject to oversight by these governmental agencies and IRBs or other regulatory bodies at the medical institutions where the clinical trials or investigations are conducted. In addition, clinical trials and investigations must be conducted with supplies of our devices produced under current good manufacturing practice ("cGMP") requirements and other regulations. Furthermore, we may rely on CROs, and clinical trial sites to ensure the proper and timely conduct of our clinical trials and we may have limited influence over their actual performance. We depend on our collaborators and on medical institutions and CROs to conduct our clinical trials in compliance with good clinical practice, or GCP, requirements. To the extent our collaborators or the CROs fail to enroll participants for our clinical trials, fail to conduct the study to GCP standards or are delayed for a significant time in the execution of trials, including achieving full enrollment, we may be affected by increased costs, program delays or both.

If the ASSURE WCD is not effective or if we or our competitors receive negative publicity about the effectiveness of WCDs, our brand and reputation could suffer.

In the course of conducting our business, we must adequately address quality issues that may arise with our products, as well as defects in third-party components included in our products. We employ a rigorous manufacturing and supplier partner assessment, qualification, and selection process to target partners that meet the requirements of the FDA and the International Organization for Standardization, as well as quality standards supported by internal policies and procedures. While our quality assurance program monitors and maintains manufacturing and supplier partner performance through qualification and periodic reviews and audits, we may be unable to eliminate or mitigate quality control issues and associated liabilities. Lasting harm to our brand may be caused by actual or perceived quality issues even if we are able to subsequently address such issues.

Additionally, if our products or similar products offered by our competitors are involved in an instance of patient harm, even if it is through misuse of such products, it could result in decreased demand for our products and damage to our reputation. For example, our primary competitor has been subject to negative publicity from the media and medical journals relating to false alarms and inappropriate shocks delivered by their WCDs. Reports of device failures or other instances of patient harm relating to our products or similar products offered by this competitor could negatively impact demand and adoption rates for our ASSURE WCD or WCDs more generally, which could adversely affect our results of operations. This adverse impact may occur whether or not we are directly related to, or otherwise control, such events, as any perception of our involvement could dilute, tarnish or otherwise adversely affect our reputation and brand.

The availability of social media and other consumer-oriented technologies has increased the speed and accessibility of information dissemination and given users the ability to organize collective actions more effectively, such as boycotts and other brand-damaging events. Information on these platforms may be inaccurate, and any failure to respond quickly and effectively to negative or potentially damaging social media content about our products or our affiliates, regardless of the content's accuracy, could damage our reputation, which in turn could harm our business, prospects, financial condition and results of operations. The harm may be immediate without affording us an opportunity for redress or correction.

Billing for our products is complex, and we must dedicate substantial time and resources to the billing process.

Billing for medical devices and durable medical equipment is complex, time consuming and expensive. In connection with the distribution of our ASSURE WCD, we currently bill, and expect to continue to bill, several types of payors, including Medicare, Medicaid, private payors and other healthcare-related organizations, each of whom have different billing requirements, procedures and expectations. We are also required to bill patients for co-insurance payments and deductibles. As our business expands and we distribute our products into new markets, we may need to obtain new reimbursement codes, adapt our billing processes to more payors and invest additional resources into our billing infrastructure to ensure that claims are timely and accurately prepared and submitted according to the individual requirements of each payor.

The revenue we can generate from the lease of our ASSURE WCD depends in large part on the availability of reimbursement from third-party payors, namely Medicare, Medicaid and private payors. These payors may deny reimbursement if they determine that our ASSURE WCD was not medically necessary for the patient or was not used in accordance with the payor's coverage policy. A significant component of our operational efforts involves working with private payors to ensure positive coverage decisions for our product and investing in our revenue cycle management infrastructure to collect cash from payors. Additionally, we are reimbursed for the use of our ASSURE WCD based on patient wear time and are therefore dependent, to an extent, on patients complying with their prescriptions and wearing our ASSURE WCD for the time periods prescribed by their healthcare providers. Lack of patient compliance with prescribed wear times may also result in healthcare providers becoming less likely to prescribe our ASSURE WCDs at the same volumes we have experienced in the past, or at all, which would adversely impact our revenues and the growth of our business.

Additionally, as part of our collection efforts, we may face potential contractual adjustments and write-offs of doubtful accounts and long collection cycles, which could in turn adversely affect our profitability and financial condition. Factors that may render our billing and collection processes more uncertain or costly include:

- differences between the submitted price for our products and the reimbursement rates of payors;
- differences between our expected or contract price for our products and the reimbursement by the payors and/or our patients;
- compliance with applicable federal and state regulations related to billing government healthcare programs;
- differences in coverage among payors and the effect of patient co-payments, co-insurance and deductibles; and
- incorrect or missing patient history, indications or billing information.

Further, our billing activities require us to implement compliance procedures and oversee, train and monitor our employees and undertake internal review procedures to evaluate compliance with applicable laws, regulations and internal policies. We have made significant investments in our revenue cycle management processes and have partnered with a third-party DME supplier to perform certain billing and collection services. However, as our business continues to grow, we may face increasing billing complexities, and the potential uncertainties in obtaining payments for our products, could negatively affect our revenue and cash flow, our ability to achieve profitability, and the consistency and comparability of our results of operations.

We are subject to audits, investigations and recoupment actions by governmental and commercial payors, which could adversely affect our business, financial condition and results of operations.

Federal and state governmental agencies and commercial payors conduct audits, investigations and other reviews to identify potential overpayments and other perceived irregularities in claims submitted to government healthcare programs and private payors. These activities may include reviews conducted by Recovery Audit Contractors (responsible for auditing Medicare claims), Unified Program Integrity Contractors (responsible for the identification of suspected fraud through medical record review), and Medicaid Integrity Contractors (responsible for auditing Medicaid claims). We are regularly subject to audits, inquiries, and investigations from these and other contractors from time to time in the ordinary course of our business and may become subject to increased scrutiny from governmental agencies and commercial payors in the future.

Responding to and defending against audits, investigations and similar inquiries may require substantial management time and attention, result in significant legal and administrative costs, and divert resources from the operation of our business. Moreover, an adverse determination resulting from an audit or investigation could damage our reputation and result in repayment obligations, claim denials, fines, penalties, and other sanctions. Public disclosure of audits, investigations or enforcement actions also could adversely affect our reputation and business.

Documentation and medical necessity requirements applicable to reimbursement claims are complex, frequently changing and often subject to varying interpretation by governmental agencies, contractors and commercial payors. In many instances, there are limited publicly-available guidelines or methodologies for determining error rates or evaluating compliance with documentation standards. For example, certain CMS guidance manuals, local coverage determinations, and the Durable Medical Equipment Medicare Administrative Contractor ("DME MAC") supplier guidance require clinical information contained in a patient's medical record to support medical necessity determinations for DMEPOS claims. Some contractors and payors have interpreted these requirements to mean that documentation maintained by treating healthcare providers, rather than documentation generated by suppliers, must support reimbursement claims. As a result, our ability to successfully defend claims may depend in part on the adequacy, completeness and timely availability of records maintained by third-party healthcare providers over whom we have limited control.

If treating healthcare providers fail to maintain sufficient supporting documentation, or if governmental agencies or commercial payors disagree with our interpretation of applicable requirements, we may experience increased claim denials, repayment obligations, audits or enforcement activity. In addition, auditors and payors may apply inconsistent interpretations of applicable policies, which may contribute to increased perceived error rates and additional audit activity across our industry. Any requirement to repay amounts previously reimbursed, or any significant increase in denied claims, audit activity or compliance obligations, could adversely affect our revenue, cash flows, financial condition and results of operations.

Commercial payors also may conduct audits and may take legal action to recover alleged overpayments. We could be adversely affected in some of the markets in which we operate if the auditing payor alleges substantial overpayments were made to us due to coding errors or lack of documentation to support medical necessity determinations. We cannot predict the scope, frequency or outcome of any future audits, investigations or reimbursement disputes, and any adverse outcome could materially adversely affect our business, financial condition and results of operations.

If our competitors are able to develop or market products and services that are more effective, or gain greater acceptance in the marketplace, than any products and services we develop, our commercial opportunities will be reduced or eliminated.

We operate in a competitive business environment that is evolving. Prior to our entrance, the WCD market had been served by a single incumbent commercial product, the LifeVest WCD, marketed by ZOLL Medical, a wholly-owned subsidiary of Asahi Kasei Corporation, our primary competitor. In May 2025, a new market entrant also obtained FDA approval for an adhesive-based external defibrillator. As we continue to scale our business, competitors may take competitive actions against us, including competitive pricing actions and litigation challenges, such as intellectual property challenges. In the future, we may also face competition from new market entrants. The development of new or more effective drug candidates could also negatively impact the adoption and average wear time of our WCD system. Healthcare providers who are accustomed to using the products of our primary competitor may be reluctant to try new products from a source with which they are less familiar. Larger medical device companies may also acquire, invest in or form alliances with smaller companies to diversify their product offerings and enhance their competitive position in the competitive business environment, including the WCD industry and industries for other related products and services. Other potential competitors are publicly traded, or are divisions of publicly traded, major medical device or technology companies that enjoy significant competitive advantages and may be able to deploy larger or more effective sales and marketing resources than we currently have. We may also face challenges in overcoming the long-standing preferences of healthcare providers for using the products of larger, more established companies. Competition with these companies could result in price-cutting, reduced profit

margins and loss of market share, any of which would harm our business, financial condition, results of operations and prospects. Our competitors may also enjoy other competitive advantages such as:

- greater financial and other resources than us which enable them to market and discount their products more effectively than us;
- large and established sales, marketing and worldwide distribution channels that have greater reach in both domestic and international markets;
- greater brand recognition in the medical community;
- established business and financial relationships with a more expansive network of healthcare providers, hospitals and medical schools;
- greater collaborations with key opinion leaders, medical societies and clinical advisory boards;
- greater market share in the cardiac monitoring products market;
- greater resources devoted to research and development of competing products and greater capacity to allocate additional resources;
- greater experience in obtaining and maintaining regulatory clearances and approvals for new products and product enhancements and commercializing new products; and
- larger patent portfolios and other intellectual property rights.

Medical innovation is accelerating and the market for WCD products and services is becoming increasingly competitive. Our planned innovation pipeline includes apparel, hardware, software and service solutions to remotely and securely monitor and manage patients in an ambulatory care environment. We compete with a variety of companies offering alternative products and services for ambulatory cardiac solutions. Our ability to compete effectively depends on our ability to distinguish our company and our products from our competitors and their products, and includes such factors as:

- product safety and effectiveness;
- detection algorithm sensitivity, specificity and false alarm rate;
- patient physical and psychological comfort and ease of use;
- patient compliance;
- ability to integrate within the patient monitoring ecosystem;
- quality, breadth and ongoing generation of clinical evidence;
- technological innovation, product enhancements and speed of innovation;
- capital required to achieve PMA approval as well as to facilitate post-commercial initial inventory; and
- regulatory status and speed to market.

Additionally, our ability to commercially compete in the WCD market will be impacted by factors such as:

- patient and healthcare provider connectivity and engagement;
- post-event monitoring and emergency support;
- effective marketing to and education of patients, physicians, other healthcare providers and hospitals;

- company, product and brand recognition;
- device reusability and durability;
- reimbursement and payor coverage;
- complexity in building up the RCM capabilities and logistics to support broad-based commercialization and service levels; and
- recruitment and retention of a qualified and experienced sales force.

If our competitors and potential competitors are better able to develop WCDs and related products than us or introduce more effective, more comfortable or less expensive WCDs and related products before we are able to introduce and commercialize our products, the products and services we offer may be rendered obsolete or non-competitive.

Our marketing and sales practices, as well as our interactions with healthcare providers, may entail risks that could result in significant liability, require us to change our business practices and restrict our operations in the future.

We are subject to numerous domestic (federal, state and local) and foreign laws addressing fraud and abuse in the healthcare industry, including the federal False Claims Act, the Federal Anti-Kickback Statute, self-referral laws, the Foreign Corrupt Practices Act, the U.K. Bribery Act, FDA promotional restrictions, the federal Physician Payment Sunshine Act and state marketing and disclosure laws. Violations of these laws are punishable by criminal or civil sanctions, including substantial fines, imprisonment of responsible corporate officers, and exclusion from participation in government healthcare programs such as Medicare and Medicaid as well as health programs outside the U.S., and even alleged violations can result in the imposition of corporate integrity agreements or deferred prosecution agreements that could severely restrict or limit our business practices. These laws and regulations are complex and subject to changing interpretation and application, which could restrict our sales or marketing practices. Even minor and inadvertent irregularities could potentially give rise to a charge that the law has been violated. Although we believe we have implemented and will maintain an appropriate healthcare compliance program we cannot be certain that the program will adequately detect or prevent violations and/or the relevant regulatory authorities may disagree with our interpretation. Additionally, if there is a change in law, regulation or administrative or judicial interpretations, we may have to change one or more of our business practices to be in compliance with these laws. These changes could be costly and time-consuming.

If our business practices or operations are found to be in violation of these laws or any other government regulations that apply to us, we may be subject to penalties, including, without limitation, civil and criminal penalties, damages, fines, imprisonment of responsible corporate officers, the curtailment or restructuring of our operations, or exclusion from government healthcare programs including Medicare and Medicaid, any of which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Our ability to compete depends on our ability to innovate successfully.

The market for medical devices, including the WCD market, is marked by technological development and product innovation. Demand for our ASSURE WCD and associated products and services delivered as part of our Cardiac Recovery System platform, or other products and services that we are developing or may develop in the future could be diminished by equivalent or superior products and technologies offered by our competitors. If we are unable to innovate successfully, our products and services could become obsolete, and as a result, we may not be able to achieve profitability as customers purchase our competitors' products and services.

In order to remain competitive, we must continue to enhance our existing products and services and develop new product offerings. We will need to ensure that our Cardiac Recovery System platform and other products we develop in the future can support extensions and enhancements in response to evolving patient needs. We can provide no assurance that we will be successful in monetizing our medical technologies, including our ASSURE WCD, developing new products or commercializing them in ways that achieve broad market acceptance. In addition, if we develop new products, the distribution of those products may reduce revenue generated from our existing products. Maintaining adequate research and development personnel and resources to meet the demands of the market is essential. If we are unable to develop new products, applications or features or improve our algorithms due to constraints, such as insufficient cash resources, high employee turnover, inability to hire personnel with sufficient technical skills or a lack of other research and development resources, we may not be able to maintain our competitive position compared to other companies. Furthermore, our competitors may devote a considerably greater amount of funds to their research and development programs than we do, and those that do not may be acquired by larger companies that would allocate greater resources to research and

development programs. Our failure or inability to devote adequate research and development resources or compete effectively with the research and development programs of our competitors could harm our business.

Due to the significant resources required for the development of our products, we may expend our limited resources to pursue the development and commercialization of select products and fail to capitalize on other products that may be more profitable or for which there is a greater likelihood of success.

The initial focus of our Cardiac Recovery System platform is to serve high-acuity patients who require both continuous monitoring and therapy. We fully commercially launched our ASSURE WCD, the cornerstone of our Cardiac Recovery System platform, in August 2022 and have introduced various updates and complementary technologies and services related to our Cardiac Recovery System platform since then. We also recently launched our ASSURE wearable ECG as part of our efforts to expand into providing monitoring and connectivity solutions to patients who are no longer indicated for a WCD but who still require ongoing support. We are also in various stages of research and development for other potential solutions and new indications for our technology. We seek to maintain a process of prioritization and resource allocation among our various research and development efforts to maintain a balance between advancing our ASSURE WCD and developing other current and any future cardiovascular solutions. Our decisions concerning the allocation of research, development, collaboration, management and financial resources toward particular products or therapeutic areas may not maximize our ability to generate potential profits, may not lead to the development of any viable commercial product and may divert resources away from other products and solutions tailored to other therapeutic areas that later prove to have greater commercial potential or a greater likelihood of success. Our resource allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities. If we do not accurately evaluate the commercial potential or target market for a particular product, we may relinquish valuable rights to that product through future collaboration, licensing or other royalty arrangements in cases in which it would have been more advantageous for us to retain sole development and commercialization rights. In addition, if we make incorrect determinations regarding the viability or market potential of any of our products and solutions or misread trends in cardiovascular care and the wearable healthcare technology industry, our business, financial condition, results of operations and prospects could be materially and adversely affected.

Our outstanding debt may affect our ability to operate our business and secure additional financing in the future.

As of April 30, 2026, we had an aggregate principal amount of $45.0 million outstanding under the Credit Agreement and Guaranty, dated as of September 29, 2023, as amended by the Second Amendment to Credit Agreement and Guaranty, dated February 25, 2025 (as may be further amended from time to time, the "2024 Term Loan"), among Perceptive Credit Holdings IV, LP, as administrative agent and as a lender, the other lenders party thereto, West Affum Holdings and Kestra Medical Technologies, Inc., as borrowers, and the guarantors party thereto. On July 10, 2026, we entered into the Loan Agreement, dated as of July 10, 2026 (as may be further amended from time to time, the "Term Loan"), with BPCR Limited Partnership and BioPharma Credit Investments V (Master) LP, as lenders, BioPharma Credit PLC, as collateral agent, Kestra Medical Technologies, Inc., as borrower, and the guarantors party thereto. In connection with entering the Term Loan, the 2024 Term Loan was paid off and terminated and our obligations thereunder were discharged.

We must make significant quarterly interest payments under the Term Loan, which will divert resources from other activities. Our outstanding debt under the Term Loan is collateralized by substantially all of our assets and contains customary financial and operating covenants limiting our ability to, among other things, incur additional indebtedness, incur liens, pay dividends and other restricted payments, and enter into mergers and similar transactions, in each case subject to certain exceptions. The covenants in the Term Loan, as well as in any future financing agreements into which we may enter, may restrict our ability to finance our operations and engage in, expand or otherwise pursue our business activities and strategies. The Term Loan also contains a minimum liquidity covenant. Additionally, there are certain non-financial covenants. See Note 7, "*Long-Term Debt*" and Note 17, "*Subsequent Event*" to the consolidated financial statements included elsewhere in this Annual Report. Our ability to comply with these covenants may be affected by a number of events, some of which may be beyond our control and future breaches of any of these covenants could result in a default under the loan agreement. If not waived, future defaults could cause all of the outstanding indebtedness under the loan agreement to become immediately due and payable and terminate commitments to extend further credit. If we do not have or are unable to generate sufficient cash available to repay our debt obligations when they become due and payable, either upon maturity or in the event of a default, we may not be able to obtain additional debt or equity financing on favorable terms, if at all, which may negatively impact our ability to operate and continue our business.

We may be able to incur significant additional indebtedness in the future. Although the Term Loan limits our ability and the ability of our present and future subsidiaries to incur additional indebtedness, the terms of the Term Loan permit us to incur significant additional indebtedness. In addition, the Term Loan does not prohibit us from incurring obligations that do not constitute indebtedness as defined therein. To the extent that we incur additional indebtedness or such other obligations, the risk associated with our substantial indebtedness described above, including our potential inability to service our debt, will increase.

If there were an event of default under the Term Loan relating to our outstanding indebtedness, the holders of the defaulted debt could cause all amounts outstanding with respect to that debt to be due and payable immediately. We cannot guarantee that our assets or cash flow would be sufficient to fully repay borrowings under our outstanding debt instruments if accelerated upon an event of default. Further, if we are unable to repay, refinance or restructure our indebtedness under our secured debt, the holders of such debt could proceed against the collateral securing that indebtedness. In addition, any event of default or declaration of acceleration under one debt instrument could also result in an event of default under one or more of our other debt instruments. As a result, any default by us on our indebtedness could have a material adverse effect on our business, results of operations and financial condition.

We depend on our senior management team and the loss of one or more key employees or an inability to attract and retain highly skilled employees could harm our business.

Our success depends largely on the continued services of key members of our executive management team and others in key management positions, as well as our ability to attract, motivate, develop and retain a sufficient number of other highly skilled personnel. Our senior management team has extensive experience in the medical device industry, and we believe that the depth of their experience is instrumental to our continued success. For example, the services and expertise provided by Brian Webster, our President and Chief Executive Officer, are critical to our overall management, as well as the continued development of our solutions, our culture, our strategic direction, our innovation and our operations. Our employees may terminate their employment with us at any time. If we lose one or more key employees, we may experience difficulties in competing effectively, developing our technologies and implementing our business strategy. We do not currently maintain key person life insurance policies on these or any of our employees.

In addition, our research and development programs depend on our ability to attract and retain highly skilled engineers. We may not be able to attract or retain qualified engineers in the future due to the competition for qualified personnel. We have from time to time experienced, and we expect to continue to experience, difficulty in hiring and retaining employees with appropriate qualifications. Many of the companies with which we compete for experienced personnel have greater resources than us. If we hire employees from competitors or other companies, their former employers may attempt to assert that these employees or we have breached legal obligations, resulting in a diversion of our time and resources and, potentially, damages. In addition, job candidates and existing employees often consider the value of the share awards they receive in connection with their employment. If the perceived value of our share awards declines, either because we are a public company or otherwise, it may harm our ability to recruit and retain highly skilled employees. Additionally, maintaining a positive company culture is necessary to enable us to retain and hire key talent and have a cohesive, aligned employee base. Our ability to maintain this culture will directly affect the continued growth and success of our company. Our culture could face sustainability challenges as we continue to grow and scale our business. Potential obstacles include reduced adoption of our culture by new employees, limited ability to maintain consistency of culture within business teams, and failure to attract and retain leaders who support our culture and business plans. If we fail to attract new personnel or fail to retain and motivate our current personnel, our business, financial condition, results of operations and prospects could be materially adversely affected.

Security breaches, loss of data, unauthorized uses or disclosures, and other disruptions involving our systems, products or data could compromise sensitive information related to our business or patients, result in operational disruption, or prevent us from accessing critical information, exposing us to liability, and adversely affecting our business, financial condition, results of operation and prospects.

In the ordinary course of our business, we, and certain of our vendors on our behalf, collect, transfer, process and store sensitive data, including legally-protected personally identifiable health information about patients. We also collect, transfer, process and store, and use additional third parties to collect, transfer, process and store on our behalf, sensitive confidential information, including intellectual property, other proprietary business information, and preclinical and clinical trial data, including that of our customers, payors and collaborative partners. We employ administrative, technical and physical controls to secure personally identifiable health information, and we maintain our applications and data utilizing a combination of public cloud platforms and software-as-a-service providers. These applications and data encompass a wide variety of critical information, including patient data collected and processed through the digital solutions and services offered as part of our Cardiac Recovery System platform, clinical evidence collected through our ASSURE Patient Registry, other research and development information, commercial information and business and financial information.

We are highly dependent on information technology networks and systems to securely process, transmit and store this critical information to ensure the effective operation of our business and the timely delivery of our solutions and services. For example, we rely on information technology networks to ensure that our digital solutions, such as our Heart Alert Services and ASSURE Assist services, are able to deliver timely critical alerts to healthcare providers and notify emergency services when therapy is administered to patients. Our third-party information technology systems may not remain available on terms acceptable to us and may require replacement, which could result in substantial operational expense, diversion of our resources, and reduced efficiency, any of which could result in a material adverse effect on our business, financial condition, results of operations and prospects. Cybersecurity

incidents affecting our information technology systems, or those of our vendors or partners, including ransomware, malware, phishing, distributed denial-of-service attacks, credential compromise, unauthorized access, software vulnerabilities, insider threats and other malicious or accidental acts, can create system disruptions, shutdowns or unauthorized disclosure, access, use or modifications of confidential information, including patient information and trade secrets. The secure collection, use, processing, storage, maintenance, protection and transmission of this critical information are vital to our operations and business strategy, and we devote significant resources to protecting such information. Data security-related incidents and fraudulent activity are increasing in frequency, sophistication, and variety, and can originate from many sources, including third-party suppliers and nation-state actors. Our information technology and infrastructure, and those of our vendors, have been and will continue to be vulnerable to malicious cyber activity or viruses or breaches due to employee error, malfeasance or other disruptions. While we have taken steps to identify critical and high-risk vulnerabilities to and protect our infrastructure and sensitive information from unauthorized access, disclosure, or other activity, and while we have implemented compliance measures along those lines, we continue to develop our policies and procedures for protecting such information, and there can be no assurance that these will prevent, detect, or mitigate such issues given the unpredictability of the timing, nature, and scope of data security-related incidents and fraudulent activity. Furthermore, some confidential and protected health information is transmitted to us by third parties, who may not implement adequate security and privacy measures. Our third-party vendors and other business partners may also experience breaches to their information technology systems that could lead to disruptions to our business and ability to deliver our solutions and services.

As part of the delivery of our digital solutions and services through our Cardiac Recovery System platform, we collect, process and analyze a substantial amount of patient data, including through our ASSURE Patient Registry. A security breach or privacy violation that results in a business interruption or leads to disclosure or modification of, or prevents or interferes with access to, patient information, including protected health information, could harm our reputation, compel us to comply with disparate U.S. state and other international breach notification laws, require us to verify the correctness of database contents and otherwise subject us to liability under laws that protect personal data, resulting in increased costs or loss of revenue. If we are unable to prevent such security breaches or privacy violations or implement satisfactory remedial measures, our operations could be disrupted and we may suffer loss of reputation, financial loss and other regulatory penalties because of lost or misappropriated information, including sensitive patient data. The loss of patient data and other information critical to our solutions and services as a result of data breaches could also impair our ability to grow our clinical evidence to support the continued development of our products. In addition, these breaches and other inappropriate access can be difficult to detect, and any delay in identifying them may lead to increased harm.

Any such breach or interruption of our systems, or those of any of our third-party information technology partners, could compromise our networks or data security processes and sensitive information could be inaccessible or could be accessed by unauthorized parties, publicly disclosed, lost or stolen. Any such interruption in access, improper access, disclosure or other loss of information could result in legal claims or proceedings (such as class actions), liability under laws that protect the privacy of patient information, such as the federal Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and regulatory penalties (such as state data breach laws). Unauthorized access, loss or dissemination could also disrupt our operations, including our ability to perform our services, bill payors or patients, process claims and appeals, provide customer assistance services, conduct research and development activities, collect, process and prepare company financial information, provide information about our current and future solutions and engage in other patient and healthcare provider education and outreach efforts. Any such breach could also compromise our trade secrets and other proprietary information, which could adversely affect our business and competitive position.

In addition, the individually identifiable health information we collect, receive, store, access, transfer, process and use from patients and covered entity healthcare providers may be subject to limitations on use and disclosure, and may require us to obtain HIPAA-compliant authorizations or other consents from patients for such uses and disclosures, including use of patient information in connection with the ASSURE Patient Registry. To the extent we fail to collect necessary authorizations or consents to use or disclose such information, or to the extent our uses or disclosures of such information violate applicable laws that protect the privacy of patient information, including HIPAA, we may be subject to liability, legal claims or proceedings (such as class actions), fines, or penalties pursuant to such laws.

Our existing general liability and cybersecurity liability insurance policies may not cover, or may cover only a portion of, any potential claims related to security breaches to which we are exposed or may not be adequate to indemnify us for all or any portion of liabilities that may be imposed. We also cannot be certain that our existing insurance coverage will continue to be available on acceptable terms or in amounts sufficient to cover the potentially significant losses that may result from a security incident or breach or that the insurer will not deny coverage of any future claim. Accordingly, if our cybersecurity measures, and those of our customers and service providers, fail to protect against unauthorized access, attacks (which may include sophisticated cyberattacks), and the mishandling of data, then our reputation, business, financial condition, results of operations and prospects could be materially and adversely affected.

Product liability claims, misuse or off-label use of our products, or allegations that we improperly promoted off-label uses could result in litigation, regulatory enforcement actions, reputational harm, and increased costs.

Our business exposes us to potential product liability claims that are inherent in the provision of medical devices for cardiovascular support. Furthermore, if our customers are not sufficiently trained in the use of our products, they may misuse or ineffectively use our products, which may result in unsatisfactory patient outcomes or patient injury. Similarly, if we are unable to sufficiently train APSs who assist with customer fittings, our ASSURE WCD may be ineffective, or may result in patient discomfort, injury or unsatisfactory patient outcomes. Our ASSURE WCD has been approved by FDA for use in adult patients who are at risk for SCA and are not candidates for, or refuse, an ICD. However, we cannot prevent a healthcare provider from prescribing our devices off-label when they deem it appropriate. The use, misuse or off-label use of our products, including our ASSURE WCD, may in the future result in outcomes and complications potentially leading to product liability claims and harm to our reputation. If our products are defectively designed, manufactured or labeled, contains defective components or are misused, we may become subject to costly litigation initiated by healthcare providers, the hospitals and clinics where healthcare providers who prescribe our products work or their patients and reputational harm.

If our devices are misused or used with improper technique, we may become subject to costly litigation by our customers or their patients. As described above, product liability claims could divert management's attention from our core business, be expensive to defend, and result in sizeable damage awards against us that may not be covered by insurance, all of which would have a material adverse effect on our business, financial condition, results of operations and prospects.

Product liability claims are especially prevalent in the medical device industry, and regardless of the merit or eventual outcome, may result in:

- decreased demand for our products;
- injury to our reputation;
- significant litigation costs;
- substantial monetary awards to or costly settlements with patients;
- product recalls;
- material defense costs;
- loss of revenue;
- increased regulatory scrutiny or enforcement actions;
- the inability to commercialize new products; and
- diversion of management attention from pursuing our business strategy.

Although we maintain product liability insurance, we may not have sufficient insurance coverage for future product liability claims. We may not be able to obtain insurance in amounts or scope sufficient to provide us with adequate coverage against all potential liabilities. Any product liability claims brought against us, with or without merit, could increase our product liability insurance rates or prevent us from securing continuing coverage, harm our reputation, significantly increase our expenses and reduce our revenues. Product liability claims in excess of our insurance coverage would be paid out of cash reserves, harming our financial condition and operating results.

If the FDA determines that our promotional materials, sales practices or training constitute improper promotion of an off-label use, they could request that we modify our training, sales practices or promotional materials or subject us to regulatory or enforcement actions, including the issuance or imposition of an untitled letter, warning letter, injunction, seizure, civil fine or criminal penalties. These types of enforcement actions could have a material adverse impact on our business, revenues and financial results. It is also possible that other federal or state enforcement authorities might take action under other regulatory authority, such as false claims laws, if they consider our business activities to constitute promotion of an off-label use, which could result in significant penalties, including, but not limited to, criminal, civil and administrative penalties, damages, fines, disgorgement, exclusion from participation in government healthcare programs and the curtailment of our operations.

We bear the risk of warranty claims on our products.

We bear the risk of warranty claims on our products. We may not be successful in claiming recovery under any warranty or indemnity provided to us by our suppliers or vendors in the event of a successful warranty claim against us by a customer or any recovery from such vendor or supplier may not be sufficient to cover our losses. In addition, warranty claims brought by our customers related to third-party components may arise after our ability to bring corresponding warranty claims against such suppliers expires, which could result in our inability to recover any costs incurred by us.

We may acquire or invest in other companies or technologies, which could divert our management's attention, result in additional dilution to our shareholders and otherwise disrupt our operations and harm our operating results. The failure to effectively manage acquisitions, investments, licenses or other strategic alliances, or the failure to integrate them with our existing business, could have a material adverse effect on our operating results, increase our debt or cause us to incur significant expense.

Our success depends on our ability to continually enhance and broaden our product offerings in response to changing customer demands, competitive pressures, technologies and market pressures. Accordingly, from time to time we may consider opportunities to acquire, make investments in or in-license other technologies, products and businesses that may enhance our capabilities, complement our current products or expand the breadth of our markets or customer base. For example, in January 2026, we announced an exclusive license and co-development arrangement with and investment in Biobeat Technologies. Potential and completed acquisitions, strategic investments, licenses and other partnerships involve numerous risks, including:

- difficulty assimilating or integrating acquired or licensed technologies, products or business operations;
- issues maintaining uniform standards, procedures, controls and policies;
- unanticipated costs associated with acquisitions or strategic alliances, including the assumption of unknown or contingent liabilities and the incurrence of debt or future write-offs of intangible assets or goodwill;
- unanticipated problems or liabilities with the businesses or products acquired;
- diversion of management's attention from our core business and disruption of ongoing operations;
- adverse effects on existing business relationships with suppliers and customers;
- risks associated with entering new markets in which we have limited or no experience;
- potential losses related to investments in other companies;
- potential loss of key employees of acquired businesses; and
- increased legal and accounting compliance costs.

The pursuit of potential acquisitions and other investment opportunities may divert the attention of management and cause us to incur various costs and expenses in identifying, investigating and pursuing suitable acquisitions, whether or not they are consummated. We may not be able to identify desirable targets or be successful in entering into an agreement with any particular target or obtain the expected benefits of any acquisition or investment. To date, the growth of our operations has been largely organic, and we have limited experience in acquiring or investing in other businesses or technologies. We may not be able to successfully integrate acquired personnel, operations and technologies, or effectively manage the combined business following an acquisition. Acquisitions could also result in dilutive issuances of equity securities, the use of our available cash, or the incurrence of debt, which could harm our operating results. In addition, if a target business fails to meet our expectations, our operating results, business and financial condition may suffer.

Consolidation among commercial payors could result in payors eliminating coverage or demanding price concessions, which may affect our ability to offer our products at prices necessary to support our current business strategies.

The commercial payor industry is undergoing significant consolidation. In recent years, a number of health insurers have merged or increased efforts to consolidate with other commercial payors. Insurers are also increasingly pursuing alignment initiatives with healthcare providers. Consolidation within the health insurance industry may result in insurers having increased negotiating leverage and competitive advantages, such as greater access to performance and pricing data. Our ability to negotiate prices and favorable terms with health insurers in certain markets could be affected negatively as a result of this consolidation. When payors combine their operations, the combined company may elect to reimburse our products at the lowest rate paid by any of the participants

in the consolidation or use its increased size to negotiate reduced rates. If one of the payors participating in the consolidation does not provide reimbursement for our products, or provides reimbursement at reduced rates, the combined company may elect not to provide reimbursement for our products, or provide such reimbursement at reduced rates, which would adversely affect our operating results. In addition, the shift toward value-based payment models could be accelerated if larger insurers, including those engaging in consolidation activities, find these models to be financially beneficial. There can be no assurance that we will be able to negotiate favorable terms with payors and otherwise respond effectively to the impact of increased consolidation in the payor industry or vertical integration efforts.

We have identified material weaknesses in our internal control over financial reporting, and may identify additional material weaknesses. If our remediation of the material weaknesses in our internal control over financial reporting is not effective, or we fail to develop and maintain effective internal control over financial reporting, our ability to produce timely and accurate financial statements could be impaired, which could harm our business and negatively impact the value of our common shares.

We have identified material weaknesses in our internal control over financial reporting, and we may identify additional material weaknesses in the future. If we are unable to remediate these material weaknesses, or if we otherwise fail to develop and maintain effective internal control over financial reporting, our ability to produce timely and accurate financial statements could be impaired, which could adversely affect our business and the value of our common shares.

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 consolidated financial statements will not be prevented or detected on a timely basis. Based on our assessment, we concluded that our internal control over financial reporting was not effective as of April 30, 2026 due to the material weaknesses described below.

- We did not design and maintain an effective control environment commensurate with our financial reporting requirements. Specifically, we lacked a sufficient complement of resources in the accounting, finance and IT functions to appropriately analyze, record and disclose accounting matters timely and accurately. This material weakness contributed to the following additional material weaknesses.

- We did not design and maintain effective controls to ensure the financial statements were properly presented and classified for certain non-routine or complex transactions. Specifically, we did not design and maintain controls to appropriately account for the classification of selling, general and administrative expenses, paid-in-kind interest, restricted cash, right of use lease assets, and the cash flow presentation of leases. This material weakness resulted in immaterial audit adjustments to the aforementioned accounts, which were recorded in the Company's consolidated financial statements for the year ended April 30, 2021.

- We did not design and maintain effective controls to verify personnel would not have the ability to prepare and post manual journal entries or review account reconciliations without an independent review by someone without the ability to prepare and post manual journal entries. This material weakness did not result in adjustments to the consolidated financial statements.

- We did not design and maintain effective controls over IT general controls for information systems that are relevant to the preparation of our consolidated financial statements. Specifically, we did not design and maintain: (i) program change management controls to ensure that IT 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 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 adjustments to our consolidated financial statements; however, the deficiencies, when aggregated, could impact maintaining 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 not be prevented or detected. Accordingly, we have determined these deficiencies in the aggregate constitute a material weakness.

We continue to make progress towards remediating these material weaknesses. These remediation measures are ongoing as of the date of this Annual Report and include: hiring additional personnel, such as financial planning and accounting, compliance, information technology professionals, and other professionals with appropriate levels of knowledge and experience; engaging third parties to assist with technical accounting and in designing and implementing controls related to period-end financial reporting,

segregation of duties and IT general controls; designing and implementing controls to properly present and classify non-routine or complex transactions; and enhancing IT governance processes.

We continue to evaluate current and projected resource needs on a regular basis, hire additional qualified resources as needed and have engaged third parties and other professionals to assist with the resolution of IT general controls and governance processes. Our ability to maintain qualified and adequate resources to support the Company and our projected growth will be a critical component of our internal control environment.

The material weaknesses will not be considered remediated until management completes the design and implementation of the measures described above and the controls operate for a sufficient period of time and management has concluded, through testing, that these controls are effective. 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, incur significant costs, and place significant demands on our financial and operational resources.

We cannot assure you that the measures we have taken to date, and actions we may take in the future, will be sufficient to remediate the material weaknesses in our internal control over financial reporting or that they will prevent or avoid potential future material weaknesses. If we are unable to successfully remediate our existing or any future material weaknesses in our internal control over financial reporting, or identify any additional material weaknesses, the accuracy and timing of our financial reporting may be negatively impacted, we may be unable to maintain compliance with securities law requirements in addition to applicable stock exchange listing requirements, investors may lose confidence in our financial reporting, and our common share price may decline as a result.

If we are unable to implement and maintain effective internal control over financial reporting, investors may lose confidence in the accuracy and completeness of our reported financial information, and the market price of our common shares may be negatively affected.

We identified material weaknesses in our internal control over financial reporting in previous years; remediation of these material weaknesses is ongoing. More information relating to these material weaknesses is detailed in the risk factor above. Future evaluations by us of our internal control over financial reporting in the future may identify additional material weaknesses. The identification of a material weakness in our internal control over financial reporting or the failure to remediate existing material weaknesses in our internal control over financial reporting may cause us to be unable to report our financial information on a timely basis and thereby subject us to adverse regulatory consequences, including sanctions by the SEC or violations of Nasdaq rules. Ensuring that we have adequate internal financial and accounting controls and procedures in place so that we can produce accurate financial statements on a timely basis may be a costly and time-consuming effort that will need to be evaluated frequently.

Moreover, when we are no longer an "emerging growth company" or "smaller reporting company," our independent registered public accounting firm will be required to issue an audit report on the effectiveness of our internal control over financial reporting. An independent assessment of the effectiveness of our internal control over financial reporting could detect problems that our management’s assessment might not. If we are unable to conclude that our internal control over financial reporting is effective, or when we are no longer an emerging growth company, if our auditors were to express an adverse opinion on the effectiveness of our internal control over financial reporting because we had one or more material weaknesses, investors could lose confidence in the accuracy and completeness of our financial disclosures, which could cause the price of our common shares to decline.

We are subject to risks from legal and arbitration proceedings that may prevent us from pursuing our business activities or require us to incur additional costs in defending against claims or paying damages.

We may become subject to legal disputes and regulatory proceedings in connection with our business activities involving, among other things, product liability, product defects, intellectual property infringement, employment matters, and/or alleged violations of other applicable laws in various jurisdictions. We may not be insured against all potential damages that may arise out of any claims to which we may be party in the ordinary course of our business. A negative outcome of these proceedings may prevent us from pursuing certain activities and/or require us to incur additional costs in order to do so and pay damages. In addition, securities class action litigation has often been instituted against companies following periods of volatility in the market price of a company’s securities. This type of litigation, if instituted, could result in substantial costs and a diversion of management’s attention and resources, which would harm our business, financial condition, results of operations and prospects. Additionally, the significant increase in the cost of directors’ and officers’ liability insurance may cause us to opt for lower overall policy limits or to forgo insurance that we may otherwise rely on to cover significant defense costs, settlements, and damages awarded to plaintiffs.

The outcome of pending or potential future legal and arbitration proceedings is difficult to predict with certainty. In the event of a negative outcome of any material legal or arbitration proceeding, whether based on a judgment or a settlement agreement, we

could be obligated to make substantial payments, which could have a material adverse effect on our business, financial condition, results of operations and prospects. In addition, the costs related to litigation and arbitration proceedings may be significant, and any legal or arbitration proceedings could have a material adverse effect on our business, financial condition, results of operations and prospects, even if ultimately resolved in our favor.

Our estimates relating to our market and forecasts of market growth are based on a number of complex assumptions and estimates that may prove to be inaccurate, and even if the markets in which we compete achieve the forecasted growth, our business may not increase at similar rates, if at all.

Our estimates and forecasts in this Annual Report relating to, among other things, our total addressable market and the expected growth in the WCD market are subject to significant uncertainty and may prove to be inaccurate. In particular, our estimates of our total addressable markets in the U.S. and outside the U.S. are based on a number of internal and third-party estimates and assumptions relating to, among other things, the number of patients who are at risk of suffering a SCA, are not immediately eligible for an ICD and are either currently using or may in the future use WCDs; the reimbursement rates for WCDs by Medicare and private payors in the U.S. and payors outside the U.S.; the average WCD patient wear time; and the use of WCDs over alternative treatments such as ICDs. In addition, our estimates of our total addressable markets in the U.S. and outside the U.S. both reflect the opportunities available to all current and potential participants in the market, and we cannot predict with precision our ability to address the potential demand for WCDs or the extent of market adoption of our ASSURE WCD over solutions offered by our current or future competitors. While we believe that our assumptions and the data underlying our estimates for our total addressable markets in the U.S. and outside the U.S. are reasonable, they may not be correct and the conditions supporting our assumptions or estimates may change at any time, thereby reducing the predictive accuracy of such underlying factors. Our estimated addressable markets in the U.S. and outside the U.S. may not materialize for many years, if ever. Accordingly, our forecasts of market growth should not be taken as indicative of our future growth.

We incur increased costs as a result of operating as a public company, and our management is required to devote substantial time to compliance with our public company responsibilities and corporate governance practices.

As a public company, and particularly after we are no longer an "emerging growth company" or "smaller reporting company," we have incurred and will continue to incur significant legal, accounting and other expenses that we did not incur as a private company. The Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the continued listing requirements of the Nasdaq Global Select Market, and other applicable securities rules and regulations impose various requirements on public companies, including establishment and maintenance of effective disclosure and financial controls and corporate governance practices. We have hired and expect that we will need to continue to hire additional accounting, finance, and other personnel in connection with our efforts to comply with the requirements of being a public company. Our management and other personnel devote a substantial amount of time to maintaining compliance with these requirements and the additional reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The expenses generally incurred by public companies for reporting and corporate governance purposes have been increasing. Changing laws and regulations also could make it more difficult or costly for us to obtain certain types of insurance, including director and officer liability insurance, and we may be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. Laws and regulations could also make it more difficult for us to attract and retain qualified persons to serve on our board of directors, on our board committees, or as our executive officers. These rules and regulations are often subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. Furthermore, if we are unable to satisfy our obligations as a public company, we could be subject to delisting of our common shares, fines, sanctions, other regulatory action, and potentially civil litigation action.

If securities or industry analysts do not continue publishing research or reports about our business, or publish negative reports about our business, our share price and trading volume could decline.

The trading market for our shares is influenced, in part, by the research and reports that industry or securities analysts publish about us, our business, or our competitors. We do not have any control over these analysts or the contents and opinions in their reports. A number of securities and industry analysts currently publish research and reports about our company, but we may not continue to receive adequate research coverage. If one or more analysts who cover us cease coverage of our company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our share price or trading volume to decline.

Moreover, if one or more of the analysts who cover us downgrade our shares, publish unfavorable commentary about us or our industry, or if our results of operations do not meet their expectations, our share price could decline. Additionally, if analysts'

expectations regarding our financial performance, operating results or business prospects differ from our actual results, our common share price could experience increased volatility.

Risks Related to Our Tax Structure and Taxation

Our annual effective income tax rate can change materially as a result of changes in our mix of U.S. and non-U.S. earnings and other factors, including changes in tax laws and changes made by regulatory authorities.

Our overall effective income tax rate is equal to our total tax expense as a percentage of total earnings before tax. However, income tax expense and benefits are not recognized on a global basis but rather on a jurisdictional or legal entity basis. Losses in one jurisdiction may not be used to offset profits in other jurisdictions and may cause an increase in our tax rate. Changes in the mix of earnings (or losses) between jurisdictions and assumptions used in the calculation of income taxes, among other factors, could have a significant effect on our overall effective income tax rate.

We may be subject to additional taxes if our transfer pricing arrangements are challenged or we fail to establish tax residency in Ireland.

We have entered into transfer pricing arrangements that establish prices for our intercompany operations. However, our transfer pricing procedures are not binding on the applicable taxing authorities. No official authority in any jurisdiction has made a determination as to whether or not we are operating in compliance with such authority's transfer pricing laws. Accordingly, a taxing authority could challenge our transfer prices and require us to adjust them to reallocate our income. Any change to the allocation of our income as a result of review by a taxing authority could have a negative effect on our results of operations and financial condition.

Taxing authorities may disagree with and may challenge our tax positions. If our tax positions are not sustained in the event of such challenge, we could be required to pay additional taxes, interest, penalties or other costs which could impact our results of operations and financial condition.

We are subject to taxation in Ireland and multiple other jurisdictions. As a result, any adverse development in the tax laws of Ireland or any of these jurisdictions or any disagreement with our tax positions could have a material adverse effect on our business, consolidated financial condition or results of operations.

Our Company and certain of our subsidiaries are resident in Ireland for Irish corporation tax purposes. We believe that, as Irish tax resident entities, our status should improve our ability to maintain a competitive worldwide effective corporate tax rate; however, we cannot give any assurance as to what our effective tax rate will be because of, among other things, uncertainty regarding the tax policies of the jurisdictions where we operate. In general, under current Irish legislation, a company is regarded as resident for tax purposes in Ireland if it is incorporated in Ireland (unless broadly this is displaced by the terms of a double taxation treaty that Ireland has entered into) or it is centrally managed and controlled in Ireland. Trading income (active business income) of an Irish resident company is generally taxable at the Irish corporation tax rate of 12.5% (provided that the company is not part of a consolidated multinational group with more than EUR750 million of annual consolidated revenue in which case the company may be subject to Irish corporation tax at 15%). Non-trading income of an Irish resident company is taxable at a rate of 25% and capital gains at a rate of 33%. It is possible that in the future, whether as a result of a change in law or the practice of any relevant tax authority or as a result of any change in the conduct of our affairs, those companies could become, or be regarded as having become, tax resident in a jurisdiction other than Ireland. Should any of those companies cease to be Irish tax resident, they may be subject to a charge to Irish capital gains tax as a result of a deemed disposal of their assets. Our actual effective tax rate may vary from our expectation and that variance may be material. Additionally, the tax laws of Ireland, the United States and other jurisdictions could change in the future, and such changes could cause a material change in our effective tax rate.

A number of factors may increase our future effective tax rates, including:

- the jurisdictions in which profits are determined to be earned and taxed;
- the resolution of issues arising from tax audits with various tax authorities;
- loss of tax treaty benefits in one or more jurisdictions;
- changes in the valuation of our deferred tax assets and liabilities;
- increases in expense not deductible for tax purposes, including transaction costs and impairments of goodwill in connection with acquisitions;

- changes in available tax credits;
- changes in share-based compensation;
- changes in tax laws or the interpretation of such tax laws, and changes in generally accepted accounting principles; and
- challenges to the transfer pricing policies related to our structure.

Ireland is a Member State of the European Union (the "EU"). The EU has become increasingly active in the area of direct taxation in recent years, in some cases on foot of wider international tax initiatives such as the OECD BEPS (Base Erosion and Profit Shifting) initiative and in other cases unilaterally. A number of EU legislative tax measures have been implemented in recent years such as the Anti-tax Avoidance Directive, the EU Mandatory Disclosure Regime DAC6 requiring the reporting of certain cross-border arrangements, and the EU Global Minimum Tax Directive. There are also a number of proposed EU legislative tax measures such as the Business in Europe: Framework for Income Taxation which proposes a new legislative framework for corporate taxation in the EU. Additionally, the EU Commission has carried out a number of investigations concerning unlawful EU State Aid involving tax measures in Member States, most notably in the European Court case of *European Commission v Ireland and Apple Sales International* (Case C-465/20 P) which was held in favor of the European Commission. State Aid is any aid granted by an EU Member State or through EU Member State resources in any form whatsoever which distorts or threatens to distort competition by favoring certain undertakings or the production of certain goods. Any of these proposed or actual legislative measures or EU law related actions could impact our tax treatment.

Our tax position could be adversely impacted by changes in tax rates generally, tax laws, tax treaties or tax regulations or changes in the interpretation of such laws, treaties or regulations by the tax authorities in Ireland, the United States and other jurisdictions. In addition, the tax authorities in any applicable jurisdiction may disagree with the positions we have taken or intend to take regarding the tax treatment or characterization of any of our transactions.

Failure to manage the risks associated with such changes, or misinterpretation of the laws relating to taxation, could result in increased charges, financial loss, including penalties, and reputational damage and materially and adversely affect our results, financial condition and prospects.

If we are required to reclassify independent contractors as employees, we may incur additional costs, liabilities, and taxes which could adversely affect our business, financial condition, results of operations and prospects.

We engage independent contractors in certain aspects of our operations for whom we do not pay or withhold any federal, state or other employment tax. The legal standards governing worker classification are complex, fact-specific, and subject to evolving federal, state and foreign laws, regulations, agency guidance, and judicial interpretations. There can be no assurance that legislative, judicial, or regulatory (including tax) authorities will not introduce proposals or assert interpretations of existing rules and regulations that would change, or at least challenge, the classification of our independent contractors. Although we believe we have properly classified our independent contractors, the U.S. Internal Revenue Service or other U.S. federal or state authorities or similar authorities of a foreign government may determine that we have misclassified our independent contractors for employment tax or other purposes and, as a result, seek additional taxes from us or attempt to impose fines and penalties. If we are required to pay employer or withholding taxes with respect to prior periods with respect to or on behalf of our independent contractors, our operating costs will increase, which could adversely impact our business, financial condition, results of operations and prospects. In some instances, reclassification of independent contractors as employees may also result in liability for unpaid wages, overtime, employment taxes, penalties, workers' compensation premiums and other liabilities.

We may be a passive foreign investment company, which could result in adverse U.S. federal income tax consequences to United States Holders.

Under the United States Internal Revenue Code of 1986, as amended (the "Code"), a non-U.S. corporation (such as ourselves) will be classified as a passive foreign investment company (a "PFIC") for any taxable year if, for such year after the application of certain look-through rules with respect to subsidiaries, either (1) at least 75% of our gross income for the year is "passive income" (as described below), or (2) the average percentage of our assets (determined at the end of each quarter) during the taxable year which produce "passive income" or which are held for the production of "passive income" is at least 50%. "Passive income" generally includes dividends, interest, rents, royalties (other than rents or royalties derived from the active conduct of a trade or business) and gains from the disposition of passive assets.

If it is determined that we are a PFIC for any taxable year (or portion thereof) that is included in the holding period of a U.S. Holder (as defined below), such U.S. Holder may be subject to increased U.S. federal income tax liability and may be subject to additional reporting requirements.

For purposes of the discussion herein, a "U.S. Holder" is a beneficial owner of our common shares that is, for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust, if either (i) a court within the United States is able to exercise primary jurisdiction over its administration and one or more U.S. persons have the authority to control all of its substantial decisions or (ii) the trust has a valid election in effect under applicable Treasury regulations to treat such trust as a domestic trust.

Based on the nature of our business, our financial statements, our expectations about the nature and amount of our income, assets and activities and our share price, we do not expect to be a PFIC for U.S. federal income tax purposes for the current taxable year or in the foreseeable future. However, whether we will be a PFIC in the current year or any future year is a factual determination that must be made annually at the close of each taxable year, and, thus, is subject to significant uncertainty. Among other things, a determination of whether we are a PFIC will depend on the composition of our income and assets and the market value of our assets from time to time. Accordingly, there can be no assurance that we will not be a PFIC in the current year or any future taxable year.

If we are a PFIC for any taxable year during which a U.S. Holder holds our common shares, we generally would continue to be treated as a PFIC with respect to that U.S. Holder for all succeeding years during which the U.S. Holder holds our common shares even if we ceased to meet the threshold requirements for PFIC status, unless certain exceptions apply. Such a U.S. Holder may be subject to adverse U.S. federal income tax consequences, including (i) the treatment of all or a portion of any gain on disposition as ordinary income, (ii) the application of a deferred interest charge on such gain and the receipt of certain dividends and (iii) compliance with certain reporting requirements. We do not currently expect to provide information that would allow a U.S. Holder to make a "qualifying electing fund" election in the event that we are classified as a PFIC and, therefore, U.S. Holders should assume such election would not be available.

Risks Related to Intellectual Property

Third parties may assert that we are employing their intellectual property and other proprietary technology without authorization, and we may become a party to litigation or administrative proceedings related to intellectual property that could be costly, time-consuming, or unsuccessful and could hinder our ability to commercialize our existing or future products.

The medical device industry has been characterized by extensive litigation regarding patents, trademarks, trade secrets, copyrights and other intellectual property rights, and companies in the industry have used intellectual property litigation to gain a competitive advantage. It is possible that U.S. and foreign patents and pending patent applications, trademarks, copyright registrations or other intellectual property controlled by third parties may be alleged to cover our products or services, or components of our products or services, or that we may be accused of misappropriating third parties' trade secrets. Additionally, our products include hardware and software components and other elements that we purchase or license from vendors and other third parties, and may include design components (including open-source components) or other elements that are outside of our direct control and could become unavailable on terms acceptable to us or be found or alleged to infringe, misappropriate or otherwise violate the intellectual property rights of third parties. Our direct or indirect competitors, many of which have substantially greater resources and have made substantial investments in patent portfolios, trade secrets, trademarks, copyright registrations, and other intellectual property rights and competing technologies, may have applied for or obtained, or may in the future apply for or obtain, patents or trademarks that will prevent, limit or otherwise interfere with our ability to make, have made, use, sell, offer to sell, and/or import our products and services (or components thereof) or to use product names. Moreover, patent applications in the United States and many international jurisdictions are typically not published until 18 months after the filing of certain priority documents (or, in some cases, are not published until they issue as patents) and publications in the scientific literature often lag behind actual discoveries. Thus, we cannot be certain that others have not filed patent applications directed to our products or technology similar to ours. Any such patent application may have priority over our patent applications or patents, which could further require us to obtain rights, if available, to any resulting third-party patents directed to such technologies. Given the number of patents directed toward the medical device industry or otherwise applicable to technologies utilized in the medical device industry, we cannot be certain that we do not infringe

existing patents or that we will not infringe patents that may be granted in the future. If a patent holder believes our Cardiac Recovery System platform, any components thereof including the ASSURE WCD, any other products or any future product candidates infringe its patent, the patent holder may sue us even if we have received patent protection. Our Cardiac Recovery System platform, including existing products and any future products that we commercialize, could be alleged to infringe patent rights and other proprietary rights of third parties. Any lawsuits resulting from such allegations, if we are not successful, could subject us to significant liability for damages. Any potential intellectual property litigation also could force us to do one or more of the following:

- stop making, having made, selling, offering to sell, importing or using products or technologies that allegedly infringe or violate the asserted intellectual property;
- incur significant legal expenses;
- pay substantial damages or royalties to the party whose intellectual property rights we may be found to be infringing or violating, including enhanced damages if we are found to be willfully infringing or violating such intellectual property rights;
- pay the attorneys' fees and costs of litigation to the party whose intellectual property rights we may be found to be infringing or violating;
- redesign those products that contain the allegedly infringing or violating intellectual property or replace components thereof that contain the allegedly infringing or violating intellectual property, which could be costly, disruptive, infeasible, or require further FDA approval; and
- attempt to obtain a license to the relevant intellectual property from third parties, which may not be available on reasonable terms or at all, or from third parties who may attempt to license rights that they do not have.

Any litigation or claim against us, even those without merit or that we are able to successfully defend, may cause us to incur substantial costs, and could place a significant strain on our financial resources, divert the attention of management from our core business and harm our reputation. The defense and prosecution of these matters are both costly and time-consuming. Vendors and other parties from which we purchase or license hardware, software or other intellectual property may not indemnify us in the event that such hardware or software is accused of infringing a third party's patent or trademark or of misappropriating a third party's trade secret or otherwise violating a third party's intellectual property rights. There can be no assurance with respect to the outcome of any litigation brought against us, and even if any litigation is resolved in our favor, the outcome of any such litigation could have a material adverse impact on our business, operating results and financial condition. Litigation is inherently unpredictable and outcomes are uncertain. Further, as the costs and outcome of these types of claims and proceedings can vary significantly, it is difficult to estimate potential losses that may occur. Accordingly, we are unable at this time to estimate the effects of these potential future lawsuits on our financial condition, operations or cash flows.

In the event of a successful claim against us for infringement, misappropriation or other violation of third-party intellectual property rights, we may have to pay substantial damages.

If patents, trademarks, trade secrets, or other intellectual property rights are successfully asserted against us, this may harm our business and result in injunctions preventing us from selling our products, license fees, damages and the payment of attorney fees and court costs. A finding of infringement could prevent us from continuing to sell our Cardiac Recovery System platform or any components thereof including the ASSURE WCD, or prevent us from commercializing any future product candidates or force us to cease some or all of our business operations, which could materially harm our business. In addition, if we are found to have willfully infringed third party patents or trademarks, or to have willfully misappropriated trade secrets or otherwise violated other intellectual property rights of others, we could be required to pay enhanced damages in addition to other penalties, including attorneys' fees.

In addition, we may have to obtain one or more licenses from third parties to continue developing and marketing our products and technology, pay royalties and/or redesign our products or technologies, which may be impossible or require substantial time and monetary expenditure. Although patent, trademark, trade secret and other intellectual property disputes in the medical device area sometimes may be settled through licensing or similar arrangements, we may not be able to obtain such arrangements at all and if we do, costs associated with such arrangements may be substantial and could include ongoing royalties that materially adversely impact our revenue. We may be unable to obtain necessary licenses on satisfactory terms and one or more third parties may refuse to grant necessary licenses. Some licenses from third parties may include access to technologies for use by us on defined terms. Other licenses from third parties may not provide access to any additional technologies and may be limited to granting permission for us to utilize existing or future technology in exchange for additional fees. If we do not obtain necessary licenses, we may not be able to redesign our products to avoid infringement, which could result in a material adverse effect on our business. Even if we were able to obtain

such licenses, then it could be granted on non-exclusive terms, thereby providing our competitors and other third parties access to any technologies licensed to us.

We may be subject to claims challenging the inventorship of our patents and other intellectual property.

We may be subject to claims that current or former employees, partners or other third parties have an interest in our patents or other intellectual property as an inventor or co-inventor. The failure to name the proper inventors on a patent application can result in the patents issuing thereon being unenforceable. Inventorship disputes may arise from conflicting views regarding the contributions of different individuals named as inventors, the effects of foreign laws where foreign nationals are involved in the development of the subject matter of the patent, conflicting obligations of third parties involved in developing our pipeline assets or as a result of questions regarding co-ownership of potential joint inventions. Litigation may be necessary to resolve these and other claims challenging inventorship and/or ownership. Alternatively, or additionally, we may enter into agreements to clarify the scope of our rights in such intellectual property. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights, such as exclusive ownership of, or right to use, valuable intellectual property. Such an outcome could have a material adverse effect on our business. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees.

Similarly, interference or derivation proceedings provoked by third parties or brought by the U.S. Patent and Trademark Office ("USPTO") or other jurisdictional bodies may be necessary to determine priority or originality with respect to our patents or patent applications. We may also become involved in other proceedings, such as reexamination, *inter partes* review, post-grant reviews, cancellations, derivation or opposition proceedings before the USPTO or other jurisdictional bodies relating to our intellectual property rights or the intellectual property rights of others. Adverse determinations in a judicial or administrative proceeding or failure to obtain necessary licenses could prevent us from manufacturing and selling our products or using product names, which would have a significant adverse impact on our business.

We may become involved in litigation or administrative proceedings related to intellectual property, including litigation to protect, enforce or defend the validity of our intellectual property.

We may need to commence proceedings or assert counterclaims against others to enforce our patents, trademarks or other intellectual property, to protect our trade secrets or know-how or to determine the enforceability, scope and validity of the proprietary rights of others when we determine that a successful outcome may lead to an increase in the value of the intellectual property. If we choose to enforce our patent rights against a party, then that individual or company has the right to ask the court to rule that such patents are invalid or should not be enforced. Additionally, the validity of our patents and the patents we have licensed may be challenged if a petition for post-grant proceedings, such as *inter partes* review and post-grant review, is filed within the statutorily applicable time with the USPTO. Proceedings to challenge patents are also available internationally, including for example, opposition proceedings and nullity actions. In patent litigation in the United States, counterclaims alleging invalidity and/or unenforceability and U.S. Patent Trial and Appeal Board ("PTAB") challenges are commonplace. Grounds for a validity challenge could be an alleged failure to meet any of several statutory requirements, including lack of novelty, obviousness or non-enablement. Grounds for an unenforceability assertion could be an allegation that someone connected with prosecution of the patent intentionally withheld material information from the USPTO, or made a misleading statement, during prosecution. Third parties also may raise similar claims before the PTAB, even outside the context of litigation. These proceedings would result in substantial expense to us and significant diversion of effort by our technical and management personnel. There is also the risk that, even if the validity or enforceability of such patents is upheld, a court or jury may find that the other party's products or services do not infringe our patents. We may not prevail in any lawsuits that we initiate and the damages or other remedies awarded, if any, may not be commercially meaningful. We may not be able to stop a competitor from marketing and selling products that are the same or similar to our products and services or from using product or service names that are the same or similar to ours, and our business may be materially harmed as a result.

Our ability to enforce our patent rights depends on our ability to detect infringement by third parties. It may be difficult to detect infringers that do not advertise the components or methodologies that are used in their products. Moreover, it may be difficult or impossible to obtain evidence of infringement in a competitor's or potential competitor's product. We may not prevail in any lawsuits that we initiate and the damages or other remedies awarded if we were to prevail may not be commercially meaningful. Adverse proceedings can be expensive, time-consuming and may divert the efforts of our technical and managerial personnel, which could in turn harm our business, whether or not we receive a determination favorable to us. In addition, a court or other judicial body may decide that the patent we seek to enforce is not patentable, invalid or unenforceable. Additionally, a court or other judicial body may refuse to stop the other party from using the technology at issue on the grounds that the patent in question does not cover the allegedly infringing technology in question or otherwise refuse to enjoin a party found to have infringed a patent. An adverse result in any proceeding could put one or more of our patents at risk of being found not patentable, invalidated or interpreted narrowly. Some of our competitors may be able to devote significantly more resources to intellectual property proceedings, and may have significantly

larger intellectual property portfolios to assert against us if we assert our rights against them. Further, because of the substantial discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be disclosed or otherwise compromised.

From time to time, we may be subject to legal proceedings and claims in the ordinary course of business with respect to intellectual property or issues, which proceedings and claims may also include claims related indirectly to our intellectual property such as breach of contract, antitrust, or unfair competition. In addition, we generally indemnify our customers and distributors with respect to infringement by our products of the proprietary rights of third parties. Third parties may assert infringement claims against our customers, distributors or suppliers. These claims may require us to initiate or defend protracted and costly litigation on behalf of our customers, distributors or suppliers, regardless of the merits of these claims. If any of these claims succeeds or settles, we may be forced to pay damages or settlement payments on behalf of our customers, distributors or suppliers or may be required to obtain licenses for the products they use or produce for us. If we cannot obtain all necessary licenses on commercially reasonable terms, our customers may be forced to stop purchasing and using our products, which could expose us to substantial losses or liability and otherwise have an adverse effect on our business.

Our efforts to obtain intellectual property protection and the intellectual property rights we obtain may be inadequate, and our business may be adversely affected as a result.

As part of our competitive strategy, we have and will continue to develop, maintain, enforce and protect the proprietary aspects of our technologies. We rely on a combination of patents, copyrights, trademarks, trade secret laws and confidentiality and invention assignment agreements with employees and third parties to protect our intellectual property rights. A summary of our intellectual property portfolio is in the section entitled "*Business—Intellectual Property."* However, legal measures cannot assure full protection. The process of applying for and obtaining a patent is also expensive, time-consuming and complex, and we may not be able to file, prosecute, maintain, enforce or license all necessary or desirable patent applications at a reasonable cost, in a timely manner, or in all jurisdictions where protection may be commercially advantageous, or we may not be able to protect our proprietary rights at all. Despite our efforts to protect our proprietary rights, unauthorized parties may be able to obtain and use information that we regard as proprietary. We cannot be certain that our or our licensors' claims in U.S. pending and corresponding international or foreign patent applications will be considered patentable. In addition, the issuance of a patent does not ensure that it is valid or enforceable, so even if we obtain patents, they may not be valid or enforceable against third parties.

Our patent applications may not result in issued patents and our patents may not be sufficiently broad to protect our products or technology. Furthermore, the issuance of a patent does not give us the right to make, have made, use, offer to sell, sell or import the patented invention. Other parties may have developed technologies that may be related or competitive to our products, may have filed or may file patent applications and may have received or may receive patents that overlap or conflict with our patents or patent applications, either by claiming the same methods or devices or by claiming subject matter that could dominate our patent position. The patent positions of medical device companies, including our patent position, may involve complex legal and factual questions, and, therefore, the scope, validity and enforceability of any patent claims that we or others have or may obtain cannot be predicted with certainty. Third parties may have blocking patents that could prevent us from manufacturing, marketing or distributing our own products and making, using, offering to sell, selling, or importing the Cardiac Recovery System platform, one or more products or components thereof, or any existing or future products, components we may pursue in the future. Alternatively, third parties may seek approval to market their own products similar to or otherwise competitive with our products. In these circumstances, we may need to defend and/or assert our patents and other intellectual property rights, including by filing lawsuits or asserting counterclaims alleging patent infringement, misappropriation and other violations of intellectual property. In any of these types of proceedings, a court or agency with jurisdiction may find our patents invalid or unenforceable; competitors may then be able to market and sell products and use manufacturing and analytical processes that are substantially similar to ours. In addition, such proceedings may be costly. Even if we have valid and enforceable patents, these patents still may not provide protection against competing products or processes sufficient to achieve our business objectives.

We may not be able to protect our intellectual property rights throughout the world. Filing, prosecuting and defending patents in all countries throughout the world would be prohibitively expensive, and our intellectual property rights in countries outside the United States is less extensive than those in the United States. In addition, the laws of some foreign countries do not protect intellectual property rights to the same extent as federal and state laws in the United States. The legal systems of certain countries may not favor the enforcement of patents and other intellectual property protection, particularly those relating to medical devices, and some jurisdictions, such as Europe, Japan, and China, may have a higher standard for patentability than in the United States. Consequently, we may not be able to prevent third parties from making, having made, using, selling, offering to sell, or importing in all countries outside of the United States, or from making, having made, using, selling offering to sell, or importing products incorporating our inventions in and into the United States or other jurisdictions. Competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own products and further, may export otherwise infringing products to territories where

we have patent protection, but where enforcement is not as strong as that in the United States. These products may compete with our products and our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing.

We may not be able to correctly estimate or control our future operating expenses in relation to obtaining intellectual property, enforcing intellectual property and/or defending intellectual property, which could affect operating expenses. Our operating expenses may fluctuate significantly in the future as a result of a variety of factors, including the costs of preparing, filing, prosecuting, defending, and enforcing patent and trademark claims and other intellectual property-related costs, including adverse proceedings (such as litigation) costs.

To the extent our intellectual property protection is incomplete, we are exposed to a greater risk of direct competition. A third party could, without authorization, copy or otherwise obtain and use our products or technology, or develop similar technology. Our competitors could purchase our products and attempt to replicate some or all of the competitive advantages we derive from our development efforts or design around our protected technology. Our failure to secure, protect, maintain and enforce our intellectual property rights could substantially harm the value of our products, brand and business. The theft or unauthorized use or publication of our trade secrets and other confidential business information could reduce the differentiation of our products and harm our business, the value of our investment in development or business acquisitions could be reduced and third parties might make claims against us related to losses of their confidential or proprietary information. Any of the foregoing could materially and adversely affect our business.

If we are unable to protect the confidentiality of our trade secrets and other proprietary information, our business and competitive position may be harmed.

We rely heavily on trade secrets and confidentiality agreements to protect our unpatented know-how, technology, proprietary information, including parts of our Cardiac Recovery System platform such as the ASSURE WCD, and to maintain our competitive position. However, trade secrets and know-how can be difficult to protect. In particular, we anticipate that with respect to our technologies, these trade secrets and know-how will over time be disseminated within the industry through independent development, the publication of journal articles describing the methodology and movement of personnel, including from academic to industry scientific positions. The use of remote working arrangements, collaboration technologies, digital communications and third-party hosted systems can increase the risk of unauthorized access, disclosure or misuse of confidential information and trade secrets. Additionally, the use of generative artificial intelligence tools may also increase the risk of inadvertent disclosure of proprietary information.

We take steps to protect our intellectual property and proprietary technology by entering into agreements, including confidentiality agreements, non-disclosure agreements and intellectual property assignment agreements, with parties who have access to them, such as our employees, consultants and other third parties, but we may not be able to prevent the unauthorized disclosure or use of our technical knowledge or other trade secrets by consultants, vendors or former or current employees, despite the existence generally of these confidentiality agreements and other restrictions. These agreements may not provide meaningful protection for our trade secrets, know-how or other proprietary information in the event of any unauthorized use, misappropriation or disclosure of such trade secrets, know-how or other proprietary information. We may not be able to execute assignment agreements with each relevant party and such agreements may be unenforceable or not self-executing. There can be no assurance that employees, consultants, vendors, clients and others with access to the confidential and proprietary information have executed such agreements or have not breached or will not breach their agreements with us, that we will have adequate remedies for any breach, or that our trade secrets will not otherwise become known or independently developed by competitors. Despite the protections we do place on our intellectual property, monitoring unauthorized use and disclosure of our intellectual property is difficult, and we do not know whether the steps we have taken to protect our intellectual property will be adequate.

While we use commonly accepted security measures, trade secret matters are generally governed by a combination of federal and state law in the United States, and the criteria for protection of trade secrets can vary among different jurisdictions. If the steps we have taken to maintain our trade secrets are deemed inadequate, we may have insufficient recourse against third parties for misappropriating the trade secret. In addition, the laws of many foreign countries will not protect our intellectual property rights to the same extent as the laws of the United States and there can be no assurance that we have sufficiently protected our intellectual property in every foreign country in which our products may be sold. Consequently, we may be unable to prevent our proprietary technology from being exploited abroad, which could affect our ability to expand to international markets or require costly efforts to protect our technology.

In addition, while it is our policy to require our employees and contractors who may be involved in the conception or development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who in fact conceives or develops intellectual property that we regard as our own. Our assignment agreements may not be self-executing or may be breached, and we may be forced to bring claims against third parties, or

defend claims they may bring against us, to determine the ownership of what we regard as our intellectual property. We may be subject to claims challenging the inventorship or ownership of our intellectual property. We also may be subject to claims that former employees, collaborators or other third parties have an ownership interest in our patents or other intellectual property. Litigation may be necessary to defend against these and other claims challenging inventorship or ownership. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights. Such an outcome could have a material adverse effect on our business. Even if we are successful in defending against such claims, litigation could result in substantial costs and distraction to management and other employees.

Further, it is possible that others independently will develop the same or similar technology or otherwise obtain access to our unpatented technology, and in such cases we could not assert any trade secret rights against such parties. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our trade secret rights and related confidentiality and nondisclosure provisions. If we fail to obtain or maintain trade secret protection, or if our competitors obtain our trade secrets or independently develop technology similar to ours or competing technologies, our competitive market position could be materially adversely affected. In addition, some courts inside and outside the United States are less willing or unwilling to protect trade secrets and agreement terms that address non-competition are difficult to enforce in many jurisdictions and might not be enforceable in certain cases.

We may be subject to claims that our employees, consultants or independent contractors have wrongfully used or disclosed confidential information or alleged trade secrets of third parties or competitors or are in breach of non-competition or non-solicitation agreements with our competitors or their former employers.

We also may employ or otherwise engage personnel who were previously or are concurrently employed or engaged at research institutions or other medical device companies, including our competitors or potential competitors. We may be subject to claims that these personnel, or we, have inadvertently or otherwise used or disclosed trade secrets or other proprietary information of their former or concurrent employers, or that patents and applications we have filed to protect inventions of these personnel, even those related to one or more of our products, are rightfully owned by their former or concurrent employer. Litigation may be necessary to defend against these claims. Even if we are successful in defending against these claims, litigation could result in substantial costs and be a distraction to management.

If our trademarks and trade names are not adequately protected, we may not be able to build name recognition in our markets and our business may be adversely affected.

We rely on trademarks, service marks, trade names and brand names, such as our registered trademarks ASSURE, CARDIAC RECOVERY SYSTEM, ASSURE ASSIST, KESTRA and KESTRA CARESTATION, to distinguish our products from the products of our competitors, and have registered or applied to register these trademarks. We cannot assure you that we have applied for all the marks in the jurisdictions and classes of goods and services that are or will be material to our business or, where we have applied, that our trademark applications will be approved. During trademark registration proceedings, we may receive rejections and we may, at times, be unable to overcome such rejections. In addition, in proceedings before the USPTO or equivalent institutions in other jurisdictions, third parties are given an opportunity to oppose pending trademark applications and to seek to cancel registered trademarks. Opposition or cancellation proceedings have and may be filed against our trademarks, and our trademarks may not survive such proceedings. In the event that our trademarks are successfully challenged, we could be forced to rebrand our products, which could result in loss of brand recognition and could require us to devote resources towards advertising and marketing new brands. Moreover, any name we propose to use with our ASSURE WCD or any future medical device product candidates in the U.S. must be approved by the FDA, regardless of whether we have registered it, or applied to register it, as a trademark. The FDA typically conducts a review of proposed medical device names, including an evaluation of potential for confusion with other medical device names. If the FDA objects to any of our proposed proprietary medical device names, we may be required to expend significant additional resources in an effort to identify a suitable substitute name that would qualify under applicable trademark laws, not infringe the existing rights of third parties and be acceptable to the FDA.

Further, we cannot assure you that competitors will not infringe our trademarks or that we will have adequate resources to enforce our trademarks. We also face risks in connection with our international expansion, including in countries that may have less protection for our trademarks than the United States. There is a risk that our trademarks may not be adequate to protect our brand or may conflict with the trademarks of other companies, both domestically and abroad, which may require us to rebrand our products, obtain costly licenses, defend against third-party claims, or substantially change our product or service offerings. Should such risks manifest, we may be required to expend considerable resources and divert the attention of our management, which could have an adverse effect on our business and results of operations.

If we do not adequately protect our trademarks and trade names, then we may not be able to build name recognition in our markets of interest and our business may be adversely affected. Our registered or unregistered trademarks may be challenged, infringed, circumvented, declared to be descriptive, declared generic or conflict with third-party rights. We may not be able to protect our rights to these trademarks, which we need to build name recognition by potential partners or customers in our markets of interest.

In addition, third parties may file first for our trademarks in certain countries. If they succeed in registering such trademarks, and if we are not successful in challenging such third-party rights, we may not be able to use these trademarks to market our products in those countries. In such cases, over the long term, if we are unable to establish name recognition based on our trademarks and trade names, then our marketing abilities may be impacted.

Changes in U.S. or foreign patent law or their interpretations could diminish the value of patents in general, thereby impairing our ability to protect our existing and future products.

As is the case with other medical device and medical technology companies, our success is heavily dependent on intellectual property, particularly patents. Obtaining and enforcing patents in the medical device and medical technology industries involve both technological and legal complexity and is therefore costly, time-consuming and inherently uncertain, due in part to ongoing changes in patent laws. Depending on decisions by Congress, the federal courts and the USPTO and equivalent institutions in other jurisdictions, the laws and regulations governing patents, and interpretation thereof, could change in unpredictable ways that could weaken our ability to obtain new patents or to enforce existing or future patents. For example, in recent years the U.S. Supreme Court has ruled on several patent cases that have been interpreted to have either narrowed the scope of patent protection or weakened the rights of patent owners in certain situations. In addition, patent reform legislation, regulations or evolving judicial interpretations relating to patent eligibility, patent scope, patent enforcement or remedies may impact our ability to obtain maintain or enforce patents in the future. Therefore, there is increased uncertainty with regard to our ability to obtain patents in the future, as well as uncertainty with respect to the value of patents once obtained.

Patent reform legislation or changes to USPTO regulations or fees could increase the uncertainties and costs surrounding the prosecution of patent applications and the enforcement or defense of issued patents. The Leahy-Smith America Invents Act enacted in September 2011 (the "Leahy-Smith Act") implemented significant changes to U.S. patent law, including changes affecting patent prosecution, post-grant proceedings and patent enforcement. The USPTO has developed and continues to develop regulations and procedures to govern administration of the Leahy-Smith Act, and courts continue to interpret its provisions. As a result, the Leahy-Smith Act and related development may increase the costs, uncertainties and complexities associated with the prosecution, enforcement and defense of our patents and patent applications, which could harm our business, financial condition, results of operations and prospects. We cannot predict future changes in the interpretation of patent laws or changes to patent laws that might be enacted into law. Those changes may materially affect our patents or patent applications and our ability to obtain additional patent protection in the future.

Additionally, certain of our European patents may be subject to the jurisdiction of the European United Patent Court ("UPC"). Because the UPC is relatively new, there remains uncertainty regarding its procedures, the scope of patent rights and remedies available through the UPC and how the UPC will interpret and enforce patent rights.

Even if our patents are determined by a court to be valid and enforceable, courts may not interpret them sufficiently broadly to prevent others from marketing products similar to ours or designing around our patents. For example, third parties may be able to make product that are similar to ours but that are not covered by the claims of our patents. Third parties may assert that were not the first to make the inventions covered by our issued patents. The claims of our issued patents or patent applications when issued may not cover our proposed commercial technologies or the future products that we develop. We may not have freedom to commercialize our products unimpeded by the patent rights of others. Third parties may have dominating, blocking, or other patents relevant to our technology of which we are not aware. There may be prior public disclosures or art that could be deemed to invalidate one or more of our patent claims. Further, we may not develop additional proprietary technologies in the future, and, if we do, they may not be patentable.

Patent law can be highly uncertain and involve complex legal and factual questions for which important principles remain unresolved. In the United States and in many international jurisdictions, policy regarding the breadth of claims allowed in patents can be inconsistent. The U.S. Supreme Court and the Court of Appeals for the Federal Circuit have made, and will likely continue to make, changes in how they interpret the patent laws of the United States. Similarly, international courts have made, and will likely continue to make, changes in how they interpret the patent laws in their respective jurisdictions. We cannot predict future changes in the interpretation of patent laws or changes to patent laws that might be enacted into law by U.S. and international legislative bodies. Those changes may materially affect our patent rights and our ability to obtain issued patents.

Obtaining and maintaining patent protection depends on compliance with various procedural, document submission, fee payment and other requirements imposed by governmental patent agencies, and our patent protection could be reduced or eliminated if we fail to comply with these requirements.

The patent prosecution process is expensive and time-consuming, and we may not be able to file, prosecute, maintain, protect, defend, enforce or license all necessary or desirable patents or patent applications, as applicable, at a reasonable cost, in a

timely manner, in all potentially relevant jurisdictions, or at all. It is possible that defects as to form in the preparation or filing of our patents or patent applications may exist, or may arise in the future, for example with respect to proper priority claims, inventorship, claim scope, or requests for patent term adjustments. It is also possible that we will fail to identify patentable aspects of our research and development output in time to obtain patent protection. If we delay filing a patent application, and a competitor files a patent application on the same or similar invention before we do, our ability to secure patent rights may be limited and we may not be able to patent the invention at all. In some cases, we may only be able to patent a limited scope of the invention, and the limited scope may be inadequate to protect our assets and technologies, or to block competitor's products and technologies that are similar or adjacent to ours. There are also uncertainties or limitations in our ability to properly protect and defend patents covering our products, which could have a material adverse effect on our business, financial condition, results of operations and prospects. Our earliest patents and patent filings are public, and a competitor or other third party may review our published patent filings and arrive at the same or similar technology advances for our assets as we developed. If another party files a patent application on such an advance before we do, then we may no longer be able to protect that aspect of our assets and technologies and we may require a license from that party, which may not be available on commercially viable terms or at all. Moreover, we may not develop additional proprietary products, methods and technologies that are patentable. We also rely to a certain extent on trade secrets, know-how, and technology, that are not protected by patents, to maintain our competitive position. If any trade secret, know-how or other technology not protected by a patent were to be disclosed to or independently developed by a competitor, our business and financial condition could be materially and adversely affected.

Periodic maintenance fees, renewal fees, annuity fees and various other government fees on any issued patents and certain pending patent applications are required to be paid to the USPTO or foreign patent agencies in several stages over the lifetime of a patent. The USPTO and various foreign patent agencies also require compliance with a number of procedural, documentary, fee payment and other similar requirements during the patent application and prosecution process. Noncompliance events that could result in abandonment or lapse of a patent or patent application include failure to respond to official communications within prescribed time limits, non-payment of fees and failure to properly legalize and submit formal documents. While an inadvertent lapse in many cases can be cured by payment of a late fee or by other means in accordance with the applicable rules, there are situations in which non-compliance can result in irrevocable abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. If we fail to maintain the patents and patent applications directed to our Cardiac Recovery System platform, any components thereof including the ASSURE WCD, other products or any future product candidates, our competitors might be able to enter the market with similar or identical products or technology, which would harm our business, financial condition, results of operations and prospects.

In addition, patent expiration dates may be affected by a number of factors. For example, patent terms may be shortened or lengthened by terminal disclaimers, patent term adjustments, supplemental protection certificates, and patent term extensions. Patent term extensions and supplemental protection certificates, and the like, may be impacted by the regulatory process and may not significantly lengthen patent term. Non-payment or delay in payment of patent fees or annuities, delay in patent filings or delay in extension filing (including any patent term extension or adjustment filing), whether intentional or unintentional, may also result in the loss of patent rights important to our business.

Intellectual property rights do not necessarily address all potential threats.

The degree of future protection afforded by our intellectual property rights is uncertain because intellectual property rights have limitations and may not adequately protect our business or permit us to maintain our competitive advantage. For example:

- others may be able to make products that are similar to any existing products or product candidates we may develop or utilize similar technology but that are not covered by the claims of the patents that we own or license now or in the future;
- we might not have been the first to make the inventions covered by the issued patent or pending patent application that we own now or in the future;
- we might not have been the first to file patent applications directed to certain of our or their inventions;
- others may independently develop similar or alternative technologies or duplicate any of our technologies without infringing our owned or licensed intellectual property rights;
- it is possible that our pending held or licensed patent applications or those that we may file or license in the future will not lead to issued patents;
- issued patents to which we hold rights may be held invalid or unenforceable, including as a result of legal challenges by other persons;

- our competitors might conduct research and development activities in the United States under FDA-related safe harbor patent infringement exemptions and/or in countries where we do not have patent rights and then use the information learned from such activities to develop competitive products for distribution in our major commercial markets;
- we may not develop additional proprietary technologies or products that are patentable;
- the patents or pending patent applications of others may harm our business;
- we may choose not to file a patent in order to maintain certain trade secrets or know-how, and a third party may subsequently file a patent covering such intellectual property;
- we cannot assure that any of our patents, or any of our pending patent applications, if issued, will include claims having a scope sufficient to protect our products;
- we may not be able to successfully commercialize our products on a substantial scale, if approved, before our relevant patents expire;
- we cannot assure that our commercial activities or products will not infringe the intellectual property rights of others; and
- we cannot assure any patents issued to us will provide a basis for an exclusive market for our commercially viable products, will provide us with any competitive advantages or will not be challenged by third parties.

Should any of these events occur, they could harm our business, financial condition, results of operations and prospects.

We include technology in our products that is licensed to us by third parties. Any loss of our rights to this technology could prevent us from selling our products.

We hold certain intellectual property and technology licenses under which we license intellectual property and technology from third parties that we use in our products or other parts of our business. We do not own the intellectual property that underlies these licenses. Our rights to use the licensed intellectual property is subject to the continuation of and compliance with the terms of the licenses, including terms that may restrict our ability to expand our use of such intellectual property into other fields. We expect that we may need to enter into additional license agreements in the future. Our business could suffer, for example, if any current or future licenses terminates, if the licensors fail to abide by the terms of the license, if the licensed patents or other rights are found to be invalid or unenforceable, or if we are unable to enter into necessary licenses on acceptable terms.

As we have done previously, we may need or may choose to obtain patent or other licenses from third parties to advance our research or allow commercialization of our current or future products. We cannot provide any assurances that third-party patents do not exist that might be enforced against our current or future products in the absence of such a license. We may fail to obtain any of these licenses on commercially reasonable terms, if at all. Even if we are able to obtain a license, it may not be exclusive. In that event, we may be required to expend significant time and resources to develop or license replacement technology. If we are unable to do so, we may be unable to develop or commercialize the affected products, which could materially harm our business and the third parties owning such intellectual property rights could seek either an injunction prohibiting the commercialization of our products or an obligation on our part to pay royalties and/or other forms of compensation.

Disputes may arise in the future between us and our licensors regarding intellectual property subject to a license agreement, including:

- the scope of rights granted under the license agreement and other interpretation-related issues;
- whether and the extent to which our technology and processes infringe or violate intellectual property rights of the licensor that is not subject to the licensing agreement;
- our right to enlist third party vendors or contractors to manufacture or assemble components under the scope of the license agreement;
- our right to sublicense patent and other rights to third parties under collaborative development relationships;

- royalty calculations, including our obligation to disclose proprietary manufacturing information, determining products included or excluded from royalty obligations, and compliance with audit rights;

- disclosure of terms of existing license agreements to third parties based on confidentiality obligations included in the license agreements;

- mergers, acquisition, dissolutions, or other business entity transactions that can affect the ownership of intellectual property rights subject to the license agreement or obligations under the license agreement;

- our diligence obligations with respect to the use of the licensed technology in relation to our development and commercialization of our products, and what activities satisfy those diligence obligations; and

- the ownership of inventions and know-how resulting from the joint creation or use of intellectual property by our licensors and us and our partners.

Disputes regarding our current licensing arrangements may have an adverse effect on our business.

In addition to agreements pursuant to which we in-license intellectual property, we have granted in the past, and will continue to grant in the future licenses under our intellectual property. Like our in-bound licenses, our out-bound licenses are complex and disputes may arise between us and our licensees, such as the types of disputes described above. Moreover, our licensees may breach their obligations, or we may be exposed to liability due to our failure or alleged failure to satisfy our obligations. Any such occurrence could have an adverse effect on our business.

Risks Related to Government Regulation

Changes in the regulatory environment may make it more difficult and costly for us to manufacture, market or distribute our products, or to obtain approval for any future products.

Healthcare laws and regulations change frequently and may change significantly in the future. We may not be able to adapt our operations to address every new regulation, and new regulations may adversely affect our business. We cannot assure you that a review of our business by courts or regulatory authorities would not result in a determination that adversely affects our revenue and operating results, or that the healthcare regulatory environment will not change in a way that restricts our operations. In addition, there is risk that the U.S. Congress may implement changes in laws and regulations governing providers of healthcare services and products, including measures to control costs, or reductions in reimbursement levels, which may adversely affect our business and results of operations.

Government payors, such as Medicare, as well as private payors, have increased their efforts to control the cost, utilization and delivery of healthcare services and products. From time to time, the U.S. Congress has considered and implemented changes in the Medicare fee schedules in conjunction with budgetary legislation. For example, The Budget Control Act, as amended, and subsequent legislation have resulted in ongoing reductions to Medicare payments to providers and suppliers, and these reductions could continue to apply unless modified or suspended by future legislation. Any significant spending reductions affecting Medicare, Medicaid or other publicly funded or subsidized health programs that may be implemented and/or any significant taxes or fees that may be imposed on us could have an adverse impact on our results of operations.

Further reductions of reimbursement by Medicare for services or changes in policy regarding coverage of tests or other requirements for payment, such as prior authorization or a healthcare provider or qualified practitioner’s signature on test requisitions, may be implemented from time to time. Reductions in the reimbursement rates and changes in payment policies of other third-party payors may occur as well. Similar changes in the past have resulted in reduced payments as well as added costs and have added more complex regulatory and administrative requirements.

The FDA and other regulatory agencies that impact our operations may also change their policies or take other actions, including as a result of legal challenges against such agencies, which may increase the cost of compliance and prevent or delay marketing authorization of our future products under development or impact our ability to enhance products for which we have already obtained marketing authorizations on a timely basis or at all. In June 2024, the U.S. Supreme Court issued its decision in *Loper Bright Enterprises v. Raimondo* (the “Loper decision”), overturning the longstanding Chevron doctrine, under which courts were required to give deference to regulatory agencies’ reasonable interpretations of ambiguous federal statutes. The Loper decision has resulted, and may continue to result, in additional legal challenges to regulations and guidance issued by federal agencies applicable to our business, including those of the FDA, the USPTO, the FTC and other federal and foreign regulatory agencies. Any

such legal challenges or resulting changes in agency interpretations, guidance or rulemaking could materially affect our business operations and regulatory compliance obligations.

If we fail to comply with healthcare and other governmental regulations, we could face substantial penalties and our business, results of operations and financial condition could be adversely affected.

The products and services we offer are highly regulated, and there can be no assurance that the regulatory environment in which we operate will not change significantly and adversely in the future. Our business practices, distribution and billing arrangements with third-party DME providers, and other arrangements with healthcare providers, hospitals, and patients may expose us to scrutiny under broadly applicable fraud and abuse and other laws and regulations that may restrict the financial arrangements and relationships through which we market, sell and distribute our products and services. U.S. federal and state healthcare laws and regulations that may affect our ability to conduct business, include, without limitation:

- federal and state laws and regulations regarding billing and claims payment applicable to our products and regulatory agencies enforcing those laws and regulations;

- the federal Anti-Kickback Statute, which prohibits, among other things, any person from knowingly and willfully offering, soliciting, receiving or providing remuneration, directly or indirectly, in cash or in kind, in exchange for or to induce either the referral of an individual for, or the furnishing, purchase, order or recommendation of, any good or service for which payment may be made under government healthcare programs, such as the Medicare and Medicaid programs. In addition, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it to have committed a violation;

- the federal civil and criminal false claims laws and civil monetary penalties laws, including the federal False Claims Act, which prohibits, among other things, individuals or entities from knowingly presenting, or causing to be presented, false claims, or knowingly using false statements, to obtain payment from the government, healthcare programs. Moreover, the government may assert that a claim including items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the federal civil False Claims Act; the federal Civil Monetary Penalties Law, which prohibits, among other things, offering or transferring remuneration to a federal healthcare beneficiary that a person knows or should know is likely to influence the beneficiary's decision to order or receive items or services reimbursable by the government from a particular provider or supplier;

- the federal Physician Payment Sunshine Act, created under the Affordable Care Act (as defined below), and its implementing regulations, which requires manufacturers of drugs, medical devices, biologicals and medical supplies for which payment is available under Medicare, Medicaid or the Children's Health Insurance Program to report annually to CMS information related to payments or other transfers of value made to licensed physicians and teaching hospitals, as well as ownership and investment interests held by physicians and their immediate family members. Applicable manufacturers are also required to report certain payments and other transfers of value made during the previous year to physician assistants, nurse practitioners, clinical nurse specialists, anesthesiologist assistants, certified registered nurse anesthetists, anesthesiology assistants and certified nurse midwives;

- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act, and its implementing regulations, which impose certain requirements relating to the privacy, security and transmission of individually identifiable health information upon "covered entities" (health plans, healthcare clearinghouses and certain healthcare providers), and their respective business associates, individuals or entities that create, receive, maintain or transmit protected health information in connection with providing a service for or on behalf of a covered entity. HIPAA mandates the reporting of certain breaches of health information to the HHS Office of Civil Rights, affected individuals, and, if the breach is large enough, the media. Entities that are covered by HIPAA (e.g., covered entities and business associates) found to be in violation of HIPAA as the result of a breach of unsecured protected health information, a complaint about privacy practices or an audit by the HHS, may be subject to significant civil, criminal and administrative fines and penalties and/or additional reporting and oversight obligations if required to enter into a resolution agreement and corrective action plan with the HHS to settle allegations of HIPAA non-compliance. HIPAA also created criminal liability for executing a scheme to defraud any healthcare benefit program and making false statements relating to healthcare matters. Similar to the federal Anti-Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it to have committed a violation. Additionally, the FTC also has authority to initiate enforcement actions against entities for, among other things, misleading customers about HIPAA compliance, making deceptive statements about privacy and data sharing in privacy policies, failing to limit third-party use of personal health information, failing to implement policies to protect personal health information, or engaging in other unfair practices that harm customers or that may violate Section 5 of the FTC Act;

- the Federal Food, Drug and Cosmetic Act, which regulates the manufacturing, labeling, marketing and sale of medical devices and prohibits, among other things, the adulteration or misbranding of drugs, biologics and medical devices;

- U.S. federal consumer protection and unfair competition laws, which broadly regulate marketplace activities and activities that potentially harm customers;

- the federal physician self-referral prohibition, commonly known as the Stark Law; and

- state law equivalents of each of the above federal laws, such as anti-kickback and false claims laws which may apply to items or services reimbursed by any third party payor, including commercial insurers, state-mandated disclosures of payments or other transfers of value to healthcare providers or marketing expenditures, state laws related to insurance fraud in the case of claims involving private insurers, and state and foreign laws governing the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways and often are not preempted by HIPAA, thus complicating compliance efforts.

These laws and regulations, among other things, constrain our business, marketing, sales, distribution and other promotional and research activities by limiting the kinds of financial arrangements that we may have with hospitals, healthcare providers or other potential referral sources for our products, as well as our arrangements with other third parties for the purchase, sale, billing, and distribution of our products. In particular, these laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs, and other business arrangements, as well as interactions with healthcare providers through consultant arrangements, product training, sponsorships, or other activities. Efforts to ensure that our business arrangements with third parties will comply with applicable healthcare and other laws and regulations will involve substantial costs.

Because of the breadth of these laws and the narrowness of available statutory and regulatory exemptions, governmental authorities may possibly conclude that our business practices may not comply with healthcare laws and regulations. To enforce compliance with the healthcare regulatory laws, certain enforcement bodies have recently increased their scrutiny of interactions between healthcare companies and healthcare providers, which has led to a number of investigations, prosecutions, convictions and settlements in the healthcare industry. Any action brought against us for violations of these laws or regulations, even successfully defended, could cause us to incur significant legal expenses and divert our management's attention from the operation of our business. We may be subject to private "qui tam" actions brought by individual whistleblowers on behalf of the federal or state governments, with potential liability under the federal False Claims Act including mandatory treble damages and significant per-claim penalties. Additionally, as a result of these investigations and qui tam actions, we may have to agree to additional compliance and reporting requirements as part of a consent decree, deferred prosecution or corporate integrity agreement.

We have implemented a corporate compliance program designed to actively identify, prevent and mitigate risk through the implementation of compliance policies, training, auditing and monitoring. We expect to devote substantial resources to implement, maintain, administer and expand the compliance program as necessary. Our company is a member of AdvaMed and complies with the AdvaMed Code. We cannot be certain, however, that our compliance program will ensure compliance with the various complex laws and regulations to which we are subject now or in the future. The risk of our being found in violation of these or other laws and regulations is further increased by the fact that many have not been fully interpreted by the regulatory authorities or the courts, and their provisions are open to a variety of interpretations. Any action brought against us for violation of these or other laws or regulations, even if we successfully defend against it, could cause us to incur significant legal expenses and divert our management's attention from the operation of our business. If our operations are found to be in violation of any of the federal and state laws described above or any other current or future fraud and abuse or other healthcare laws and regulations that apply to us, we may be subject to penalties, including significant criminal, civil, and administrative penalties, damages, fines, imprisonment, for individuals, exclusion from participation in government healthcare programs, such as Medicare and Medicaid, or oversight if we become subject to a consent decree, deferred prosecution or corporate integrity agreement, and we could be required to curtail or cease our operations. Any of the foregoing consequences could materially adversely affect our business, financial condition, results of operations and prospects.

Our team members, consultants and commercial partners may engage without our awareness in misconduct or other improper activities, including non-compliance with regulatory standards and requirements despite any policies we may have in place to prevent such misconduct, and we may be found liable for their actions.

Our products and operations are subject to extensive government regulation and oversight. If we fail to obtain and maintain necessary regulatory clearances or approvals for our products, or if clearances or approvals for future products and indications are delayed or not issued, or if we fail to comply with post-marketing regulatory requirements, our commercial operations would be harmed.

Our products are subject to extensive regulation by the FDA. Government regulations specific to medical devices are wide ranging and govern, among other things:

- product design, development and manufacture;
- laboratory, pre-clinical and clinical testing, labeling, packaging, storage and distribution;
- premarketing clearance and approval;
- record keeping;
- establishment registration and device listing;
- product marketing, promotion, advertising, sales and distribution; and
- post-marketing surveillance, including reporting of deaths or serious injuries, recalls, corrections and removals.

Before a new medical device or service, or a new intended use for an existing product or service, can be marketed in the United States, a company must first submit and receive either 510(k) clearance or premarketing approval from the FDA, unless an exemption applies. Either process can be expensive, lengthy and unpredictable. The FDA's 510(k) clearance process usually takes from three to 12 months, but can last longer. The process of obtaining a PMA is much more costly and uncertain than the 510(k) clearance process and generally takes from one to three years, or even longer, from the time the application is submitted to the FDA. In addition, a PMA generally requires the performance of one or more clinical trials. We may not be able to obtain the necessary clearances or approvals or may be unduly delayed in doing so, which could harm our business. Furthermore, even if we are granted regulatory clearances or approvals, they may include significant limitations on the indicated uses for the product, which may limit the market for the product.

The FDA can delay, limit or deny clearance or approval of a device for many reasons, including:

- our inability to demonstrate to the satisfaction of the FDA or the applicable regulatory entity or notified body that our products are safe or effective for their intended uses;
- the disagreement of the FDA or the applicable foreign regulatory body with the design or implementation of clinical trials or the interpretation of data from pre-clinical studies or clinical trials of our products;
- serious and unexpected adverse device effects experienced by participants in clinical trials of our products;
- the data from pre-clinical studies and clinical trials of our products may be insufficient to support clearance or approval, where required;
- our inability to demonstrate that the clinical and other benefits of the device outweigh the risks;
- the manufacturing process or facilities we use may not meet applicable requirements; and
- the potential for approval policies or regulations of the FDA or applicable foreign regulatory bodies to change significantly, including as a result of changes in administration, in a manner resulting in delays in the approval process or rendering our performance testing and clinical data or regulatory filings insufficient for clearance or approval.

Although we have obtained FDA approval to market our ASSURE WCD, we are subject to ongoing and pervasive post-marketing regulatory requirements governing, among other things, the manufacture, marketing, advertising, medical device reporting, sale, promotion, registration, and listing of devices. For example, we are required to file various reports with the FDA, including reports required by the medical device reporting regulations that require that we report to the regulatory authorities if our products may have caused or contributed to a death or serious injury or malfunctioned in a way that would likely cause or contribute to a death

or serious injury if the malfunction were to recur. If these reports are not filed in a timely manner, regulators may impose sanctions and we may be subject to product liability or regulatory enforcement actions, all of which could harm our business. In addition, our PMA for our ASSURE WCD was subject to several conditions of approval, including labeling, useful life restrictions, the commencement of a post-approval registry and post-market study requirements. Though we believe we have complied with these conditions to date, any failure to comply with the conditions of approval could result in the withdrawal of our PMA and the inability to continue to market our ASSURE WCD.

If we initiate a correction or removal for any of our products to reduce a risk to health posed by any such products, we would be required to submit a publicly available Correction and Removal report to the FDA and, in many cases, similar reports to other regulatory agencies. This report could be classified by the FDA as a device recall which could lead to increased scrutiny by the FDA and our customers regarding the quality and safety of our products. Furthermore, the submission of these reports could be used by competitors against us and cause healthcare providers to delay or cancel prescriptions, which could harm our reputation.

The FDA and the FTC also regulate the advertising and promotion of our products and services to ensure that the claims we make are consistent with our regulatory approvals and clearances, that there is adequate and reasonable data to substantiate the claims and that our promotional labeling and advertising is neither false nor misleading. If the FDA or FTC determines that any of our advertising or promotional claims are misleading, not substantiated or not permissible, we may be subject to enforcement actions, including warning letters, and we may be required to revise our promotional claims and make other corrections or restitutions.

The FDA and state authorities have broad enforcement powers. Our failure to comply with applicable regulatory requirements could result in enforcement action by the FDA or state agencies, which may include any of the following sanctions:

- adverse publicity, untitled letters, warning letters, fines, injunctions, consent decrees and civil penalties;
- repair, replacement, refunds, recall or seizure of our products;
- operating restrictions, partial suspension or total shutdown of production;
- delays or denial of our requests for 510(k) clearance or premarket approval of new products or services, new intended uses or modifications to existing products or services;
- withdrawal of 510(k) clearance or premarket approvals that have already been granted; and
- criminal prosecution.

If any of these events were to occur, our business, financial condition, results of operations and prospects could be materially adversely affected.

Material modifications to our ASSURE WCD or any future products may require new PMAs, 510(k) clearances, CE Marks or other premarket approvals or may require us to recall or cease marketing our products and services until clearances are obtained.

Material modifications to the intended use or technological characteristics of our products will require new PMA or 510(k) clearances or CE Mark grants or require us to recall or cease marketing the modified devices until these clearances or approvals are obtained. Based on FDA published guidelines, the FDA requires device manufacturers to initially make and document a determination of whether or not a modification requires a new approval, supplement or clearance; however, the FDA can review a manufacturer's decision. Any modification to an FDA cleared device or service that would significantly affect its safety or efficacy or that would constitute a major change in its intended use would require a new PMA or 510(k) clearance. We may not be able to obtain additional PMA or 510(k) clearances for new products or for modifications to, or additional indications for, our products in a timely fashion, or at all. Delays in obtaining future clearances would adversely affect our ability to introduce new or enhanced products in a timely manner, which in turn would have an adverse effect on our business, financial condition, results of operations and prospects. For device modifications that we conclude do not require a new regulatory clearance or approval, we may be required to recall and to stop marketing the modified devices if the government agency disagrees with our conclusion and requires new clearances or approvals for the modifications. This could have an adverse effect on our business, financial condition, results of operations and prospects.

If we or our suppliers fail to comply with the federal, state and international regulations, our operations could be delayed or shut down and our revenue could suffer.

The manufacturing processes of our third-party suppliers are required to comply with the FDA's QSR, which covers procedures and documentation of the design, testing, production, control, quality assurance, labeling, packaging, storage and shipping

of our products. We are also subject to similar state requirements and licenses, and to ongoing ISO 13485 and ISO 14971 compliance in all operations, including design and service. In addition, we must engage in extensive recordkeeping and reporting and must make available our facilities and records for periodic unannounced inspections by governmental agencies, including the FDA and state authorities. If we or our third-party suppliers fail a regulatory inspection, our operations could be disrupted and manufacturing interrupted. Failure to take adequate corrective action in response to an adverse regulatory inspection could result in, among other things, a shutdown of our third-party suppliers' manufacturing operations, our product distribution operations, significant fines, suspension of marketing clearances and approvals, seizures or recalls of our device, operating restrictions and criminal prosecutions, any of which would cause our business to suffer. Furthermore, our key component suppliers may not currently be or may not continue to be in compliance with applicable regulatory requirements, which may result in manufacturing delays for our products and cause our revenue to decline.

The FDA has broad post-market and regulatory enforcement powers. We and our third-party suppliers are subject to unannounced inspections by the FDA to determine our compliance with the QSR and other regulations at both our design and third-party manufacturing facilities, and these inspections may include the manufacturing facilities of our suppliers. We can provide no assurance that we will continue to remain in compliance with the QSR. If the FDA inspect any of our facilities or our third-party suppliers' facilities and discover compliance problems, we may have to cease manufacturing and product distribution until we can take the appropriate remedial steps to correct the audit findings. Taking corrective action may be expensive, time consuming and a distraction for management, which may have an adverse impact on our ability to continue with our research and development projects and implement our business growth plans.

If our products cause or contribute to a death or serious injury, or malfunction in a way that would likely cause or contribute to a death or serious injury, we will be subject to medical device reporting regulations and other applicable laws, and may need to initiate voluntary or mandatory corrective actions, such as the recall of our healthcare products.

Under the FDA's medical device reporting regulations, we are required to report to the FDA when we receive or become aware of information that reasonably suggests that one or more of our products may have caused or contributed to a death or serious injury or in which a product of ours malfunctioned and, if the malfunction were to recur, would be likely to cause or contribute to death or serious injury. Other countries we may market our products to in the future will similarly have regulatory agencies requiring us to report any incident in which our products cause or contribute to a death or serious injury, or malfunction in a way that would likely cause or contribute to a death or serious injury. The timing of our obligation to report is triggered by the date we become aware of the adverse event as well as the nature of the event. We may fail to report adverse events of which we become aware within the prescribed timeframe. We may also fail to recognize that we have become aware of a reportable adverse event, especially if it is not reported to us as an adverse event or if it is an adverse event that is unexpected or removed in time from the use of the product. If we fail to comply with our reporting obligations, including when the FDA may disagree with our determination that an event was not reportable, the FDA or other governmental authorities could take action, including warning letters, untitled letters, administrative actions, criminal prosecution, imposition of civil monetary penalties, revocation of our device clearance, seizure of our products or delay in clearance of future products.

The FDA and similar foreign regulatory authorities have the authority to require the recall of our products in the event of material deficiencies or defects in, for example, design, labeling or manufacture. The FDA must find that there is a reasonable probability that the device would cause serious adverse health consequences or death in order to require a recall. The standard for recalling deficient products may be different in foreign jurisdictions. Manufacturers may, under their own initiative, recall a product if any material deficiency is found in a device or they become aware of a safety issue involving a marketed product. A government-mandated or voluntary recall by us could occur as a result of component failures, manufacturing errors, design or labeling defects or other deficiencies and issues. Any correction or removal initiated by us to reduce a health risk posed by our device, or to remedy a violation of the Federal Food, Drug, and Cosmetic Act or other regulations caused by our product that may present a risk to health, must be reported to the FDA. If the FDA subsequently determines that a report was required for a correction or removal of our products that we did not believe required a report, we could be subject to enforcement actions.

Any recalls or corrections of our products or enforcement actions would divert managerial and financial resources and could have an adverse effect on our financial condition and results of operations. Depending on the corrective action we take to redress a product's deficiencies or defects, the FDA may require, or we may decide, that we will need to obtain new clearances or approvals for the device before we may market or distribute the corrected device. Seeking such clearances or approvals may delay our ability to replace the recalled devices in a timely manner. Moreover, if we do not adequately address problems associated with our devices, we may face additional regulatory enforcement action, including FDA warning letters, product seizure, injunctions, administrative penalties or civil or criminal fines. In addition, given our dependence upon healthcare provider and consumer perceptions, any negative publicity associated with any recalls could materially and adversely affect our business, financial condition, results of operations and prospects.

We may also be required to maintain certain records of recalls and corrections, even if they are not reportable to the FDA. We may initiate voluntary withdrawals or corrections for our products in the future that we determine do not require notification of the FDA. If the FDA disagrees with our determinations, it could require us to report those actions as recalls and we may be subject to enforcement action. A future recall announcement could harm our reputation with customers, potentially lead to product liability claims against us, and negatively affect our revenues, in addition to the FDA enforcement actions. Any corrective action, voluntary or involuntary, as well as defending ourselves in a lawsuit, will require the dedication of our time and capital, attention of our management, and may harm our reputation, business, financial condition, results of operations and prospects.

If we do not obtain international regulatory registrations, clearances, certifications or approvals for our products, we will be unable to market and offer our products outside of the United States.

Any future distribution of our products outside of the United States is subject to foreign regulatory requirements that we have limited experience with and that may vary widely from country to country. We have not received any regulatory approvals to commercialize our products outside of the U.S. and have not submitted any applications to obtain such regulatory approvals. However, we are planning to pursue CE Mark approval in Europe in the future and intend to strategically commercialize in selected international markets. We anticipate Western Europe to be our initial focus and our goal is to obtain regulatory approvals to begin distributing our ASSURE WCD in certain markets in Western Europe. There is no assurance of when we will successfully obtain the CE Mark, if at all. In addition, regulatory requirements for medical devices in the United Kingdom and the European Union have diverged following the United Kingdom's exit from the European Union, which may require additional time and resources to obtain and maintain relevant approvals. We may incur significant costs in our efforts to obtain foreign regulatory approvals and there is no assurance that we will generate sufficient revenues to offset such costs. In addition, the FDA regulates exports of medical devices from the United States. While the regulations of some countries may not impose barriers to marketing and selling our products or only require notification, others require that we obtain the clearance, certification or approval of a specified regulatory body. Moreover, clinical studies or manufacturing processes conducted in one country may not be accepted by regulatory authorities in other countries. Complying with foreign regulatory requirements, including obtaining registrations, clearances, certifications or approvals, can be expensive and time-consuming, and we may not receive regulatory clearances, certifications or approvals in each country in which we plan to market our products or we may be unable to do so on a timely basis. The time required to obtain registrations, clearances, certifications or approvals, if required by other countries, may be longer than that required for FDA clearance or approval, and requirements for such registrations, clearances, certifications or approvals may significantly differ from FDA requirements. If we modify our products, we may need to apply for regulatory clearances or approvals before we are permitted to sell the modified product.

Regulatory clearance or approval by the FDA does not ensure registration, clearance, certification or approval by regulatory authorities in other countries, and registration, clearance, certification or approval by one or more foreign regulatory authorities does not ensure registration, clearance, certification or approval by regulatory authorities in other foreign countries or by the FDA. However, a failure or delay in obtaining registration or regulatory clearance, certification or approval in one country may have a negative effect on the regulatory process in others.

Healthcare reform measures could hinder or prevent the commercialization of our products and our ability to achieve profitability.

There have been, and we expect there will continue to be, a number of legislative and regulatory changes to the healthcare system that could harm our future revenue and profitability. Federal and state lawmakers regularly propose and, at times, enact legislation that would result in significant changes to the healthcare system, some of which are intended to contain or reduce the costs of medical products and services. For example, the Affordable Care Act contains a number of provisions, including those governing enrollment in government healthcare programs, reimbursement changes and fraud and abuse measures, all of which will impact existing government healthcare programs and will result in the development of new programs.

The Affordable Care Act and related healthcare reform measures have been subject to legislative, regulatory and judicial challenges, and there continue to be ongoing efforts to modify or repeal all or certain provisions of the Affordable Care Act. The nature and scope of healthcare reform under the current presidential administration remains uncertain.

There likely will continue to be legislative and regulatory proposals at the federal and state levels directed at containing or lowering the cost of healthcare. Changes in the priorities of presidential administrations, Congress, CMS, HHS, the FDA and other governmental authorities may result in changes to the healthcare and regulatory landscape. Congress and other government authorities have and may in the future consider reductions in healthcare spending or other cost-containment measures affecting government healthcare programs. We cannot predict the initiatives that may be adopted in the future or their full impact. The continuing efforts of the government, insurance companies, managed care organizations and other payors of healthcare services to contain or reduce costs of healthcare may harm:

- our ability to set a price that we believe is fair for our products;

- our ability to generate revenue and achieve or maintain profitability; and
- the availability of capital.

In addition, FDA regulations and guidance are often revised or reinterpreted by the FDA in ways that may significantly affect our business and our products. Any new statutes, regulations or revisions or reinterpretations of existing regulations may make it more difficult and costly to manufacture, market, or distribute our commercialized products, or may impose additional costs, lengthen regulatory application and approval review times, or make it more difficult to obtain marketing authorizations for any future products we develop. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may be subject to enforcement action and we may not achieve or sustain profitability.

If we fail to maintain required licenses, certifications, or accreditation, or if we do not fully comply with requirements to provide notice to or obtain approval from regulatory authorities due to changes in our ownership structure or operation, it could adversely impact our operations.

We are required to maintain state and/or federal licenses and certifications for our operations and facilities. As our business evolves and expands geographically and operationally, we are periodically subject to new, revised or additional licensing, certification and enrollment requirements. We are subject to periodic inspection by governmental and other authorities to assure continued compliance with the various standards necessary for licensing and certifications, some of which are complex and may be unclear or subject to varying interpretation.

Accurate licensure is also a critical threshold issue for Medicare enrollment as a DMEPOS Supplier, which is required in order to bill Medicare for products provided to Medicare beneficiaries. In addition, many private payors and Medicaid agencies require DMEPOS suppliers to maintain Medicare enrollment, and we are required to comply with the Medicare DMEPOS Supplier Standard in order to maintain such Medicare enrollment. Although we have implemented compliance controls, monitoring processes and personnel dedicated to maintaining required licenses, our failure to obtain and maintain appropriate licensure or certification for our operations, facilities, and healthcare providers could result in interruptions in our operations and our ability to service patients, refunds to state and/or federal payors, and the imposition of sanctions or fines, which could have an adverse and material impact on our business, financial condition, results of operations and prospects.

Accreditation is required by most commercial payors and is a mandatory requirement for all Medicare DMEPOS suppliers. We maintain DME accreditation and Medicare DMEPOS supplier enrollment, each of which is subject to ongoing compliance obligations, periodic review, renewal and potential reinspection. If we fail to maintain our accreditation or Medicare P-TAN number, or lose our accreditation or Medicare P-TAN number, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

The requirements for licensure and certification may include notification or approval in the event of a transfer or change of ownership or certain other changes. Government healthcare programs or commercial payors with which we intend to enter into contracts may have similar requirements and some of those processes may be complex. Failure to provide required notifications or obtain the requisite approvals could result in the delay or inability to complete an acquisition or transfer, loss of licensure, lapses in reimbursement or other penalties. While we make reasonable efforts to substantially comply with these requirements, if we are found to have failed to comply in some material respect, it could have an adverse or material impact on our business and our financial condition.

Compliance with environmental laws and regulations could be expensive, and failure to comply with these laws and regulations could subject us to significant liability.

Our research and development operations involve the use of hazardous substances and are subject to a variety of federal, state, local and foreign environmental laws and regulations relating to the storage, use, discharge, disposal, remediation of, and human exposure to, hazardous substances and the sale, labeling, collection, recycling, treatment and disposal of products containing hazardous substances. Liability under environmental laws and regulations can be joint and several and without regard to fault or negligence. Compliance with environmental laws and regulations may be expensive and noncompliance could result in substantial liabilities, fines and penalties, personal injury and third-party property damage claims and substantial investigation and remediation costs. Environmental laws and regulations could become more stringent over time, imposing greater compliance costs and increasing risks and penalties associated with violations. We cannot assure you that violations of these laws and regulations will not occur in the future as a result of human error, accidents, equipment failure or other causes. The expense associated with environmental regulation and remediation could materially adversely affect our business, financial condition, results of operations and prospects.

Our products contain 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 sell our products, affect our ability to protect our proprietary information and subject us to possible litigation.

Our products contain software tools licensed by third parties under open source software licenses. If an open source software component that is important in our products becomes unavailable, unsupported, subject to unfavorable licensing changes, or otherwise infeasible for our use, we may be required to replace such component with alternative software. Identifying, validating and implementing a replacement could be costly and divert management and engineering resources.

Use and distribution of open source software may entail greater risks than use of third-party commercial software, as open source software licenses generally do not provide warranties or other contractual protections regarding infringement claims or the quality of the code and have not been interpreted by United States courts. We may be subject to suits by third parties claiming ownership of what we believe to be open source software, or claiming non-compliance with the applicable open source licensing terms. If we are held to have breached the terms of an open source software license, we could be required to seek licenses from third parties to continue offering our solutions on terms that are not economically feasible, to re-engineer our products, services or technology, to discontinue the sale of our products, services or technology if re-engineering could not be accomplished on a timely basis, to pay statutory or other damages to the license holder or to make generally available, in source code form, our proprietary code, any of which could materially adversely affect our business, financial condition, results of operations and prospects. Use of open source software may also present additional security risks because the public availability of such software may make it easier for hackers and other third parties to compromise or attempt to compromise our technology platform and systems.

We are subject to increasingly stringent, complex, and rapidly evolving laws, regulations, rules, and standards relating to data privacy and security, and our failure to comply with such laws, regulations, rules and standards could adversely affect our ability to market our products, as well as our overall business and prospects.

The regulatory landscape for medical device cybersecurity is rapidly evolving. For example, in February 2026, the FDA issued updated guidance, "Cybersecurity in Medical Devices: Quality Management System Considerations and Content of Premarket Submissions," which sets stricter requirements for device design, labeling, and documentation. Failure to align our platform, products, and features with the latest FDA cybersecurity standards, including requirements for a robust Software Bill of Materials (SBOM) and coordinated vulnerability disclosure (CVD) programs, could result in delays in regulatory clearances, enforcement actions, or a loss of competitive advantage.

The interpretation and application of data protection laws, rules and regulations in the United States and elsewhere are often uncertain, contradictory and in flux, with new laws passing or entering into force on a regular basis. It is possible that these laws, rules and regulations may be interpreted and applied in a manner that is inconsistent with our practices or those of our distributors and partners. If we or these third parties are found to have violated such laws, rules or regulations, it could result in government-imposed fines, orders requiring that we or these third parties change our or their practices, or criminal charges, which could adversely affect our business. Complying with these various laws could cause us to incur substantial costs or require us to change our business practices, systems and compliance procedures in a manner adverse to our business. In addition, certain of these laws, such as the CCPA, may provide for a private right of action with respect to certain data breaches. This private right of action may increase the likelihood of, or the risks arising from, data breach litigation.

Numerous federal and state laws, including state security breach notification laws, state health information privacy laws and federal and state consumer protection laws, as well as HIPAA, govern the collection, use and disclosure of personal information. For example, the California Consumer Privacy Act of 2018, as amended ("CCPA"), as amended by the California Privacy Rights Act ("CPRA"), imposes obligations relating to the collection, processing and sharing of personal information and provides for civil penalties and a private right of action in certain circumstances. In addition, the My Health My Data Act of 2023 protects personal health data that falls outside the ambit of HIPAA. Several states have enacted similar types of privacy laws and there are similar legislative proposals being advanced in other states, as well as in Congress. Our business is also subject to the PIPA, and other international privacy and data protection laws, such as the General Data Protection Regulation, will also apply to our operations as we expand internationally. Failure to provide adequate privacy protections and maintain compliance with applicable privacy laws could result in significant penalties.

Risks Related to Ownership of Our Common Shares

Bain Capital has significant influence over us, and its interests may conflict with ours or yours.

Bain Capital beneficially owns approximately 43% of our common shares and controls approximately 43% of the voting power represented by our outstanding common shares, as of April 30, 2026. This means that, based on its percentage voting power,

Bain Capital is currently our largest shareholder and has significant influence over the vote of all matters submitted to a vote of our shareholders, including the election of the members of our Board of Directors and other corporate decisions. For so long as Bain Capital continues to own a significant percentage of our shares, Bain Capital will be able to significantly influence actions relating to the composition of our Board of Directors, new issuances of equity, including to our employees under equity incentive plans, amendments of our organizational documents and approval of any merger, amalgamation, sale of assets or other major corporate transaction. Accordingly, for such period of time, Bain Capital will have substantial influence with respect to our management, business plans and policies. In particular, for so long as Bain Capital continues to own a significant percentage of our shares, Bain Capital will be able to cause or prevent a change of control of us or a change in the composition of our Board of Directors and could preclude any unsolicited acquisition of us. The concentration of ownership could deprive you of an opportunity to receive a premium for your common shares as part of a sale of us and ultimately might affect the market price of our common shares.

Bain Capital and its affiliates engage in a broad spectrum of activities, including investments in the healthcare industry generally. In the ordinary course of its business activities Bain Capital and its affiliates may engage in activities where their respective interests conflict with our interests or those of our other shareholders, such as investing in or advising businesses that directly or indirectly compete with certain portions of our business or are suppliers or customers of ours. Bain Capital also may pursue acquisition opportunities that may be complementary to our business, and, as a result, those acquisition opportunities may not be available to us. In addition, Bain Capital may have an interest in pursuing acquisitions, divestitures and other transactions that, in its judgment, could enhance its investment, even though such transactions might involve risks to you.

Our amended and restated bye-laws provide that the Company will renounce to the fullest extent permitted by applicable law any interest or expectancy in, or in being offered an opportunity to participate in, any business opportunity that may from time to time be presented to Bain Charger Holdings, L.P. ("Bain Charger") and its affiliates, and that may be a business opportunity for such parties, even if the opportunity is one that the Company might reasonably have pursued or had the ability or desire to pursue if granted the opportunity to do so. In addition, to the fullest extent permitted by applicable law, Bain Charger and its affiliates will not be liable to the Company for breach of any fiduciary or other duty by reason of the fact that Bain Charger pursues or acquires any such business opportunity, directs any such business opportunity to another person or fails to present any such business opportunity, or information regarding any such business opportunity, to us. Bain Charger and its affiliates do not have any duty to refrain from engaging directly or indirectly in the same or similar business activities or lines of business as the Company or any of its subsidiaries.

We are an emerging growth company and a smaller reporting company, and our compliance with the reduced reporting and disclosure requirements applicable to emerging growth companies and smaller reporting companies could make our common shares less attractive to investors.

We are an "emerging growth company," as defined in the JOBS Act, and may remain an emerging growth company for up to five years from the date of our initial public offering ("IPO"). For as long as we are an emerging growth company, we will not be required to comply with certain requirements that are applicable to other public companies that are not emerging growth companies, including the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, and may also take advantage of the reduced disclosure obligations regarding executive compensation in our periodic reports, proxy statements and registration statements and the exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and obtaining shareholder approval of any golden parachute payments not previously approved. As a result, we take, and intend to continue to take, advantage of exemptions from various reporting requirements that would otherwise be applicable to public companies including, but not limited to, 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.

In addition, under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards issued subsequent to the enactment of the JOBS Act until such time as those standards apply to private companies. We have elected to avail ourselves of the provision of the JOBS Act that permits emerging growth companies to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies. As a result, we will not be subject to new or revised accounting standards at the same time as other public companies that are not emerging growth companies. As a result of these elections, our financial statements may not be comparable to those of public companies that comply with such new or revised accounting standards.

We are also a "smaller reporting company," as such term is defined in Rule 12b-2 under the Exchange Act. We may continue to be a smaller reporting company for so long as either (1) the market value of our common shares held by non-affiliates is less than $250.0 million as of the last business day of our most recently completed second fiscal quarter or (2) our annual revenue was less than $100.0 million during the most recently completed fiscal year and the market value of our common shares held by non-affiliates is less than $700.0 million as of the last business day of our most recently completed second quarter. Any loss of our status as a smaller reporting company takes effect in the first quarter after the fiscal year in which we cease to qualify as a smaller reporting company. To the extent that we continue to qualify as a smaller reporting company at the time we cease to qualify as an emerging growth company,

we will continue to be permitted to make certain reduced disclosures in our periodic reports and other documents that we file with the SEC.

Investors may find our common shares less attractive because we may rely on these exemptions. If some investors find our common shares less attractive as a result, there may be a less active trading market for our common shares and the market price of our common shares may be adversely affected and more volatile.

Our share price may be volatile, and its market price may decline disproportionately in response to developments that are unrelated to our operating performance.

The market price of our common shares may be highly volatile and may fluctuate or decline substantially as a result of a variety of factors. In addition, securities markets worldwide have experienced, and are likely to continue to experience, significant price and volume fluctuations. This market volatility, as well as general economic, market or political conditions, could subject the market price of our shares to wide price fluctuations regardless of our operating performance. The public trading price for our common shares may be affected by a number of factors, including:

- changes in analysts' estimates, investors' perceptions, recommendations by securities analysts or our failure to achieve analysts' estimates;
- quarterly variations in our or our competitors' results of operations;
- periodic fluctuations in our revenue;
- the financial projections we may provide to the public, any changes in these projections or our failure to meet these projections;
- general market conditions and other factors unrelated to our operating performance or the operating performance of our competitors;
- changes in reimbursement by potential payors;
- changes in operating performance and stock market valuations of other technology companies generally, or those in the medical device industry in particular;
- actual or anticipated changes in regulatory oversight of our products;
- the results of our clinical trials;
- the loss of key personnel, including changes in our Board of Directors and management;
- legislation or regulation of our market;
- lawsuits threatened or filed against us;
- the announcement of new products or product enhancements by us or our competitors;
- announced or completed acquisitions of businesses or technologies by us or our competitors;
- announcements related to patents issued to us or our competitors and related litigation;
- general economic conditions and trends;
- effects of any public health crises; and
- developments in our industry.

These and other factors, many of which are beyond our control, may cause our results of operations and the market price and demand for our shares to fluctuate substantially. In addition, the share prices of many companies in the medical device industry have

experienced wide fluctuations that have often been unrelated to the operating performance of those companies. While we believe that results of operations for any particular quarter are not necessarily a meaningful indication of future results, fluctuations in our quarterly results of operations could limit or prevent investors from readily selling their shares and may otherwise negatively affect the market price and liquidity of our shares. In addition, in the past, when the market price of a stock has been volatile, holders of that stock have sometimes instituted securities class action litigation against the company that issued the stock. If any of our shareholders brought a lawsuit against us, we could incur substantial costs defending the lawsuit. Such a lawsuit could also divert the time and attention of our management from our business, which could significantly harm our profitability and reputation.

A sale of a substantial number of shares of our common shares may cause the price of our common shares to decline.

As of April 30, 2026, approximately 39.3 million of our common shares are held by our directors, executive officers and other affiliates, approximately 25.2 million shares of which are held by Bain Capital. If Bain Capital or our other affiliates sell, or indicate an intention to sell, a substantial number of our common shares in the public market, the trading price of our common shares could decline. The holders of a substantial number of shares of our outstanding common shares, have rights, subject to some conditions, to require us to file registration statements covering their shares or to include their shares in registration statements that we may file for ourselves or our shareholders. We also have registered the sale of common shares that we may issue under our equity incentive plans. These shares are eligible to be freely tradeable in the public market to the extent permitted by the provisions of various vesting agreements, any lock-up agreements then in effect and Rules 144 and 701 under the Securities Act. If these additional shares are sold, or if it is perceived that they will be sold, in the public market, the trading price of our common shares could decline.

We are a Bermuda company, and it may be difficult for you to enforce judgments against us or our directors and executive officers.

We are a Bermuda exempted company limited by shares. As a result, the rights of our shareholders are governed by Bermuda law, our memorandum of association and the amended and restated bye-laws. The rights of shareholders under Bermuda law may differ from the rights of shareholders of companies incorporated in another jurisdiction. It may be difficult for investors to effect service of process on concerned persons not resident in the United States or to enforce in the U.S. judgments obtained in U.S. courts against us based on the civil liability provisions of the U.S. securities laws. It is doubtful whether courts in Bermuda will enforce judgments obtained in other jurisdictions, including the United States, against us or our directors or officers under the securities laws of those jurisdictions or entertain actions in Bermuda against us or our directors or officers under the securities laws of other jurisdictions.

Bermuda law differs from the laws in effect in the United States and may afford less protection to our shareholders.

We are incorporated under the laws of Bermuda. As a result, our corporate affairs are governed by the Bermuda Companies Act 1981, as amended (the "Companies Act"), which differs in some material respects from laws typically applicable to U.S. corporations and shareholders, including the provisions relating to interested directors, amalgamations, mergers and acquisitions, takeovers, shareholder lawsuits and indemnification of directors. Generally, the duties of directors and officers of a Bermuda company are owed to the company only. Shareholders of Bermuda companies typically do not have rights to take action against directors or officers of the company and may only do so in limited circumstances. Shareholder class actions are not available under Bermuda law in the same way they are under the laws of the United States. The circumstances in which shareholder derivative actions may be available under Bermuda law are substantially more proscribed and less clear than they would be to shareholders of U.S. corporations. The Bermuda courts, however, would ordinarily be expected to permit a shareholder to commence an action in the name of a company to remedy a wrong to the company where the act complained of is alleged to be ultra vires or illegal, or would result in the violation of the company's memorandum of association or bye-laws. Furthermore, consideration would be given by a Bermuda court to acts that are alleged to constitute a fraud against the minority shareholders or, for instance, where an act requires the approval of a greater percentage of the company's shareholders than those who actually approved it.

When the affairs of a company are being conducted in a manner that is oppressive or prejudicial to the interests of some shareholders, one or more shareholders may apply to the Supreme Court of Bermuda, which may make such order as it sees fit, including an order regulating the conduct of the company's affairs in the future or ordering the purchase of the shares of any shareholders by other shareholders or by the company. Additionally, under our amended and restated bye-laws and as permitted by Bermuda law, each shareholder will waive any claim or right of action against our directors or officers for any action taken by directors or officers in the performance of their duties, except for actions involving fraud or dishonesty or any claims of violations of the Securities Act or the Exchange Act. In addition, the rights of our shareholders and the fiduciary responsibilities of our directors under Bermuda law are not as clearly established as under statutes or judicial precedent in existence in jurisdictions in the United States, particularly the State of Delaware. Therefore, our shareholders may have more difficulty protecting their interests than would shareholders of a corporation incorporated in a jurisdiction within the United States.

There are regulatory limitations on the ownership and transfer of our common shares.

Common shares may be offered or sold in Bermuda only in compliance with the provisions of the Companies Act and the Bermuda Investment Business Act 2003 as amended, which regulates the sale of securities in Bermuda. In addition, the Bermuda Monetary Authority must approve all issues and transfers of shares of a Bermuda exempted company. However, under the Exchange Control Act 1972 and related regulations, the Bermuda Monetary Authority permits the issue and free transfer of our common shares to and among persons who are non-residents of Bermuda for exchange control purposes as long as the shares are listed on an appointed stock exchange, including the Nasdaq Global Select Market, where we are listed. The general permission is conditioned on our continued listing on the Nasdaq Global Select Market or another appointed stock exchange.

We have anti-takeover provisions in our amended and restated bye-laws that may discourage a change of control, even if an acquisition would be beneficial to our shareholders, and may prevent attempts by our shareholders to replace or remove our current management.

Our amended and restated bye-laws contain provisions that could make it more difficult for a third party to acquire us without the consent of our Board of Directors. These provisions provide for:

- a classified Board of Directors with staggered three-year terms until the seventh annual general meeting of shareholders;
- directors only to be removed for cause and only with a resolution passed by holders of at least 66 2/3% of all issued shares entitled to vote, from and after the date that Bain Charger and its affiliates cease to beneficially own at least 50% of the issued common shares of our company (the "Trigger Event");
- from and after the Trigger Event, our amended and restated bye-laws and memorandum of association require the approval of our Board of Directors and a resolution passed by holders of at least 66 2/3% of all issued shares entitled to vote;
- from and after the Trigger Event, only permit shareholder action by written consent when it is unanimously approved by our shareholders;
- restrictions on the time period in which directors may be nominated;
- limitations on our shareholders' ability to call special general meetings; and
- the ability of our Board of Directors to determine the powers, preferences and rights of preference shares and to cause us to issue the preference shares without shareholder approval.

In addition, although the Companies Act does not contain specific provisions regarding "business combinations" between companies organized under the laws of Bermuda and "interested shareholders," these provisions are included in our amended and restated bye-laws. Specifically, our amended and restated bye-laws contain provisions which prohibit us, subject to certain exceptions, from engaging in business combinations and other specified transactions with persons (excluding Bain Charger and its affiliates) for a period of three years after the time of the transaction in which the person acquired 15% or more of our issued voting shares.

These anti-takeover defenses could discourage, delay or prevent a transaction involving a change of control of our company and may prevent our shareholders from receiving the benefit from any premium to the market price of our common shares offered by a bidder in a takeover context. Even in the absence of a takeover attempt, the existence of these provisions may adversely affect the prevailing market price of our common shares if the provisions are viewed as discouraging takeover attempts in the future. These provisions could also discourage proxy contests, make it more difficult for our shareholders to elect directors of their choosing and cause us to take corporate actions other than those our shareholders desire.

Our amended and restated bye-laws provide that the Supreme Court of Bermuda or the federal district courts of the United States are the exclusive forum for certain types of lawsuits and this may have the effect of discouraging lawsuits against our directors and officers.

Our amended and restated bye-laws provide that, unless we, in writing, select or consent to the selection of an alternate forum, the Supreme Court of Bermuda shall be the exclusive forum for any dispute that arises under the Companies Act or out of or in connection with our amended and restated bye-laws, including any question regarding the existence, validity, application, enforceability or scope of any bye-law and/or whether there has been any breach of the Companies Act or our amended and restated bye-laws or any breach of a duty (including any fiduciary duty) by, or other wrongdoing by, a current or former officer, director, employee, agent or shareholder of the Company to the Company or its shareholders (whether or not such a claim is brought in the

name of a shareholder or in the name of the Company). Further, unless we select or consent to the selection of an alternative forum, to the fullest extent permitted by applicable law, the federal district courts of the United States shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act against the Company or any director, officer, employee or agent of the Company. Notwithstanding the foregoing, these provisions in our amended and restated bye-laws do not apply to suits brought to enforce any liability or duty created by the Exchange Act.

Any person or entity purchasing or otherwise acquiring or holding any interest in our common shares shall be deemed to have notice of and to have consented to the forum selection provisions described in our amended and restated bye-laws. These exclusive forum provisions may limit a shareholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or any of our directors, officers, or shareholders, which may discourage lawsuits with respect to such claims. Our shareholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder as a result of our exclusive forum provisions. Further, in the event a court finds the exclusive forum provisions contained in our amended and restated bye-laws to be unenforceable or inapplicable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, operating results and financial condition.

We have historically not paid cash dividends and do not expect to pay cash dividends in the foreseeable future, and, as a result, any return on investment may be limited to the value of our shares.

We have historically not paid cash dividends and do not anticipate paying cash dividends in the foreseeable future. The payment of cash dividends will depend on our earnings, capital requirements, financial condition, prospects and other factors our Board of Directors may deem relevant. Our Term Loan limits our ability to, among other things, pay dividends or make other distributions or payments on account of our common shares, in each case, subject to certain exceptions. In addition, pursuant to Bermuda law, we cannot declare or pay dividends, or make distributions out of our contributed surplus, if there are reasonable grounds for believing that (1) our Company is, or would after the payment be, unable to pay our liabilities as they become due or (2) the realizable value of our assets would thereby be less than our liabilities. Our ability to pay dividends is also restricted by covenants in our Term Loan. Additionally, because we are a holding company with no material direct operations, we are financially dependent on loans, dividends and other payments from our operating subsidiaries. To the extent that we decide to pay dividends on our common shares in the future, we will be dependent on our operating subsidiaries to make funds available to us for the payment of any such dividends. If we do not pay dividends, our shares may be less valuable because a return on your investment will only occur if you sell our common shares after our share price appreciates.

Future securities issuances could result in significant dilution to our shareholders and impair the market price of our common shares.

Future issuances of shares of our common shares, or the perception that these sales may occur, could depress the market price of our common shares and result in dilution to existing holders of our common shares. Also, to the extent outstanding options to purchase shares of our common shares are exercised or options, restricted share units or other share-based awards are issued or become vested, there will be further dilution. The amount of dilution could be substantial depending upon the size of the issuances or exercises. Furthermore, we may issue additional equity securities that could have rights senior to those of our common shares. As a result, holders of our common shares bear the risk that future issuances of debt or equity securities may reduce the value of our common shares and further dilute their ownership interest.

Item 1B. Unresolved Staff Comments.

None.

Item 1C. Cybersecurity.

Cybersecurity Risk Management and Strategy

The Company is committed to maintaining a robust cybersecurity risk management program designed to identify, assess, and mitigate cybersecurity risks, including those related to data breaches, phishing, ransomware, insider threats, third-party relationships, software vulnerabilities, regulatory compliance, cloud security, artificial intelligence, and end-user computing. We are constantly evolving our cyber defenses to prevent and minimize impacts from cyber threats by using a multi-pronged approach that helps safeguard our assets and data.

We maintain and process a range of sensitive information, including Personally Identifiable Information (PII), Protected Health Information (PHI), financial data, intellectual property, and other regulated or proprietary information. Our cybersecurity management program is designed to protect confidentiality, integrity, and availability of information systems and sensitive data. The program is aligned with cybersecurity frameworks and governance standards such as the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF) and NIST SP 800-53, and the International Organization of Standardization (ISO) 27001 information security management system framework as a structured approach to identifying, assessing, and mitigating cyber risk. Our cybersecurity management program includes the following elements:

Policies and Procedures: Processes are documented to formalize the implementation of the cybersecurity program.

Continuous Monitoring: Use of automated tools and third-party services for real-time threat detection, vulnerability scanning, penetration testing, and incident alerting.

Security Incident Response Plan: A formal plan that includes containment, eradication, recovery, and communication protocols.

Third-Party Risk Management: We assess the cybersecurity posture of third-party suppliers, vendors, and other partners through due diligence, including assessments at the initiation of the relationship and on an ongoing basis appropriate to the cyber risk.

Training and Awareness: All Kestra team members, including senior management, receive mandatory cybersecurity training and periodic phishing simulations.

Periodic risk assessment: We periodically re-assess the cybersecurity program for continuous improvement and to account for emerging risks.

In the event of a cybersecurity incident, our incident response team refers to the Company's Security Incident Response Plan. Pursuant to this process, designated personnel are responsible for assessing the severity of the incident and any associated threats, containing and resolving the incident as quickly as possible, managing any damage to the Company's systems and networks, minimizing the impact on the Company's stakeholders, analyzing and executing upon internal reporting obligations, escalating information about the incident to senior management, as appropriate, and performing post-incident analysis and program enhancements, as needed.

All Kestra team members participate in quarterly security awareness training, such as phishing tests as well as mandatory annual Security Awareness and HIPAA Covered Entity training to keep pace with industry standards, evolving challenges, and innovative solutions with respect to information security, data privacy, and cybersecurity risks to the Company. With respect to artificial intelligence, the Company has identified the potential exposure of trade secrets and protected health information to open large language models as a risk, accordingly an Artificial Intelligence Acceptable Use Policy has been implemented, and all Kestra team members have been trained on its requirements.

As of the date of this Annual Report, the Company has not experienced any material cybersecurity incidents. Cybersecurity risks that are not currently known to the Company, or that are currently deemed immaterial, could materially affect the Company's business, operations, or financial condition in the future.

We describe risks faced by us from identified cybersecurity threats in Item 1A, "Risk Factors—Risks Related to Our Business—*Security breaches, loss of data, unauthorized uses or disclosures, and other disruptions involving our systems, products or data could compromise sensitive information related to our business or patients, result in operational disruption, or prevent us from accessing critical information, exposing us to liability, and adversely affecting our business, financial condition, results of operation and prospects."*

Governance

The Company's Chief Information Officer ("CIO") has primary responsibility for the Company's cybersecurity program and manages the implementation of the cybersecurity risk management strategy, coordinating efforts across technical and operational functions. Our CIO has over 13 years of experience leading information security functions, including over eight years with the Company in roles of increasing seniority. Cybersecurity oversight is coordinated through the Security Council, which meets regularly and consists of cross-functional leaders. The Security Council is advised by the CIO and the Director of Information Security and Compliance on strategic cybersecurity initiatives, emerging threats, and risk posture. The Security Council formulates our cybersecurity policies and determines the priorities of our risk management plan. The information security team, led by the CIO, executes the plan, uses automated tools, follows procedures to monitor and respond to cyber threats, and subscribes to reports and services to stay current on the threat landscape.

In addition to full time staff with cybersecurity responsibilities, we engage qualified third-party partners, including assessors, auditors, consultants and other entities to support our cybersecurity processes for security engineering, security monitoring, incident response, security assessments, and independent audits of cybersecurity controls. Third-party partners work under the direction of the CIO or their designee.

The Audit Committee of our Board of Directors is responsible for oversight of the Company's programs, policies, procedures, and risk management activities related to information security and data protection. The Audit Committee receives regular briefings on cybersecurity matters from the CIO, including updates on material risks, cyber incidents, cyber program maturity, and ongoing improvements. The CIO prepares regular updates on Cybersecurity, which are integrated into the Board of Directors' broader oversight of enterprise risk management, and any material cyber risk is treated as part of overall business and risk management strategy.

Item 2. Properties.

All of our operations are currently conducted at leased facilities to support research and development, finance, marketing, supply chain operations and administrative functions. As of April 30, 2026, our properties included:

- 3933 Lake Washington Blvd., Kirkland, WA: 16,700 square feet of research and development and general administrative office space which also serves as our corporate headquarters. The lease term will expire on April 30, 2029, and we may extend the term of the lease for up to an additional period of five years.

- 10210 Points Dr NE, Kirkland, WA: 18,500 square feet of general and administrative office space. The lease term will expire on April 30, 2029, and we may extend the term of the lease for up to an additional period of five years.

- 221 E Southlake Blvd, Southlake, TX: 350 square feet of general and administrative office space. The lease term will expire on May 31, 2027, and we may extend the term of the lease or move to a different leased premise.

- 28 Fitzwilliam Place, Dublin 2, Ireland: 300 square feet of general and administrative office space. The lease will expire on July 31, 2026, and we may extend the term of the lease or move to a different leased premise.

We intend to add new facilities as we expand, and we believe that suitable additional or substitute space will be available as needed to accommodate any such expansion of our operations.

Item 3. Legal Proceedings.

The Company is from time to time a party to various lawsuits, claims and other legal proceedings that arise in the ordinary course of business. The Company does not expect any of its pending legal proceedings to have a material adverse effect on its results of operations, financial position or cash flows.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market Information

On March 6, 2025, our common shares began trading on the Nasdaq Global Select Market under the symbol "KMTS." Prior to that time, there was no public market for our common shares.

Holders of Record

As of July 9, 2026, there were 276 registered holders of record of our common shares. The actual number of holders is greater than this number and includes shareholders who are beneficial owners but whose shares are held in "street name" by banks, brokers, and other financial institutions. This number of record holders also does not include shareholders whose shares may be held in trust by other entities.

Dividend Policy

We have never declared or paid cash dividends on our capital stock. We do not expect to pay dividends on our common share for the foreseeable future. Instead, we anticipate that all of our earnings, if any, will be used for the operation and growth of our business. Any future determination to declare cash dividends would be subject to the discretion of our Board of Directors and would depend upon various factors, including our results of operations, financial condition and capital requirements, restrictions that may be imposed by applicable law and our contracts and other factors deemed relevant by our Board of Directors. In addition, pursuant to Bermuda law, a company may not declare or pay dividends, or make distributions out of contributed surplus, if there are reasonable grounds for believing that (1) the company is, or would after the payment be, unable to pay its liabilities as they become due or (2) the realizable value of its assets would thereby be less than its liabilities. "Contributed surplus" is defined for purposes of Section 54 of the Bermuda Companies Act 1981, as amended, to include the proceeds arising from donated shares, credits resulting from the redemption or conversion of shares at less than the amount set up as nominal capital and donations of cash and other assets to the company. Additionally, as a holding company with no material direct operations, our ability to pay dividends on our common shares is dependent on the earnings and distributions of funds from our operating subsidiaries. We are not obligated to pay dividends on our common shares.

Use of Proceeds from our Initial Public Offering

On March 7, 2025, we completed the IPO, pursuant to which we issued and sold 11,882,352 shares of our common shares at a public offering price of $17.00 per share. We received net proceeds of $187.6 million, after deducting the underwriting discounts and commissions of $14.4 million. On March 14, 2025, the underwriters purchased an additional 1,782,352 Common Shares at an offering price of $17.00 per share and received additional net proceeds of $28.2 million after deducting underwriting discounts and commissions of $2.1 million. None of the expenses associated with the IPO were paid to directors, officers, persons owning 10% or more of any class of equity securities. There has been no material change in the planned use of proceeds from the IPO from that described in our final prospectus dated March 5, 2025 and filed with the SEC pursuant to Rule 424(b)(4) on March 6, 2025.

Recent Sales of Unregistered Securities

None.

Issuer Repurchases of Equity Securities

None.

Item 6. [Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

This Management's Discussion and Analysis of Financial Condition and Results of Operation should be read in conjunction with our audited consolidated financial statements and the related notes to those statements included in this Annual Report on Form 10-K. In addition to historical financial information, the following discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results and timing of selected events may differ materially from those anticipated in these forward-looking statements as a result of many factors, including those discussed under the sections entitled "Special Note Regarding Forward-Looking Statements" and "Risk Factors" included in this Annual Report on Form 10-K.

Overview

We are a commercial-stage wearable medical device and digital healthcare company focused on transforming patient outcomes in cardiovascular disease through connected monitoring, therapeutic intervention, and data-driven clinical insights. We have developed and are commercializing the Cardiac Recovery System platform, an integrated cardiac recovery ecosystem designed to support patients at elevated risk of SCA during vulnerable periods of recovery. Our Cardiac Recovery System platform is anchored by the ASSURE® WCD, which continuously monitors patient heart rhythms and automatically delivers defibrillation therapy when life-threatening ventricular arrhythmias are detected. The platform also includes digital patient engagement and clinical workflow solutions designed to improve patient adherence, support care coordination, and provide actionable clinical insights throughout the recovery process. We believe the ASSURE WCD is differentiated by its patient-centered design, including comfort, wearability, and low false alarm rates, which are intended to improve patient compliance during extended wear periods. In addition, our integrated platform generates continuous cardiac rhythm data and clinically actionable insights that may assist healthcare providers in managing patients during vulnerable recovery periods. We believe these capabilities position Kestra to participate in the growing cardiac recovery market and support future platform expansion opportunities.

We have been issued a Medicare Provider Number by the CMS, which enables us to bill Medicare for reimbursement for our ASSURE WCD as an accredited supplier to the extent the claim meets Medicare medical necessity and coverage requirements. We derive nearly all our revenue from the direct billing of various third-party payors, including Medicare, Medicaid, private payors and other healthcare-related organizations, for the lease of our ASSURE WCD to patients. Any costs associated with our solution that are not covered by third-party payors, such as co-payments, are billed directly to the patient by our team. As WCD therapy has existed for over 20 years in the United States, reimbursement codes are well-established, and WCDs are covered by Medicare, Medicaid and many private payors.

We outsource the manufacturing of our ASSURE WCD and all of its components to third-party suppliers, including contract manufacturers that manufacture garments, chargers, monitors, batteries, cables and various accessories for our ASSURE WCD. We believe that our contract manufacturing partners are recognized in their field for their competency to manufacture the respective components of our ASSURE WCD and have established quality systems that meet FDA requirements. We believe the manufacturers we currently utilize have sufficient capacity to meet our expansion requirements and can scale up their capacity to meet anticipated demand for our product for the foreseeable future.

Since our inception, we have devoted substantially all of our efforts to research and development, undertaking clinical trials, enabling manufacturing activities in support of our product development efforts, hiring personnel, organizing and staffing our company, performing business planning, establishing our intellectual property portfolio, building and expanding a commercial team to market our Cardiac Recovery System platform in the United States, and raising capital to support and expand such activities.

Our fiscal year ends on April 30 of each year. We incurred net losses of $131.6 million and $113.8 million for the fiscal years ended April 30, 2026 and 2025, respectively. For the fiscal year ended April 30, 2026, we generated revenue of $95.1 million, with a gross profit of $48.9 million, compared to revenue of $59.8 million, with a gross profit of $24.2 million, for the fiscal year ended April 30, 2025. As of April 30, 2026 , we had cash, cash equivalents, and investments of $262.2 million. As of April 30, 2025, we had cash and cash equivalents of $237.6 million. As of April 30, 2026 and 2025, we had an accumulated deficit of $651.9 million and $520.2 million, respectively.

From our inception to the consummation of the IPO, our operations were primarily funded by proceeds from capital contributions made by West Affum Holdings, L.P., our direct parent prior to the Organizational Transactions (as defined in Note 1, "*The Company*," to our audited consolidated financial statements and related notes included elsewhere in this Annual Report on Form 10-K), in the form of common stock and redeemable preferred stock, and borrowings under our Term Loan 2024 (as defined below), as well as borrowings under our Term Loan (as defined below). For more information, see "—Liquidity and Capital Resources—Sources of Liquidity".

In the IPO, we issued and sold an aggregate of 13,664,704 common shares at an offering price to the public of $17.00 per share for net proceeds of $215.8 million, after deducting underwriting discounts and commissions, which includes the net proceeds from the underwriters' exercise in full of the over-allotment option. The Organizational Transactions and IPO were completed on March 7, 2025, and the proceeds from the shares sold pursuant to the underwriters' over-allotment option were received on March 14, 2025.

In December 2025, we completed a public underwritten offering and issued an aggregate of 6,900,000 Common Shares at a price of $23.00 per share, resulting in net proceeds of $149.3 million, after deducting underwriting discounts but before expenses. The aggregate number of Common Shares offered pursuant to the public offering included 900,000 Common Shares issued pursuant to the exercise in full of the underwriters' option to purchase additional shares.

We have invested heavily in developing and commercializing our Cardiac Recovery System platform. We have also made significant investments in clinical studies to demonstrate the safety and effectiveness of our ASSURE WCD and to support applications for regulatory approvals. We have made and will continue to make significant investments to build our sales and marketing organization, and we intend to continue to increase the size of our commercial team to market our product in the United States. Based on our current operating plan, we believe that our existing cash, cash equivalents, investments, and cash generated from revenue transactions with customers will be sufficient to fund our operating and capital needs for at least the next 12 months. We may experience lower than expected cash generated from operating activities or greater than expected capital expenditures, cost of revenue or operating expenses and may require additional funding to execute on our growth plans, which may include future equity and debt financings. Adequate funding may not be available to us on acceptable terms or at all. Our failure to obtain sufficient funds on acceptable terms when needed could have a material and adverse effect on our business, financial condition, results of operations and prospects.

Key Factors Affecting Our Results of Operations and Performance

Factors that have impacted, and that we expect will continue to impact, our operating performance and results of operations include:

- ***Commercial Organization***. We have made and continue to make significant investments in recruiting, training and retaining our direct sales force and supporting commercial infrastructure. Successfully recruiting and training additional commercial team members is required to achieve growth. As of April 30, 2026, we had approximately 130 territories in the United States compared to 80 as of April 30, 2025. We have in the past and expect in the future to enter into compensation arrangements with our commercial team that may include minimum guaranteed commissions.

- ***Gross Profit***. Our results of operations will depend, in part, on our ability to increase our gross profit by more effectively managing our costs to build and deliver our ASSURE WCD and obtaining higher reimbursement realization due to improved market access and shifts in patient mix towards patients with longer wear duration. We expect supply chain efficiencies to result from higher volume purchases of components, and continued manufacturing process improvements.

- ***Payor Coverage and Revenue Cycle Management***. Healthcare providers in the United States generally rely on third-party payors, principally Medicare, Medicaid and private payors, to cover and reimburse all or part of the cost of our product. The revenue we can generate from the lease of our ASSURE WCD depends in large part on the availability of reimbursement from such payors. A significant component of our operational efforts includes working with private payors to ensure positive coverage decisions for our product and investing in our revenue cycle management infrastructure to collect cash from payors.

- ***Seasonality***. Our billings and collections efforts during January and February tend to be lower because of resetting annual patient healthcare insurance plan deductibles. In addition, as our business grows in the United States and any international markets we may enter into in the future, we may experience seasonality based on holidays, vacations and other factors.

Key Components of Our Results of Operations

The following discussion describes certain key components of our consolidated statement of operations.

Revenue

We generate revenue by leasing our ASSURE WCD to patients for a fixed amount on a month-to-month basis. The lease payments generally consist of the contracted amounts based on reimbursement arrangements with third-party payors, comprising Medicare, Medicaid, private payors and other healthcare-related organizations, and patient payments. The patient has the right to cancel the lease at any time during the lease period. We recognize lease revenue over the term of the lease when collectability is probable. If collectability of the lease payments is not deemed to be probable, the lease revenue is limited to the lesser of the income that would have been recognized if collectability was probable or the lease payments collected. If the lease payments are not deemed to be probable at inception, lease revenue is recognized when cash payments are received. We expect that our revenue will continue to increase as the number of patients that use our product increases.

Cost of Revenue

Cost of revenue consists of direct material, labor and indirect costs related to the lease performance of our ASSURE WCD such as the cost of disposable WCD device components, depreciation expense of reusable medical rental equipment components, shipping and order fulfillment costs, as well as other indirect costs incurred to support the manufacture and medical rental equipment delivery to and ongoing support for the patient incurred in connection with providing our ASSURE WCD to patients. Overall expenditures for disposable components and reprocessing costs will increase as the number of patients receiving our ASSURE WCD increases and to a lesser extent, depreciation expense will increase as additional reusable ASSURE WCD components are purchased. However, depreciation expense as a percentage of cost of revenue is expected to decrease in the long run through economies of scale as we continue to grow our business. For additional information on how depreciation impacts our financial results, see Note 2, "*Significant Accounting Policies*" to our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Gross Profit

We calculate gross profit as revenue less cost of revenue. We expect our gross profit to increase as reimbursement realization increases due to improved market access and shifts in patient mix towards patients with longer wear duration, as well as supply chain efficiencies from higher volume purchases of components and manufacturing process improvements. In addition, as the number of patients we serve continues to increase, we expect the cost of fitting per patient to continue to decrease. However, gross profit may be negatively impacted by a number of factors, including increases in prices of materials and electronics components, labor rates, shipping rates, and inflation.

Research and Development Expenses

Research and development expenses consist of personnel expenses, including salaries, benefits and share-based compensation expense for product development personnel, prototype materials and other expenses related to the development of new products. We expense research and development expenses as they are incurred, although advanced payments that we make for goods or services to be received in the future for use in research and development activities are recorded as prepaid expenses and expensed as the related goods are delivered or the services are performed.

We expect our research and development expenses to decrease as a percentage of revenue for the foreseeable future as our revenue increases. We will continue to invest in research and development activities related to developing new products and services, further enhancing our products and services through introducing new extensions and enhancements, conducting clinical trials as necessary and preparing any new products and services for commercialization.

Selling, General and Administrative Expenses

Selling expenses consist primarily of personnel expenses, including salaries, commissions, bonuses, benefits, travel, and share-based compensation expense for sales, marketing and field clinical personnel, as well as investments in marketing initiatives to increase market awareness of our technology, including expenses related to travel, conferences, trade shows and consulting services.

General and administrative expenses consist primarily of personnel expenses, including salaries, benefits and share-based compensation expense for personnel in executive, finance, accounting, commercial operations, distribution costs, revenue cycle management, legal, human resources, IT and administrative functions. General and administrative expenses also include direct or allocated expenses for rent and maintenance of facilities and insurance, not otherwise included in research and development expenses, selling expenses, or cost of revenue, as well as professional fees for legal, patent and consulting services. We expect expenses related to revenue cycle management to increase at higher rates than other types of general and administrative expenses as this function will continue to grow as the volume increases.

We expect that our overall selling, general and administrative expenses will increase in the foreseeable future as we increase our headcount to support the continued growth of our business. We also anticipate incurring additional expenses associated with operating as a public company, including increased expenses related to audit, legal, regulatory, compliance, director and officer insurance, investor and public relations, and tax-related services associated with maintaining compliance with the rules and regulations of the SEC and standards applicable to companies listed on a national securities exchange. These expenses may further increase when we no longer qualify as an "emerging growth company" under the JOBS Act, which will require us to comply with certain reporting requirements from which we are currently exempt. However, we expect overall general and administrative expenses to decrease as a percentage of revenue primarily as, and to the extent, our revenue grows.

Interest and Other Expense (Income)

Interest and other expense (income) consists of cash and non-cash components. The cash component of interest expense (income) is attributable to borrowings under our term loan as well as interest received from various interest-bearing bank accounts and marketable securities. The non-cash component consists of interest expense recognized from the amortization of debt discounts, debt issuance costs, and warrant fair value adjustments.

Provision for Income Taxes

To date, we have recorded a limited amount of United States federal and state income tax expense. As of April 30, 2026, significant deferred tax assets include net operating loss carryforwards of $81.0 million, intangible assets of $35.4 million, interest carryforwards of $6.7 million, United States research and development credits of $5.9 million, and share-based compensation expense of $6.2 million. In assessing the realizability of deferred tax assets, we consider whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during periods in which those temporary differences become deductible. We consider the scheduled reversal of deferred tax liabilities, projected future taxable income, carryback opportunities and tax planning strategies in making the assessment. We believe it is more likely than not that we will not realize the benefits of these deductible differences and have applied a full valuation allowance against our deferred tax assets.

Results of Operations

The following tables set forth our results of operations for the fiscal years ended April 30, 2026 and 2025. We have derived the data for the fiscal years ended April 30, 2026 and 2025 from our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K. This information should be read in conjunction with our audited consolidated financial statements and related notes included elsewhere in this Annual Report on Form 10-K. The results for historical periods are not necessarily indicative of the results of operations for any future period.

	Year Ended April 30,			
(in thousands)	**2026**	**2025**	**$ Change**	**% Change**
Revenue	$ 95,126	$ 59,815	$ 35,311	59%
Cost of revenue	46,263	35,605	10,658	30%
Gross profit	48,863	24,210	24,653	102%
Operating expenses:				
Research and development	19,484	15,652	3,832	24%
Selling, general and administrative	164,120	114,936	49,184	43%
Total operating expenses	183,604	130,588	53,016	41%
Loss from operations	(134,741)	(106,378)	(28,363)	27%
Other expense (income):				
Interest expense	7,546	7,734	(188)	(2%)
Interest income	(8,351)	(3,199)	(5,152)	161%
Other expense (income)	(2,618)	2,766	(5,384)	NM
Net loss before provision for income taxes	(131,318)	(113,679)	(17,639)	16%
Provision for income taxes	294	135	159	118%
Net loss	(131,612)	(113,814)	(17,798)	16%
Less: Undeclared preferred stock dividends	—	12,321	(12,321)	(100%)
Net loss attributable to common shareholders, basic and diluted	$ (131,612)	$ (126,135)	$ (5,477)	4%

NM = Percentage not meaningful

Comparison of the Fiscal Years Ended April 30, 2026 and 2025

Revenue

Revenue increased by $35.3 million, or 59%, to $95.1 million for the fiscal year ended April 30, 2026, from $59.8 million for the fiscal year ended April 30, 2025, primarily driven by a 58% increase in the number of patients using our product.

Cost of Revenue

Cost of revenue increased by $10.7 million, or 30%, to $46.3 million for the fiscal year ended April 30, 2026, from $35.6 million for the fiscal year ended April 30, 2025. The increase in cost of revenue was primarily driven by an increase of $7.7 million in the cost of disposable medical equipment supplies, equipment reconditioning and other supplier costs, which were directly attributable to an increase in the number of patients using our product, a $1.8 million increase in depreciation expense due to an increased number of systems and equipment in use, and an increase of $1.5 million in our reserve for lost or damaged equipment, partially offset by a $1.1 million decrease in depreciation expense due to the changes in useful life of our components.

Gross Profit

Gross profit increased by $24.7 million to $48.9 million for the fiscal year ended April 30, 2026, from $24.2 million for the fiscal year ended April 30, 2025. The increase in gross profit was primarily due to growth in both our total revenue, which was driven by an increased number of patients using our product. The increase in gross profit was also driven by a decrease in cost of revenues per patient by 18% for the fiscal year ended April 30, 2026 compared to the fiscal year ended April 30, 2025, due to further improvements in the utilization of our rental pool of medical equipment and lower disposable costs driven by volume and implementation of manufacturing cost improvement programs, and longer useful lives of our medical rental equipment.

Research and Development Expenses

Research and development costs for the year ended April 30, 2026 increased by $3.8 million, or 24%, to $19.5 million from $15.7 million for the fiscal year ended April 30, 2025. The increase was primarily driven by a $2.4 million increase in personnel expenses such as salaries, benefits and share-based compensation expense, and a $1.4 million increase in contractor costs.

Selling, General and Administrative Expenses

Selling, general and administrative expenses increased by $49.2 million, or 43%, to $164.1 million for the fiscal year ended April 30, 2026, from $114.9 million for the fiscal year ended April 30, 2025. The increase was primarily driven by a $33.2 million increase in personnel expenses such as salaries, benefits and share-based compensation, resulting from an increase in headcount to support commercial growth, a $0.9 million increase in professional service fees, and insurance related to our transition to a public company, a $3.5 million increase in travel and entertainment expenses due to an increase in headcount, a $3.2 million increase in commercial support costs including contractors and external recruitment costs, a $2.1 million increase in commercial training costs, a $2.0 million increase related to shipping and logistics costs, a $1.7 million increase related to increased software licensing fees driven by increased headcount, a $0.9 million increase related to conference fees, and $1.4 million increase in other costs.

Interest and Other Expense (Income)

Interest expense was largely flat in the fiscal year ended April 30, 2026 compared to the prior year.

Interest income increased by $5.2 million, or 161%, to $8.4 million for the fiscal year ended April 30, 2026, from $3.2 million for the fiscal year ended April 30, 2025, primarily due to higher cash and investment balances following the IPO and secondary offering.

Other expense (income) for the year ended April 30, 2026 increased by $5.4 million compared to the year ended April 30, 2025. The increase was primarily due to the remeasurement of the warrant liability.

Provision for Income Taxes

For each of the fiscal years ended April 30, 2026 and 2025, the tax provision was less than $0.3 million, which was primarily related to state tax liabilities in the United States.

Liquidity and Capital Resources

Since inception, we have devoted substantially all our efforts to research and development, undertaking clinical trials, enabling manufacturing activities in support of our product development efforts, hiring personnel, organizing and staffing our company, performing business planning, establishing our intellectual property portfolio, building and expanding a commercial team to market our Cardiac Recovery System platform in the United States, and raising capital to support and expand such activities. We have incurred net losses in each year since inception and expect to continue to incur net losses in the foreseeable future. Our net loss was $131.6 million and $113.8 million for the fiscal years ended April 30, 2026, and 2025, respectively. As of April 30, 2026, we had an accumulated deficit of $651.9 million. For the fiscal years ended April 30, 2026, and 2025, we generated negative operating cash flows of $81.7 million and $77.6 million, respectively.

On December 4, 2025, we completed a public underwritten offering and issued an aggregate of 6,900,000 Common Shares at a price of $23.00 per share, resulting in net proceeds of $149.3 million, after deducting underwriting discounts but before expenses. The aggregate number of Common Shares offered pursuant to the public offering included 900,000 Common Shares issued pursuant to the exercise in full of the underwriters' option to purchase additional shares.

As of April 30, 2026, our principal sources of liquidity consisted of $262.2 million of cash, cash equivalents, and investments. As of April 30, 2025, our principal sources of liquidity consisted of $237.6 million of cash and cash equivalents. Based on our current operating plan, we believe that our existing cash, cash equivalents, and investments, which includes the net proceeds from our IPO and follow on offering, as well as cash generated from revenue transactions with customers, will be sufficient to fund our operating and capital needs for at least the next 12 months.

Funding Requirements and Contractual Obligations

We have incurred significant operating losses and negative cash flows driven by substantial research and development expenses as well as our large investment in our fleet of ASSURE WCDs and building our commercial organization. Our operations have focused on developing products, establishing our intellectual property portfolio, marketing our product and staffing the Company to support continued growth. Our primary use of cash has been to fund operating expenses, which comprise research and development expenses, and costs of building the commercial team and necessary infrastructure to support our growth. Cash used to fund our operating expenses is impacted by the timing of when we pay for such expenses.

We obtained the PMA for our ASSURE WCD from the FDA on July 27, 2021 and fully commercially launched our ASSURE WCD in August 2022. We will continue to scale the business and therefore expect operating losses to continue. Based on our current operating plan, we believe that our existing cash and cash equivalents, and investments, as well as cash generated from revenue transactions with customers, will be sufficient to fund our operating and capital needs for at least the next 12 months. We may experience lower than expected cash generated from operating activities or greater than expected capital expenditures, cost of revenue or operating expenses and may require additional funding to execute on our growth plans, which may include future equity and debt financings. Our assessment of the period of time through which our financial resources will be adequate to support our operations is a forward-looking statement and involves risks and uncertainties.

Our future obligations primarily consist of our debt obligations. From our inception to the consummation of the IPO, our operations were primarily funded by proceeds from our capital contributions made by West Affum Holdings, L.P., our direct parent prior to the Organizational Transactions, borrowings under our Term Loan 2024, and our revenues. We expect the proceeds from our IPO and secondary offering, cash generation from operations and future ability to refinance or secure additional equity or financing to be sufficient to repay our outstanding debt obligations. As of April 30, 2026, the outstanding principal amount under the Term Loan 2024 was approximately $45.0 million. For further information, see Note 7, "*Long-Term Debt,*" to our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Sources of Liquidity

As of April 30, 2026, we had cash, cash equivalents, and investments of $262.2 million and an accumulated deficit of $651.9 million.

On December 4, 2025, we completed a public underwritten offering and issued an aggregate of 6,900,000 Common Shares at a price of $23.00 per share, resulting in net proceeds of $149.3 million, after deducting underwriting discounts but before expenses. The aggregate number of Common Shares offered pursuant to the public offering included 900,000 Common Shares issued pursuant to the exercise in full of the underwriters' option to purchase additional shares.

In May and July of 2024, we received $103.4 million and $75.0 million, respectively, in cash from West Affum Holdings, L.P. in return for the issuance of redeemable preferred stock as described in Note 10, "*Redeemable Preferred Stock,*" to our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K. Additionally, in July 2024, one of our subsidiaries received $17.1 million from a third-party investor in return for redeemable shares of the subsidiary.

On September 29, 2023, we entered into a Credit Agreement with Perceptive Credit Holdings IV, LP, as administrative agent, which provides for a senior secured delayed draw term loan facility in an aggregate principal amount of up to $60.0 million ("Term Loan 2024"). The Term Loan 2024 matures on September 29, 2028. Borrowings under the Term Loan 2024 are made available in up to three tranches, the first of which is available upon closing of the Term Loan 2024 and two follow-on tranches of $7.5 million which would have become available before November 1, 2024 and February 1, 2025, dependent upon achievement of revenue milestones of trailing twelve month revenues of $50.0 million and $70.0 million, respectively. We did not meet the revenue milestone required to draw on the November 1, 2024 follow-on tranche of the Term Loan 2024. As of October 31, 2024, we determined it was not likely that we would meet the revenue milestone required to draw on the February 1, 2025 tranche of the Term Loan 2024. As a result, we expensed the asset related to debt issuance costs and facility fees in the amount of $0.5 million. The Term Loan 2024 bears interest on outstanding balances of Term SOFR plus a margin of 7.25% per annum. All interest is due and payable quarterly in arrears.

On September 29, 2023, we drew the initial $45.0 million under the Term Loan 2024. In conjunction with the draw of the first tranche, West Affum Holdings, L.P. issued a warrant to the lender to purchase up to 256,410 shares of West Affum Holdings, L.P.'s common units at an exercise price of $17.55 per share. The fair value of the warrant was $1.6 million and recognized as a debt discount and as a capital contribution, and the debt discount was amortized over the term of the loan to interest expense.

On February 25, 2025, we entered into the Second Amendment to Credit Agreement and Guaranty, by and among Kestra Medical Technologies, Inc., the Company, the guarantors party thereto, the lenders party thereto and Perceptive Credit Holdings IV, LP, as administrative agent (the "Second Amendment to Credit Agreement") which amended the Term Loan 2024 to adjust the revenue milestones set forth in the Term Loan 2024 and to amend our ability to draw on additional funds. Under the Second Amendment to Credit Agreement, an additional $15.0 million term loan draw is available to us through July 31, 2026 upon achievement of a twelve-month trailing revenue run rate of $60.0 million. In connection with the Second Amendment to Credit Agreement and the IPO, the warrant issued to Perceptive Credit Holdings IV, LP on September 29, 2023 was cancelled and replaced with a new warrant (the "2033 Warrant") to purchase up to 325,847 of our common shares with an exercise price of $11.54 per share. On September 4, 2025, Perceptive Credit Holdings IV, LP fully exercised the 2033 Warrant to purchase Common Shares on a cashless basis, resulting in the issuance of 100,397 Common Shares and the cancellation of the 2033 Warrant.

On July 10, 2026, Kestra Medical Technologies, Inc. and other credit parties thereto, entered into a Loan Agreement with BPCR Limited Partnership and BioPharma Credit Investments V (Master) LP, as lenders, and BioPharma Credit PLC, as collateral agent. The Loan Agreement provides for a five-year senior secured term loan facility of up to $200.0 million, divided into four tranches: (i) a committed Tranche A Loan in an aggregate principal amount of $75.0 million (the "Tranche A Loan") which was funded on July 10, 2026 (the "Tranche A Closing Date"); (ii) a committed Tranche B Loan in an aggregate principal of $25.0 million (the "Tranche B Loan") which may be requested, subject to certain limited conditions, at our option through July 31, 2027; (iii) a committed Tranche C Loan in an aggregate principal amount of $50.0 million (the "Tranche C Loan") which is available to us upon reaching a trailing twelve-month revenue of $150.0 million and which may be requested on or prior to June 30, 2028 and (iv) an uncommitted Tranche D Loan for acquisitions at our option in aggregate principal amount of $50.0 million (the "Tranche D Loan" and collectively with the Tranche A Loan, the Tranche B Loan, and the Tranche C Loan, the "Term Loans"), subject to certain limited conditions and upon approval of the Lenders, on such date mutually agreed upon between us and the lenders.

Net proceeds from the Tranche A Loan were approximately 20.0 million, after deducting estimated debt issuance costs, fees and expenses, and repaying in full the obligations under Term Loan 2024 on July 10, 2026. The remaining proceeds will be used to fund our general corporate and working capital requirements.

For further information, see Note 7, "*Long-Term Debt,*" to our consolidated financial statements for the fiscal years ended April 30, 2026 and 2025 included elsewhere in this Annual Report on Form 10-K.

Cash Flows

The following table presents a summary of our cash flows from operating activities, investing activities and financing activities for the periods indicated:

	Twelve Months Ended April 30,	
(in thousands)	**2026**	**2025**
Net cash used in operating activities	$ (81,703)	$ (77,608)
Net cash used in investing activities	(203,277)	(23,308)
Net cash provided by financing activities	147,095	330,262
Increase (decrease) in cash, cash equivalents and restricted cash	$ (137,885)	$ 229,346

Cash Flows from Operating Activities

For the fiscal year ended April 30, 2026, cash used in operating activities was $81.7 million, which primarily consisted of a net loss of $131.6 million and a net decrease of $1.8 million in operating assets and liabilities, offset by a net increase of $48.0 million in non-cash charges. The non-cash charges primarily consisted of share-based compensation expense of $33.6 million, depreciation and amortization of $8.7 million, loss on disposal of property and equipment of $1.2 million, non-cash lease expense of $0.3 million, amortization of debt discounts and issuance costs of $1.9 million, a change in fair value of warrant liability of $2.7 million, provision for uncollectible accounts receivable of $2.6 million. The net change in our operating assets and liabilities consisted of increases in accounts payable of $4.3 million, accrued liabilities of $8.2 million driven by increases in accrued compensation due to increased headcount and a reserve for claims repayments, and operating lease liabilities of $0.7 million, partially offset by increases in account receivables of $9.1 million, disposable medical equipment supplies of $0.5 million, and prepaid expenses and other current assets of $0.6 million.

For the fiscal year ended April 30, 2025, cash used in operating activities was $77.6 million, which primarily consisted of a net loss of $113.8 million and a net decrease of $6.2 million in operating assets and liabilities, offset by a net increase of $42.4 million in non-cash charges. The non-cash charges primarily consisted of depreciation and amortization of $8.0 million, share-based compensation expense of $24.3 million, interest paid-in-kind of $0.9 million related to the Term Loan 2024, loss on disposal of property and equipment of $2.1 million, non-cash lease expense of $0.4 million, amortization of debt discounts and issuance costs of $1.4 million, a change in fair value of warrant liability of $2.6 million, provision for uncollectible accounts receivable of $2.7 million, and deferred income tax expense of $0.1 million. The net change in our operating assets and liabilities consisted of increases in accounts payable of $2.8 million, accrued liabilities of $4.6 million driven by increases in accrued compensation due to increased headcount and a reserve for claims repayments, and operating lease liabilities of $0.4 million, partially offset by increases in account receivables of $8.8 million, disposable medical equipment supplies of $3.4 million, and prepaid expenses and other current assets of $1.9 million.

Cash Flows from Investing Activities

For the fiscal year ended April 30, 2026, cash used in investing activities was $203.3 million, which primarily consisted of $163.0 million in purchases of marketable securities, $5.0 million for the purchase of an equity security, $34.9 million of purchases of property and equipment such as medical rental equipment, computer hardware, test equipment and other research and development activities, and leasehold improvements, $0.5 million deposits paid for medical rental equipment and $0.2 million refund of deposits for medical rental equipment received.

For the fiscal year ended April 30, 2025, cash used in investing activities was $23.3 million, which primarily consisted of $22.9 million of purchases of property and equipment such as medical rental equipment, computer hardware, test equipment and other research and development activities, and leasehold improvements, $0.7 million deposits paid for medical rental equipment and $0.3 million refund of deposits for medical rental equipment received.

Cash Flows from Financing Activities

For the year ended April 30, 2026, cash provided by financing activities was $147.1 million, which primarily consisted of proceeds of $149.3 million from the secondary offering offset by $2.5 million of payments of equity offering costs and $0.6 million in proceeds from stock option exercises. The increase in cash provided by financing activities was partially offset by deemed dividend payments of $0.3 million.

For the fiscal year ended April 30, 2025, cash provided by financing activities was $330.2 million, which primarily consisted of $215.8 million in proceeds from the IPO net of underwriting discounts and commissions, $103.4 million in proceeds from the issuance of redeemable preferred stock, $17.1 million in proceeds from the issuance of stock to a non-controlling interest, and $2.4 million in proceeds from a capital contribution by West Affum Holdings, L.P. The increase in cash provided by financing activities was offset by offering and reorganization costs of $3.5 million, equity issuance costs of $3.3 million, and deemed dividend payments of $1.7 million.

Off-Balance Sheet Arrangements

As of April 30, 2026, we had two irrevocable standby letters of credit issued by Silicon Valley Bank, a division of First Citizens Bank, that total $0.1 million related to our office leases and Cash Pledge Agreement of $0.2 million as collateral for the Company credit card program. We did not have any other obligations, assets or liabilities that would be considered off-balance sheet arrangements. We do not participate in transactions that create relationships with unconsolidated entities or financial partnerships, often referred to as variable interest entities, which would have been established for the purpose of facilitating off-balance sheet arrangements. We have not entered into any off-balance sheet financing arrangements, established any special purpose entities, guaranteed any debt or commitments of other entities, or entered into any non-financial agreements involving assets.

Critical Accounting Policies and Significant Management Estimates

Our management's discussion and analysis of our financial condition and results of operations are based on our consolidated financial statements, which have been prepared in accordance with United States generally accepted accounting principles. The preparation of our consolidated financial statements and related disclosures requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, costs and expenses and related disclosures. We base our estimates on historical experience, known trends and events and various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. We evaluate our estimates and assumptions on an ongoing basis. Our actual results may differ materially from these estimates under different assumptions or conditions, could have a material impact on the Company's business, financial condition, results of operations and prospects. While our significant accounting policies are described in more detail in Note 2 of our audited consolidated financial statements included elsewhere in this Annual Report, we believe that the accounting policies discussed below are critical to understanding our historical and future performance, as these policies relate to the more significant areas involving management's judgments and estimates.

Revenue

The Company generates revenue from the leases of our ASSURE WCD. ASSURE WCD leases are classified as operating leases at lease commencement in accordance with Accounting Standards Codification Topic 842, *Leases* ("ASC Topic 842"). Under ASC Topic 842, we recognize lease revenue on operating leases on a straight-line basis over the contractual lease term, when collectability of the lease payments is deemed to be probable. The lease term begins on the date the device is made available to the patient.

If collectability of the lease payments is not probable, then lease income is limited to the lesser of the income that would have been recognized if collectability was probable, or the lease payments collected. Collectability of all lease payments, which includes amounts reimbursed by third-party payors or amounts covered by the patient, is assessed for each type of contract upon lease commencement and is subject to subsequent reassessment throughout the lease term, as necessary.

We have elected the practical expedient provided under ASC Topic 842 to combine the lease of our ASSURE WCD with the non-lease components of our Cardiac Recovery System platform, which include the digital healthcare platform. Our ASSURE WCD is the predominant component and, as a result, we account for the combined components under ASC Topic 842.

Due to the nature of the industry and the reimbursement environment in which we operate, we evaluate the need to record a general reserve under Accounting Standards Codification Topic 450, *Contingencies*, for a portfolio of operating lease receivables that are probable of collection. Inherent in the reserve estimates is the risk that they will have to be revised or updated as additional information becomes available. Specifically, the complexity of many third-party billing arrangements and the uncertainty of reimbursement amounts for certain services from certain payors may result in adjustments to amounts originally recorded. Such adjustments are expected to be identified and recorded at the point of cash application or claim denial.

Impairment of Long-Lived Assets

Our long-lived assets consist of property and equipment, which includes leasehold improvements and right-of-use assets. We do not have long-lived assets held for sale. Long-lived assets are reviewed for potential impairment at such time that events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. When evaluating long-lived assets for potential impairment, we will first compare the carrying amount of the assets to estimated future net undiscounted cash flows expected to result from the use of the assets, including cash flows from disposition. If the estimated future cash flows are less than the carrying amounts of the assets, an impairment loss is recognized and measured based upon the excess of the carrying value of the asset over its estimated fair value. There were no impairments of long-lived assets during the fiscal years ended April 30, 2026 and 2025.

Valuation of Equity

Prior to the completion of our IPO, the fair value of the common units underlying our share-based awards was determined by the Board of Directors. The valuations of our common units prior to the completion of our IPO were determined in accordance with the guidelines outlined in the American Institute of Certified Public Accountants Practice Aid, *Valuation of Privately-Held-Company Equity Securities Issued as Compensation*. In the absence of a public trading market, the Board of Directors, with input from management, exercised significant judgment and considered numerous objective and subjective factors to determine the fair value of our common units as of the date of each option grant, including the following factors:

- our stage of development;
- our history and the timing of the introduction of new technology;
- our actual operating results and performance and financial condition, including our levels of available capital resources;
- current business conditions and projections;
- the prices, rights, preferences, and privileges of our redeemable preferred stock relative to those of our common equity;
- market and economic conditions;
- conditions of the medical device industry;
- the stock price performance, volatility, and valuation multiples of comparable publicly-traded companies;
- the likelihood and timing of achieving a liquidity event, such as an initial public offering, given prevailing market conditions;
- the prices of redeemable preferred stock sold by us to third-party investors in arms-length transactions;
- recent stock transactions in shares of our preferred and common equity;
- relevant mergers and acquisitions in targeted industries;
- the lack of marketability of our common equity; and
- contemporaneous valuations performed by third-party valuation firms.

We determined that the Probability-Weighted Expected Returns Method ("PWERM") approach is the most appropriate method for estimating our enterprise value. This method considers various exit scenarios including an initial public offering (the "IPO Scenario"), potential merger or acquisition (the "M&A Scenario"), or staying private, and assigns a probability weight to each scenario. Using the PWERM, the enterprise value under each potential exit scenario and the timing of each scenario were weighted based on our estimated probability of occurrence for such scenario. Our equity values under the IPO Scenario and M&A Scenario were each estimated using the market approach based on the valuation of comparable public companies. We then allocated the equity value to our outstanding common stock based on the estimated timing, valuation and probability of each scenario. The stay private scenario estimated our equity value using an income approach based on our financial projections.

The scenario-specific values were probability-weighted and discounted to present value to arrive at an overall estimated equity value. After the equity value was determined, we applied a discount for lack of marketability to reflect the lack of marketability associated with our common shares, which is not traded on public exchanges. For financial reporting purposes, we considered the amount of time between the valuation date and the grant date of any stock options to determine whether to use the latest common stock valuation or a straight-line interpolation between the latest valuation date and the grant date. This determination included an evaluation of whether any significant events or changes had occurred between the previous valuation date and the grant date that could materially change our equity value determined at the latest valuation date.

For valuations after the completion of our IPO, the fair value of each share of underlying common stock is based on the closing price of our common shares as reported on the date of grant on Nasdaq.

Share-Based Compensation

We maintain an equity incentive plan to provide long-term incentives for employees, consultants and members of the Board of Directors. We are required to determine the fair value of equity incentive awards and recognize compensation expense for all equity incentive awards granted, including employee stock options. We account for share-based compensation awards, including stock options to employees and non-employees, based on their estimated grant date fair value. We estimate the fair value of our stock options using the Black-Scholes option-pricing model. We recognize fair value of stock options, which vest based on continued service, on a straight-line basis over the requisite service period. Forfeitures are recognized as they occur.

Prior to our IPO, we incurred share-based compensation expense related to equity incentive units of West Affum Holdings, L.P., which was allocated to us. Share-based compensation related to equity incentive units of West Affum Holdings, L.P. is measured at the grant date based on the fair value of the award and is recognized as share-based compensation expense on a straight-line basis over the requisite service period. We estimated the fair value of the equity incentive units of West Affum Holdings, L.P. using the Black-Scholes option pricing model. Forfeitures were recognized as they occurred.

The Black-Scholes option pricing model requires the use of subjective assumptions to determine the fair value of equity incentive awards. These assumptions include:

- *Fair value of common equity.* The fair value of our common units (prior to IPO) or Common Shares (following the IPO) on the date of the grant.

- *Expected term.* Expected term represents the period that share-based awards are expected to be outstanding. We estimated the expected term based on an average of the midpoint of the requisite service period and the contractual term.

- *Expected volatility.* Since we had been a privately held company prior to our IPO, we did not have any trading history for our common units and we have limited trading history for our common shares. Therefore, the expected volatility is estimated based on the average volatility for comparable publicly traded medical technology companies over a period equal to the expected term. The comparable companies were chosen based on their similar size, stage in the life cycle or area of specialty. We will continue to apply this process until a sufficient amount of historical information regarding the volatility of our own share price becomes available.

- *Expected dividend.* The dividend yield assumption is zero, as we have no history of, or plans to make, dividend payments on our common units or our common shares.

The Black-Scholes option pricing model requires the use of subjective assumptions to determine the fair value of the equity incentive awards. These assumptions include:

- *Fair value of common shares.* The fair value of common units is determined by the Board of Directors as of the date of award grant, with input from management, considering contemporaneous independent third-party valuations of common units, and the Board of Directors' assessment of additional objective and subjective factors that it believed were relevant and which may have changed from the date of the most recent valuation through the date of the grant.

- *Expected term.* Expected term represents the period that share-based awards are expected to be outstanding. The expected term for incentive units is the expected time to liquidity.

- *Expected volatility.* Since we have been a privately held company and do not have any trading history for our common units, the expected volatility is estimated based on the average volatility for comparable publicly traded medical technology companies over a period equal to the expected term. The comparable companies were chosen based on their similar size, stage in the life cycle or area of specialty. We will continue to apply this process until a sufficient amount of historical information regarding the volatility of our own share price becomes available.

- *Expected dividend.* We have never paid dividends on our common shares and have no plans to pay dividends on our common units. Therefore, we used an expected dividend yield of zero.

- *Discount for lack of marketability.* We applied a discount for lack of marketability ("DLOM") based on two widely accepted models: the 2012 Finnerty Model and the Asian Put. The DLOM was assessed by applying a low range based on a time-to-liquidity assumption of 0.50 years and a volatility assumption of 70.0%, and a high range based on a time-to-liquidity assumption of 1.50 years and a volatility assumption of 90.0%. After evaluating the results from both models, we selected a DLOM range and selected a final DLOM at the low end of the selected range.

Contemporaneously with the IPO, vesting of all incentive units of West Affum Holdings LP were accelerated and the Company recognized share-based payment costs of $2.8 million. The equity incentive units were converted into shares of Kestra Medical Technologies, Ltd. contemporaneously with the IPO. Equity incentive units are no longer issued.

Income Taxes

We account for income taxes using the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences representing future deductible amounts are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Valuation allowances are provided if, based upon the weight of available evidence, it is more likely than not that some or all of the net deferred tax assets will not be realized. As a result of the valuation allowances, our net deferred tax position has historically been immaterial.

We recognize the effect of income tax positions only if those positions are more likely than not of being sustained upon an audit. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being recognized. Changes in recognition or measurement are reflected in the period in which the change in judgement occurs.

Emerging Growth Company and Smaller Reporting Company Status

We are an "emerging growth company" as defined in Section 2(a) of the Securities Act. We will remain an emerging growth company until the earliest to occur of (i) the last day of the fiscal year that follows the fifth anniversary of the completion of our IPO; (ii) the last day of the fiscal year in which we have total annual gross revenue of at least $1.235 billion; (iii) the last day of the fiscal year in which we are deemed to be a "large accelerated filer," as defined in Rule 12b-2 under the Exchange Act, which will occur when the market value of our common shares held by non-affiliates exceeds $700.0 million as of the most recently completed second quarter; and (iv) the date on which we have issued more than $1 billion in non-convertible debt over a three-year period.

Pursuant to the JOBS Act, an emerging growth company is provided the option to adopt new or revised accounting standards that may be issued by the Financial Accounting Standards Board or the SEC either (i) within the same periods as those otherwise applicable to non-emerging growth companies or (ii) within the same time periods as private companies. We have elected to take advantage of the exemption for complying with new or revised accounting standards within the same time periods as private companies. Accordingly, the information contained herein may be different than the information you receive from other public companies.

We have elected to take advantage of some of the reduced regulatory and reporting requirements of emerging growth companies pursuant to the JOBS Act so long as we qualify as an emerging growth company, including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act, and reduced disclosure obligations regarding executive compensation.

We are also a "smaller reporting company," as such term is defined in Rule 12b-2 under the Exchange Act. We may continue to be a smaller reporting company for so long as either (1) the market value of our common shares held by non-affiliates is less than $250.0 million as of the last business day of our most recently completed second fiscal quarter or (2) our annual revenue was less than $100.0 million during the most recently completed fiscal year and the market value of our common shares held by non-affiliates is less than $700.0 million as of the last business day of our most recently completed second quarter. Any loss of our status as a smaller reporting company takes effect in the first quarter after the fiscal year in which we cease to qualify as a smaller reporting company. To the extent that we continue to qualify as a smaller reporting company at the time we cease to qualify as an emerging growth company, we will continue to be permitted to make certain reduced disclosures in our periodic reports and other documents that we file with the SEC. Specifically, as a smaller reporting company, we may choose to present only the two most recent fiscal years of audited financial statements in our Annual Report on Form 10-K and, similar to emerging growth companies, smaller reporting companies have reduced disclosure obligations regarding executive compensation.

Recently Adopted and Issued Accounting Pronouncements

Recently issued and adopted accounting pronouncements are described in Note 2 to our audited consolidated financial statements.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to market risk in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates.

Interest Rate Risk

We had cash, cash equivalents, and investment balances of $262.2 million as of April 30, 2026. The primary goals of our investment policy are liquidity and capital preservation. We do not enter into investments for trading or speculative purposes. The carrying amount of our cash equivalents reasonably approximates fair value, due to the short maturities of these instruments. Our investments are exposed to market risk due to a fluctuation in interest rates, which may affect the fair market value of our investments in marketable securities. As of April 30, 2026, the effect of a hypothetical 1.00% (100 basis point) change in interest rates would have changed the fair value of our marketable securities by $1.5 million. Such change would only be realized if we sold the marketable securities prior to maturity.

We also are subject to interest rate risk under the Term Loan. All amounts outstanding under the Term Loan bear interest as a variable rate per annum equal to 5.50% plus three-month Secured Overnight Financing Rate (“SOFR”) with a SOFR floor of 3.25%. However, our exposure to interest rate risk is not significant, and a hypothetical 10% change in interest rates during any of the periods presented would not have had a material impact on our consolidated financial statements included elsewhere in this Annual Report.

Concentrations of Credit Risk

We are subject to credit risk from cash balances we maintain that are in excess of federal depository insurance limits of $250,000 and certain cash balances in accounts located in Ireland which are not insured. As of April 30, 2026, we maintained cash, cash equivalents and investments of $262.2 million. As of April 30, 2025, we maintained cash, cash equivalents and restricted cash balances of $237.6 million. Cash, cash equivalents and restricted cash balances as of April 30, 2026 and 2025 were in excess of federal depository insurance limits. We have not experienced any losses in such accounts as of the date of this Annual Report, and we believe that we are not exposed to significant credit risk on our cash balances.

Inflation Risk

Our consolidated results of operations and financial condition are presented based on historical cost. While it is difficult to accurately measure the impact of inflation due to the imprecise nature of the estimates required, we believe the effects of inflation, if any, on our results of operations and financial condition have been immaterial. There can be no assurance that future inflation will not have an adverse impact on our results of operations and financial condition.

Item 8. Financial Statements and Supplementary Data.

Our consolidated financial statements and notes thereto, referred to in Item 15(a) of this Annual Report, are filed as part of this Annual Report and appear in this Annual Report beginning on page F-1.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management, under the supervision and with the participation of our Chief Executive Officer and our Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended ("the Exchange Act")). Based on such evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that the Company's disclosure controls and procedures were not effective as of April 30, 2026, because of the material weaknesses in our internal control over financial reporting described below.

Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Our management conducted an evaluation of the effectiveness of our internal control over financial reporting based upon criteria established in *Internal Control Integrated Framework* (2013) by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, management concluded that our internal control over financial reporting was not effective as of April 30, 2026 due to the material weaknesses described below:

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 consolidated financial statements will not be prevented or detected on a timely basis. The 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 in the accounting, finance and IT functions to appropriately analyze, record and disclose accounting matters timely and accurately. This material weakness contributed to the following additional material weaknesses.

- We did not design and maintain effective controls to ensure the financial statements were properly presented and classified for certain non-routine or complex transactions. Specifically, we did not design and maintain controls to appropriately account for the classification of selling, general and administrative expenses, paid-in-kind interest, restricted cash, right of use lease assets, and the cash flow presentation of leases. This material weakness resulted in immaterial audit adjustments to the aforementioned accounts, which were recorded in the Company's consolidated financial statements for the year ended April 30, 2021.

- We did not design and maintain effective controls to verify personnel would not have the ability to prepare and post manual journal entries or review account reconciliations without an independent review by someone without the ability to prepare and post manual journal entries. This material weakness did not result in adjustments to the consolidated financial statements.

- We did not design and maintain effective controls over IT general controls for information systems that are relevant to the preparation of our consolidated financial statements. Specifically, we did not design and maintain: (i) program change management controls to ensure that IT 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 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 adjustments to our consolidated financial statements; however, the deficiencies, when aggregated, could impact maintaining 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 not be prevented or detected. Accordingly, we have determined these deficiencies in the aggregate constitute a material weakness.

Additionally, these material weaknesses could result in a misstatement of substantially all of the financial statement accounts and disclosures that would result in a material misstatement to our annual or interim consolidated financial statements that would not be prevented or detected.

This Annual Report does not include an attestation report of our registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by our registered public accounting firm pursuant to rules of the Securities and Exchange Commission that permit us to provide only management's report in this Annual Report.

Remediation Plans

We continue to make progress towards remediating these material weaknesses. These remediation measures are ongoing as of the date of this Form 10-K and include: hiring additional personnel, such as financial planning and accounting, compliance, information technology professionals, and other professionals with appropriate levels of knowledge and experience; engaging third parties to assist with technical accounting and in designing and implementing controls related to period-end financial reporting, segregation of duties and IT general controls; designing and implementing controls to properly present and classify non-routine or complex transactions; and enhancing IT governance processes.

We continue to evaluate current and projected resource needs on a regular basis, hire additional qualified resources as needed and have engaged third parties and other professionals to assist with the resolution of IT general controls and governance processes. Our ability to maintain qualified and adequate resources to support the Company and our projected growth will be a critical component of our internal control environment.

The material weaknesses will not be considered remediated until management completes the design and implementation of the measures described above and the controls operate for a sufficient period of time and management has concluded, through testing, that these controls are effective.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting identified in connection with the evaluation required by Rules 13a-15(d) and 15d-15(d) of the Exchange Act during the quarter ended April 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Disclosure Controls and Procedures and Internal Control over Financial Reporting

Our management team, including our Chief Executive Officer and Chief Financial Officer, believes that our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving their objectives. The effectiveness of any systems of controls is subject to inherent limitations, including the exercise of judgment in designing, implementing, operating, and evaluating the controls and procedures, and the inability to completely eliminate all potential for misconduct. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures. Because of the inherent limitations in any cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Item 9B. Other Information.

During the quarter ended April 30, 2026, none of our directors or officers adopted, modified, or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

Except as set forth below, the information required by this item is incorporated by reference to our definitive Proxy Statement to be filed with the SEC in connection with our 2026 Annual Meeting of Shareholders within 120 days after the end of the fiscal year ended April 30, 2026. Information relating to our executive officers is found at Item 1, "Business—Executive Officers of the Company" and is incorporated by reference herein.

We have adopted a Code of Business Conduct and Ethics that applies to all of our directors, officers and employees, including our principal executive officer and principal financial officer. A current copy of the code is posted on the Investors——Corporate Governance section of our website, which is located at www.kestramedical.com.

We intend to satisfy the disclosure requirement under Item 5.05 of Form 8-K regarding an amendment to, or waiver from, a provision of this Code of Business Conduct and Ethics by posting such information on our website, at the address and location specified above and, to the extent required by the listing standards of the Nasdaq Global Select Market, by filing a Current Report on Form 8-K with the SEC, disclosing such information.

We have adopted insider trading policies and procedures governing the purchase, sale, and other dispositions of our securities by directors, officers, and employees that are designed to promote compliance with insider trading laws, rules, and regulations, and applicable Nasdaq Global Select Market listing standards, as well as procedures designed to further the foregoing purposes. A copy of our insider trading policy is filed with this Annual Report as Exhibit 19.

Item 11. Executive Compensation.

The information required by this item is incorporated by reference to our definitive Proxy Statement to be filed with the SEC in connection with our 2026 Annual Meeting of Shareholders within 120 days after the end of the fiscal year ended April 30, 2026.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The information required by this item is incorporated by reference to our definitive Proxy Statement to be filed with the SEC in connection with our 2026 Annual Meeting of Shareholders within 120 days after the end of the fiscal year ended April 30, 2026.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by this item is incorporated by reference to our definitive Proxy Statement to be filed with the SEC in connection with our 2026 Annual Meeting of Shareholders within 120 days after the end of the fiscal year ended April 30, 2026.

Item 14. Principal Accounting Fees and Services.

The information required by this item is incorporated by reference to our definitive Proxy Statement to be filed with the SEC in connection with our 2026 Annual Meeting of Shareholders within 120 days after the end of the fiscal year ended April 30, 2026.

PART IV

Item 15. Exhibits, Financial Statement Schedules.

The following documents are filed as part of this Annual Report:

(a) Financial Statements. See Index to Financial Statements included in the financial statements in this Annual Report.

(b) Financial Statement Schedules. All financial statement schedules are omitted because they are not applicable or required, or the information required to be set forth therein is included in the financial statements or notes thereto included in the Index to Financial Statements of this Annual Report.

(c) Exhibits. The exhibits required to be filed as part of this Annual Report are listed in the Exhibit List attached hereto and are incorporated herein by reference (numbered in accordance with Item 601 of Regulation S-K).

Item 16. Form 10-K Summary.

None.

Exhibit Index

Exhibit Number	Description
3.1	Certificate of Incorporation (previously filed as Exhibit 3.1 to the Registration Statement on Form S-1 (File No. 333-284807) filed on February 10, 2025 and incorporated herein by reference).
3.2	Memorandum of Association (previously filed as Exhibit 3.2 to the Registration Statement on Form S-1 (File No. 333-284807) filed on February 10, 2025 and incorporated herein by reference).
3.3	Amended and Restated Bye-laws of the Registrant (previously filed as Exhibit 3.1 to the Current Report on Form 8-K (File No. 001-42549) filed on March 7, 2025 and incorporated herein by reference).
3.4	Certificate of Deposit of Memorandum of Increase of Share Capital (previously filed as Exhibit 3.2 to the Current Report on Form 8-K (File No. 001-42549) filed on March 7, 2025 and incorporated herein by reference).
4.1	Warrant to Purchase 62,325 Common Shares issued to Kennedy Lewis Capital Partners Master Fund II LP, dated March 7, 2025, by and among Kestra Medical Technologies, Ltd., West Affum Holdings, L.P. and Kennedy Lewis Capital Partners Master Fund II LP (previously filed as Exhibit 10.1 to the Current Report on Form 8-K filed on March 7, 2025 and incorporated herein by reference).
4.2	Warrant to Purchase 46,744 Common Shares issued to Kennedy Lewis Capital Partners Master Fund II LP, dated March 7, 2025, by and among Kestra Medical Technologies, Ltd., West Affum Holdings, L.P. and Kennedy Lewis Capital Partners Master Fund II LP (previously filed as Exhibit 10.2 to the Current Report on Form 8-K filed on March 7, 2025 and incorporated herein by reference).
4.3	Description of Share Capital (previously filed as Exhibit 4.4 to the Annual Report on Form 10-K filed on July 17, 2025 and incorporated herein by reference).
10.1	Assignment and Assumption of Registration Rights Agreement, dated as of February 26, 2025, by and between West Affum Holdings, L.P. and Kestra Medical Technologies, Ltd. (previously filed as Exhibit 10.1 to Amendment No. 1 to the Registration Statement on Form S-1 (File No. 333-284807) filed on February 26, 2025 and incorporated herein by reference).
10.2 +	Kestra Medical Technologies, Ltd. 2025 Omnibus Incentive Plan (previously filed as Exhibit 10.4 to the Current Report on Form 8-K filed on March 7, 2025 and incorporated herein by reference).
10.3 +	Kestra Medical Technologies, Ltd. 2025 Employee Stock Purchase Plan (previously filed as Exhibit 10.1 to the Quarterly Report on Form 10-Q on March 17, 2026 and incorporated herein by reference).
10.4*	Loan Agreement, dated as of July 10, 2026, between Kestra Medical Technologies, Inc. and the guarantors signatory therein, BioPharma Credit PLC, BPCR Limited Partnership, and BioPharma Credit Investments V (Master) LP.
10.5+	Form of Indemnification Agreement (previously filed as Exhibit 10.4 to Amendment No. 1 to the Registration Statement on Form S-1 (File No. 333-284807) filed on February 26, 2025 and incorporated herein by reference).
10.6+	Employment Agreement, dated as of October 17, 2016, between Kestra Medical Technologies, Inc. and Brian Webster (previously filed as Exhibit 10.6 to the Registration Statement on Form S-1 (File No. 333-284807) filed on February 10, 2025 and incorporated herein by reference).
10.7+	Employment Agreement, dated as of September 10, 2021, between Kestra Medical Technologies, Ltd. and Vaseem Mahboob (previously filed as Exhibit 10.7 to the Registration Statement on Form S-1 (File No. 333-284807) filed on February 10, 2025 and incorporated herein by reference).
10.8+	Employment Agreement, dated as of October 26, 2016, between Kestra Medical Technologies, Inc. and Traci S. Umberger (previously filed as Exhibit 10.8 to the Registration Statement on Form S-1 (File No. 333-284807) filed on February 10, 2025 and incorporated herein by reference).
10.9+	Amendment to Employment Agreement, dated as of June 4, 2025, by and between Kestra Medical Technologies, Inc. and Brian Webster (previously filed as Exhibit 10.9 to the Annual Report on Form 10-K filed on July 17, 2025 and incorporated herein by reference).
10.10+	Amendment to Employment Agreement, dated as of June 4, 2025, by and between Kestra Medical Technologies, Inc. and Vaseem Mahboob (previously filed as Exhibit 10.10 to the Annual Report on Form 10-K filed on July 17, 2025 and incorporated herein by reference).
10.11+	Amendment to Employment Agreement, dated as of June 4, 2025, by and between Kestra Medical Technologies, Inc. and Traci S. Umberger (previously filed as Exhibit 10.11 to the Annual Report on Form 10-K filed on July 17, 2025 and incorporated herein by reference).
10.12+	Employment Agreement, dated as of June 4, 2025, by and between Kestra Medical Technologies, Inc. and Al Ford (previously filed as Exhibit 10.12 to the Annual Report on Form 10-K filed on July 17, 2025 and incorporated herein by reference).
10.13+	Employment Agreement, dated as of October 17, 2025, between Kestra Medical Technologies, Inc. and Timothy Moran (previously filed as Exhibit 10.1 to the Quarterly Report on Form 10-Q filed on December 11, 2025 and incorporated herein by reference).
10.14*+	Kestra Medical Technologies, Ltd. Director Compensation Policy.

10.15+	Forms of Option Grant Notice under Kestra Medical Technologies, Ltd. 2025 Omnibus Incentive Plan (previously filed as Exhibit 10.3 to Amendment No. 1 to the Registration Statement on Form S-1 (File No. 333-284807) filed on February 26, 2025 and incorporated herein by reference).
10.16+	Form of Restricted Stock Unit Grant Notice and Award Agreement (Non-employee Directors) under the Kestra Medical Technologies, Ltd. 2025 Omnibus Incentive Plan (previously filed as Exhibit 10.13 to the Annual Report on Form 10-K filed on July 17, 2025 and incorporated herein by reference).
10.17+	Form of Restricted Stock Unit Grant Notice and Award Agreement (Executive Officers) under the Kestra Medical Technologies, Ltd. 2025 Omnibus Incentive Plan (previously filed as Exhibit 10.14 to the Annual Report on Form 10-K filed on July 17, 2025 and incorporated herein by reference).
10.18+	Form of Performance Stock Unit Grant Notice and Award Agreement (revenue PSU) under the Kestra Medical Technologies, Ltd. 2025 Omnibus Incentive Plan (previously filed as Exhibit 10.15 to the Annual Report on Form 10-K filed on July 17, 2025 and incorporated herein by reference).
10.19+	Form of Performance Stock Unit Grant Notice and Award Agreement (rTSR PSU) under the Kestra Medical Technologies, Ltd. 2025 Omnibus Incentive Plan (previously filed as Exhibit 10.16 to the Annual Report on Form 10-K filed on July 17, 2025 and incorporated herein by reference).
19	Insider Trading Policy of Kestra Medical Technologies, Ltd (previously filed as Exhibit 19 to the Annual Report on Form 10-K filed on July 17, 2025 and incorporated herein by reference).
21	List of Subsidiaries (previously filed as Exhibit 21 to the Annual Report on Form 10-K filed on July 17, 2025 and incorporated herein by reference).
23*	Consent of Independent Registered Public Accounting Firm.
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
97	Executive Compensation Recovery Policy (previously filed as Exhibit 97 to the Annual Report on Form 10-K filed on July 17, 2025 and incorporated herein by reference).
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed herewith.

+ Includes a management contract or compensatory plan.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Kestra Medical Technologies, Ltd.

Date: July 14, 2026 By: /s/ Brian Webster
Brian Webster
President and Chief Executive Officer

Date: July 14, 2026 By: /s/ Vaseem Mahboob
Vaseem Mahboob
Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this Report has been signed below by the following persons on behalf of the Registrant in the capacities and on the dates indicated.

Name	Title	Date
/s/ Brian Webster Brian Webster	President and Chief Executive Officer, and Director *(Principal Executive Officer)*	July 14, 2026
/s/ Vaseem Mahboob Vaseem Mahboob	Chief Financial Officer *(Principal Financial and Accounting Officer)*	July 14, 2026
/s/ Traci Umberger Traci Umberger	General Counsel and CAO, and Director	July 14, 2026
/s/ Jeff Schwartz Jeff Schwartz	Chairman of the Board of Directors	July 14, 2026
/s/ Raymond W. Cohen Raymond W. Cohen	Director	July 14, 2026
/s/ Mary Kay Ladone Mary Kay Ladone	Director	July 14, 2026
/s/ Kevin Reilly Kevin Reilly	Director	July 14, 2026
/s/ Conor Hanley Conor Hanley	Director	July 14, 2026
/s/ Elizabeth Kwo Elizabeth Kwo	Director	July 14, 2026

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Kestra Medical Technologies, Ltd.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Kestra Medical Technologies, Ltd. and its subsidiaries (the "Company") as of April 30, 2026 and 2025, and the related consolidated statements of operations and comprehensive loss, of changes in redeemable preferred stock and shareholders' equity (deficit) and of cash flows for the years then ended, including the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of April 30, 2026 and 2025, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these consolidated financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Emphasis of Matter

As discussed in Note 1 to the consolidated financial statements, the Company has incurred negative operating cash flows and significant losses from operations since its inception. Management's evaluation of the events and conditions and management's plans to mitigate these matters are also described in Note 1.

/s/ PricewaterhouseCoopers LLP
Irvine, California
July 14, 2026

We have served as the Company's auditor since 2016.

KESTRA MEDICAL TECHNOLOGIES, LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share amounts)

	April 30, 2026	April 30, 2025
Assets		
Current assets		
Cash and cash equivalents	$ 99,710	$ 237,595
Short-term investments	96,724	—
Accounts receivable, net	14,542	8,081
Disposable medical equipment supplies	6,706	6,572
Prepaid expenses and other current assets	4,677	3,080
Total current assets	222,359	255,328
Long-term investments	65,767	—
Right-of-use assets	3,364	2,078
Deposits	1,761	2,021
Restricted cash	334	334
Property and equipment, net	59,090	34,830
Other long-term assets	5,790	1,153
Total assets	$ 358,465	$ 295,744
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable	$ 27,295	$ 23,961
Accrued liabilities	23,046	13,829
Operating lease liabilities, current portion	31	187
Total current liabilities	50,372	37,977
Operating lease liabilities, net of current portion	4,111	3,026
Warrant liabilities	1,369	8,097
Other long-term liabilities	306	140
Long-term debt, net	42,649	41,098
Total liabilities	98,807	90,338
Commitments and contingencies (Note 14)		
Shareholders' equity		
Common Shares, $1.00 par value; 100,000,000 shares authorized as of April 30, 2026 and April 30, 2025; 58,383,924 issued and outstanding as of April 30, 2026 and 51,348,656 shares issued and outstanding as of April 30, 2025	58,384	51,349
Additional paid-in capital	853,353	674,306
Accumulated other comprehensive loss	(218)	—
Accumulated deficit	(651,861)	(520,249)
Total shareholders' equity	259,658	205,406
Total liabilities and shareholders' equity	$ 358,465	$ 295,744

The accompanying notes are an integral part of these consolidated financial statements.

KESTRA MEDICAL TECHNOLOGIES, LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except share and per share amounts)

	Year Ended April 30,	
	2026	**2025**
Revenue	$ 95,126	$ 59,815
Cost of revenue	46,263	35,605
Gross profit	48,863	24,210
Operating expenses:		
Research and development	19,484	15,652
Selling, general and administrative	164,120	114,936
Total operating expenses	183,604	130,588
Loss from operations	(134,741)	(106,378)
Other expense (income):		
Interest expense	7,546	7,734
Interest income	(8,351)	(3,199)
Other expense (income)	(2,618)	2,766
Net loss before provision for income taxes	(131,318)	(113,679)
Provision for income taxes	294	135
Net loss	(131,612)	(113,814)
Less: Undeclared preferred stock dividends	—	12,321
Net loss attributable to common shareholders, basic and diluted	$ (131,612)	$ (126,135)
Net loss per share attributable to common shareholders, basic and diluted	$ (2.43)	$ (5.13)
Weighted-average shares of common shares outstanding, basic and diluted[1]	54,184,698	24,583,745
Other comprehensive loss:		
Net loss	$ (131,612)	$ (113,814)
Unrealized loss on marketable securities	(218)	—
Comprehensive loss	$ (131,830)	$ (113,814)

The accompanying notes are an integral part of these consolidated financial statements.

[1]Weighted-average shares of common shares outstanding, basic and diluted, has been adjusted on a retrospective basis. Refer to Note 16 "*Net Loss Per Share Attributable to Common Shareholders*" for additional disclosure.

KESTRA MEDICAL TECHNOLOGIES, LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN REDEEMABLE PREFERRED STOCK AND SHAREHOLDERS' EQUITY (DEFICIT)
(in thousands, except share amounts)

	Redeemable Preferred Stock		Common Shares		Additional Paid-In	Accumulated	Non-controlling	Total Shareholders' Equity
	Shares	Amount	Shares	Amount	Capital	Deficit	Interests	(Deficit)
Balances at April 30, 2024[2]	177,110	$ 177,110	19,909,281	$ 19,909	$ 177,149	$ (406,435)	$ —	$ (209,377)
Share-based compensation expense	—	—	—	—	24,271	—	—	24,271
Conversion of Incentive Units to common shares on IPO	—	—	651,577	652	(652)	—	—	—
Capital contribution from West Affum LP	—	—	—	—	2,374	—	—	2,374
Warrant modification upon IPO	—	—	—	—	(1,171)	—	—	(1,171)
Issuance of redeemable preferred stock	103,400	103,400	—	—	—	—	—	—
Conversion of redeemable preferred stock to common shares on IPO	(280,510)	(280,510)	15,444,716	15,445	265,065	—	—	280,510
Issuance of stock to non-controlling interest	—	—	—	—	—	—	17,100	17,100
Conversion of non-controlling interest to common shares on IPO	—	—	1,645,893	1,646	15,454	—	(17,100)	—
Issuance of restricted share awards	—	—	32,485	32	(32)	—	—	—
Issuance of common shares upon IPO, net of underwriter discounts and issuance costs of $21,909	—	—	13,664,704	13,665	196,726	—	—	210,391
Deemed dividend for payments to third party on behalf of shareholder	—	—	—	—	(4,878)	—	—	(4,878)
Net loss and comprehensive loss	—	—	—	—	—	(113,814)		(113,814)
Balances at April 30, 2025	—	$ —	51,348,656	$ 51,349	$ 674,306	$ (520,249)	$ —	$ 205,406

	Common Shares		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Shareholders' Equity (Deficit)
	Shares	Amount				
Balances at April 30, 2025	51,348,656	$ 51,349	$ 674,306	$ —	$ (520,249)	$ 205,406
Share-based compensation expense	—	—	33,644	—	—	33,644
Issuance of common shares - exercise of warrant	100,397	100	3,954	—	—	4,054
Issuance of common shares - equity offering, net of underwriter discounts and issuance costs of $10,414	6,900,000	6,900	141,386	—	—	148,286
Issuance of common shares - stock option exercises	34,871	35	558	—	—	593
Deemed dividend for payments to third party on behalf of shareholder	—	—	(495)	—	—	(495)
Other comprehensive loss	—	—	—	(218)	—	(218)
Net loss	—	—	—	—	(131,612)	(131,612)
Balance at April 30, 2026	58,383,924	$ 58,384	$ 853,353	$ (218)	$ (651,861)	$ 259,658

The accompanying notes are an integral part of these consolidated financial statements.

[2]The number and amount of shares of common shares of Intermediate Holdings at a par value of $0.01 prior to the IPO has been retrospectively recast based on the number of Common Shares at a par value of $1.00 of Kestra Medical Technologies, Ltd. into which they were exchanged in connection with the Organizational Transactions prior to the IPO. Refer to Note 1 "*The Company*" for additional disclosure.

KESTRA MEDICAL TECHNOLOGIES, LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Year Ended April 30,	
	2026	**2025**
Cash flows from operating activities		
Net loss	$ (131,612)	$ (113,814)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	8,709	7,968
Loss on disposal of property and equipment	1,161	1,340
Reserve for equipment and supplies	2,435	754
Provision for uncollectible accounts receivable	2,596	2,694
Amortization (accretion) of premiums (discounts) on securities, net	(106)	—
Interest paid-in-kind	—	855
Amortization of debt discounts and issuance costs	1,874	1,400
Share-based compensation expense	33,644	24,270
Non-cash lease expense	326	416
Deferred income tax expense	166	64
Change in fair value of warrant liabilities	(2,673)	2,648
Changes in operating assets and liabilities:		
Disposable medical equipment supplies	(458)	(3,443)
Prepaid expenses and other current assets	(563)	(1,852)
Accounts receivable	(9,056)	(8,777)
Accounts payable	4,302	2,842
Accrued liabilities	8,197	4,617
Operating lease liabilities	(685)	370
Other long-term assets	40	40
Net cash used in operating activities	(81,703)	(77,608)
Cash flows from investing activities		
Purchases of property and equipment	(34,892)	(22,936)
Deposits for medical rental equipment	(528)	(655)
Refund of deposits for medical rental equipment	184	283
Investment in equity security	(5,000)	—
Purchase of marketable securities	(163,041)	—
Net cash used in investing activities	(203,277)	(23,308)
Cash flows from financing activities		
Proceeds from issuance of redeemable preferred stock	—	103,400
Proceeds from issuance of common stock	149,291	215,789
Proceeds from issuance of stock to non-controlling interest	—	17,100
Proceeds from capital contributions	—	2,374
Payment of IPO offering costs	—	(3,523)
Payment of equity issuance costs	(2,466)	(3,224)
Deemed dividend for payments to third party on behalf of shareholder	(323)	(1,654)
Proceeds from stock option exercises	593	-
Net cash provided by financing activities	147,095	330,262
Net increase (decrease) in cash, cash equivalents and restricted cash	(137,885)	229,346
Cash, cash equivalents and restricted cash		
Beginning of period	237,929	8,583
End of period	$ 100,044	$ 237,929
Reconciliation of cash, cash equivalents and restricted cash reported in the consolidated balance sheets		
Cash and cash equivalents	$ 99,710	$ 237,595
Restricted cash	334	334
Cash, cash equivalents and restricted cash	$ 100,044	$ 237,929
Non-cash investing and financing activities:		
Purchases of property and equipment in accrued liabilities and accounts payable	$ 8,314	$ 7,029
Exercise of liability classified warrant	4,055	—
Remeasurement of lease liability	1,614	—
Equity offering costs incurred but not yet paid	415	1,875
Deemed dividend for payments to third party on behalf of shareholder included in accrued liabilities and accounts payable	172	—
Issuance of warrants related to long-term debt	—	5,449
Conversion of redeemable preferred stock into Common Shares on completion of IPO	—	280,510
Supplemental disclosure of cash flow information		
Income taxes paid	$ 13	$ 83
Interest paid	5,645	4,851

The accompanying notes are an integral part of these consolidated financial statements.

1. The Company

Kestra Medical Technologies, Ltd. is a commercial stage medical device company, which principally generates revenue through leasing the ASSURE© System, which consists of a Wearable Cardioverter Defibrillator ("WCD"), to patients.

Kestra Medical Technologies, Ltd. was formed as a limited company in Bermuda on May 20, 2021 as a wholly owned subsidiary of West Affum Holdings, L.P. ("West Affum LP"), a company in the Cayman Islands. Kestra Medical Technologies, Ltd. was formed for the purpose of completing a public offering and related transactions to carry on the business of West Affum Intermediate Holdings Corp. and its subsidiaries. Effective on December 31, 2025, West Affum LP was dissolved and all of the Common Shares it had received at IPO were distributed to its unit holders.

West Affum Intermediate Holdings Corp., a Cayman Islands exempted company ("Intermediate Holdings"), was incorporated on August 6, 2020, in order to carry on the business of West Affum Holdings Corp. ("WAH Corp.") and its consolidated subsidiaries. Except as otherwise indicated or the context requires, references to the "Company" are to Intermediate Holdings for transactions occurring in periods prior to the consummation of the initial public offering of Kestra Medical Technologies, Ltd., and references to the "Company" are to Kestra Medical Technologies, Ltd. and its consolidated subsidiaries for transactions occurring in periods following the consummation of the initial public offering.

The Company and its consolidated subsidiaries own certain intellectual property related to the development of personal WCD approved by the U.S. Food and Drug Administration ("FDA") in July of 2021.

Initial Public Offering

On March 7, 2025, Kestra Medical Technologies, Ltd. completed an initial public offering of 11,882,352 common shares, par value $1.00 per share ("Common Shares") at an offering price to the public of $17.00 per Common Share ("IPO"). On March 14, 2025, the underwriters purchased an additional 1,782,352 Common Shares at an offering price to the public of $17.00 per Common Share.

In connection with the IPO, organizational transactions were effected whereby Kestra Medical Technologies, Ltd. delivered 37,683,952 Common Shares to West Affum LP and its unitholders, including 19,885,382 Common Shares delivered to West Affum LP in exchange for West Affum LP's contribution of its 105,808 shares of common stock, in Intermediate Holdings to Kestra Medical Technologies, Ltd., and the remainder of which Common Shares, including 32,485 Common Shares of Kestra Medical Technologies, Ltd. that are subject to vesting conditions, were delivered to holders of West Affum LP's class A common units (the "Class A Common Units") and equity incentive units (the "Incentive Units"), including a third-party investor in West Affum Holdings Designated Activity Company, a subsidiary of Intermediate Holdings (collectively, the "Organizational Transactions").

Following the Organizational Transactions, pre-existing interests in Intermediate Holdings, as well as non-controlling interests of its subsidiaries, were exchanged into Common Shares. Kestra Medical Technologies, Ltd. now directly owns 100% of Intermediate Holdings and indirectly owns 100% of each of Intermediate Holdings' direct and indirect subsidiaries.

The IPO, together with the Organizational Transactions, represent a business combination between entities under common control under the principles of ASC Topic 805, *Business Combinations*. As such, the exchange of Intermediate Holdings common stock into Common Shares of Kestra Medical Technologies, Ltd. have been reflected on a retrospective basis. Other transactions that closed contemporaneously with the Organizational Transactions, including conversions of preferred stock, non-controlling interests, and equity awards were accounted for prospectively beginning on the date such transactions occurred, and were not given retrospective effect.

Liquidity

As of April 30, 2026, the Company's principal sources of liquidity consisted of $262,201 of cash, cash equivalents, and investments.

The Company has incurred negative operating cash flows and significant losses from operations since its inception. For the years ended April 30, 2026 and 2025, the Company incurred net losses of $131,612 and $113,814, respectively. Cash used in operating activities was $81,703 and $77,608 for the years ended April 30, 2026 and 2025, respectively. As of April 30, 2026, the Company had an accumulated deficit of $651,861.

In March 2025, the Company raised $215,789 in proceeds in the IPO after deducting underwriting discounts and commissions and before deducting IPO offering costs of $5,398.

On December 4, 2025, the Company completed a public underwritten offering and issued an aggregate of 6,900,000 Common Shares at a price of $23.00 per share, resulting in net proceeds to the Company of $149,291, after deducting underwriting discounts but before expenses paid by the Company. The aggregate number of Common Shares offered in the public offering included 900,000 Common Shares issued pursuant to the exercise in full of the underwriters' option to purchase additional shares.

Based on the Company's current operating plan, the Company believes that its existing cash, cash equivalents, and investments will be sufficient to fund the Company's planned operating expenses and capital expenditure requirements for at least the next 12 months from the date of issuance of these financial statements.

However, the Company may experience lower than expected cash generated from operating activities or greater than expected capital expenditures, cost of revenue or operating expenses and may require additional funding to execute on its growth plans, which may include funding raised through future equity and debt financings. Management cannot predict with certainty that adequate funding will be available on acceptable terms or at all. If the Company cannot obtain sufficient funds on acceptable terms when needed, the Company may experience a material and adverse effect on its business, financial condition, results of operations and prospects.

2. Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with the rules and regulations of the Securities and Exchange Commission ("SEC") and generally accepted accounting principles in the United States of America ("US GAAP") and include the accounts of the Company and its wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation. The Company's reporting currency is the U.S. dollar.

Certain prior period amounts have been reclassified to conform to the current period presentation.

Use of Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of expenses during the reporting period. Estimates are required as part of determining the collectability of lease payments for revenue recognition, estimated useful lives of property and equipment, losses for unreturned property and equipment, share-based compensation expense, fair value of warrants and valuation allowance for deferred tax assets.

The Company bases its estimates on historical experience and other market-specific or relevant assumptions that it believes to be reasonable under the circumstances. Actual results could differ from those estimates.

Cash, Cash Equivalents and Restricted Cash

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents are recorded at cost, which approximates fair value. Restricted cash consists of amounts related to the Company's office lease agreement and credit card collateralization. In lieu of a cash security deposit, the landlord required an irrevocable standby letter of credit upon execution of the lease be maintained throughout the term of the lease agreement in the amount of $109 as of April 30, 2026 and 2025. The Company also had restricted cash of $225 for credit card collateralization as of April 30, 2026 and 2025.

Investments

The Company considers investments with an original maturity greater than three months and remaining maturities less than 12 months to be short-term investments. The Company classifies those investments that are not required for use in current operations and that mature in more than 12 months as long-term investments.

The Company classifies its marketable securities as available for sale and reports them at fair value, with unrealized gains and losses recorded in accumulated other comprehensive income (loss). For investments sold prior to maturity, the cost of investments sold is based on the specific identification method. Realized gains and losses on the sale of investments are recorded in other income (expense), net in the consolidated statement of operations.

If the estimated fair value of a marketable debt security is below its amortized cost basis, the Company evaluates whether it is more likely than not that the Company will be required to sell the security before its anticipated recovery in market value and whether credit losses exist for the related securities. Credit-related losses are recognized as an allowance for credit losses on the balance sheet with a corresponding adjustment to earnings. Unrealized gains and losses that are unrelated to credit deterioration are reported in accumulated other comprehensive income (loss).

The Company invests in equity securities that do not have readily determinable fair values. Equity investments that do not have readily determinable fair values are measured using the measurement alternative at cost minus impairment, if any. These investments are included in Other long-term assets on the consolidated balance sheet as of April 30, 2026. The carrying amount of this investment is $5,000 and there were no adjustments to the carrying amount during the year ended April 30, 2026.

Fair Value of Financial Instruments

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants as of the measurement date. There are three levels of inputs that may be used to measure fair value:

- Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities
- Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability
- Level 3: Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

Disposable Medical Equipment Supplies

Disposable medical equipment supplies consist of equipment parts, consumables, and associated product supplies that are expensed to the cost of revenue at the time of order delivery to the patient or first use. Disposable medical equipment supplies are valued at cost.

Accounts Receivable

Accounts receivable and net revenues are based on contractually agreed-upon rates for leases for the ASSURE© System, reduced by contractual adjustments. Inherent in these estimates is the risk that they will have to be revised or updated as additional information becomes available. The complexity of third-party billing arrangements and laws and regulations governing Medicare may result in adjustments to amounts originally recorded.

The Company performs a periodic analysis to review the valuation of accounts receivable and collectability of outstanding balances. These estimates are determined utilizing historical realization data under a portfolio approach which is then assessed by management to evaluate whether adjustments should be made based on accounts receivable aging trends, other operating trends, and relevant business conditions such as governmental and managed care payor claims processing procedures.

The Company records a reserve for estimated probable losses as part of net revenue adjustments in reporting revenue at an expected collectable amount based on the total portfolio of receivables for which collectability has been deemed probable. The accounts receivable is presented on the consolidated balance sheets net of the adjustments.

Receivables are considered past due when not collected by established due dates. Specific patient balances are written off after collection efforts have been followed and the account has been determined to be uncollectible. Changes to reserve estimate impacts are recorded as an adjustment to net revenue in the period during which changes in circumstances support a change to the estimate. The estimates of the allowance for uncollectible accounts receivable were $5,789 and $3,193 as of April 30, 2026 and 2025, respectively.

Property and Equipment

Property and equipment consist of medical rental equipment, test equipment, computer software and equipment, and leasehold improvements. Medical rental equipment used in the delivery of the ASSURE® WCD system consists of a therapy cable, batteries, a battery charger, assistant and WCD monitor, all of which have different useful lives. Upon completion of use by a patient, medical rental equipment is returned to the Company's third-party manufacturing and supply partner and inspected, tested and re-certified for use by another patient. When not in use by patients, medical rental equipment resides with the Company's third-party manufacturing and supply partner, at third-party warehouses or with the Company's territory managers. Physical counts of components are conducted at least annually at the third-party manufacturing and supply partner locations and at least quarterly at other locations.

Property and equipment are stated at cost less accumulated depreciation. Depreciation of medical rental equipment commences at the date when it becomes available for service, which represents the date that the asset is ready for intended use by the patients and continues through the estimated useful life of the asset. Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs, including planned major maintenance activities, are expensed as incurred.

Property and equipment are depreciated using the straight-line method based on the following estimated useful lives:

	April 30, 2026	April 30, 2025
Asset Classification	**Estimated Useful Lives**	**Estimated Useful Lives**
Computer software and equipment	3 years	3 years
Test equipment	5 years	5 years
Leasehold improvements	Lesser of useful life or lease-term	Lesser of useful life or lease-term
Medical rental equipment	2 - 15 years	2 - 8 years

During the year ended April 30, 2026, the estimated useful life of the medical rental equipment asset class was changed prospectively from 2 - 8 years to 2 - 15 years. This change was the result of actual field experience, established preventive maintenance programs, and an extensive engineering study completed during the period relating to the WCD monitor and battery charger. As a result, the useful life of the battery charger was changed from five years to fifteen years and the useful life of the WCD monitor was changed from seven years to fifteen years. The impact of the change was a reduction of depreciation expense, which is included within cost of revenue, by $1,410 in the year ended April 30, 2026, as compared to the useful life of medical rental equipment had it remained at 2 - 8 years. The net loss per share impact of the change is not material.

When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in the consolidated statements of operations and comprehensive loss for the period.

Deposits

Deposits represent advance payments to contracted suppliers for medical rental equipment. These payments are classified as long-term assets in the consolidated balance sheets.

Leases

The Company determines if an arrangement is a lease at inception and on the lease commencement date, the Company recognizes an asset for the right to use a leased asset and a liability based on the present value of remaining lease payments over the lease term.

The Company determines whether a contract contains a lease at the inception of a contract. If the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, the Company considers the contract to contain a lease.

The Company determines whether a contract conveys the right to control the use of an identified asset for a period of time if the contract contains both the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset.

The Company's leases do not provide an implicit rate. As such, the Company uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments.

Lease and non-lease components are combined for all leases. The measurement of lease right-of-use assets and liabilities includes amounts related to lease payments made prior to the lease commencement date, incentives from landlords received by the Company for signing a lease, including tenant improvement allowances or deferred lease credits paid to the Company by landlords, fixed payments related to lease components, such as rent escalation payments schedules at the lease commencement date, and fixed payments related to non-lease components, such as taxes, insurance and maintenance costs. The measurement of lease right-of-use assets and liabilities excludes amounts related to variable payments related to lease components, such as contingent rent payments.

Variable payments related to non-lease components, such as taxes, insurance and maintenance costs, are expensed as incurred in the consolidated statements of operations and comprehensive loss. The Company has elected not to recognize right-of use-assets and lease liabilities for leases with a term of twelve months or less. Lease costs for short-term leases are recognized on a straight-line basis over the lease term.

Certain of the Company's leases may include options to extend the lease or to terminate the lease. The Company assesses these leases and, depending on the facts and circumstances, has not included these options in the measurement of the Company's lease right-of-use assets and liabilities since extending the lease under an option is not reasonably certain of such option being exercised.

Non-cash amortization related to the lease right-of-use assets and liabilities is calculated on a straight-line basis over the lease term and is reflected in research and development expenses and selling, general and administrative expense in the consolidated statements of operations and comprehensive loss. Operating lease payments are classified as cash flows from operating activities in the consolidated statements of cash flows.

Impairment of Long-Lived Assets

The Company periodically reviews its long-lived assets, including property and equipment and right-of-use assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable.

The Company compares the carrying value of the long-lived assets (asset group) with the estimated future net undiscounted future cash flows expected to result from the use of the assets (asset group), including cash flows from disposition. An impairment loss is measured as the amount by which the carrying value exceeds the fair value of the long-lived assets (asset group). No impairment of long-lived assets was recorded during the years ended April 30, 2026 and 2025.

Warrant Liabilities

The Company accounts for certain warrants as liabilities in accordance with ASC 815-40, *Derivatives and Hedging*. The warrants are presented as a warrant liability in the consolidated balance sheets and are measured at fair value, with gains or losses recognized in the Other expense (income) line item of the consolidated statements of operations and comprehensive loss during the years ended April 30, 2026 and 2025.

Revenue

The Company generates revenue from the leases of ASSURE© System, which consists of a WCD combined with a proprietary digital healthcare platform, to at-risk patients for a fixed amount on a month-to-month basis. The lease payments generally consist of the contracted amounts based on reimbursement arrangements with third-party payors including Medicare, Medicaid and private commercial payors, and/or certain patient co-payments. The patient has the right to cancel the lease at any time during the rental period.

The equipment leases are classified as operating leases at lease commencement, and the Company recognizes the revenue associated with ASSURE© rentals in accordance with Accounting Standards Codification Topic 842, *Leases* ("ASC Topic 842"). The Company elected the practical expedient provided under ASC Topic 842 to combine the lease of ASSURE© System with the non-lease components, which includes the digital healthcare platform. The ASSURE© System is expected to be the predominant component and, as a result, the Company accounts for the combined revenue components under ASC Topic 842. Revenue is recognized on a straight-line basis over the contractual non-cancellable lease term, which is one month, when collectability of the lease payments is deemed to be probable. If collectability of the lease payments is not deemed to be probable, the lease income is limited to the lesser of the income that would have been recognized if collectability was probable or the lease payments collected. Collectability of all lease payments, which includes amounts reimbursed by third-party payors and/or amounts covered by the patient, is assessed for each contract upon lease commencement and is subject to subsequent reassessment throughout the lease term, as necessary.

Due to the nature of the industry and the reimbursement environment in which the Company operates, the Company periodically evaluates the need to record a general reserve under ASC 450, *Contingencies,* for a portfolio of operating lease receivables that are probable of collection. Inherent in the reserve estimates is the risk that they will have to be revised or updated as additional information becomes available. Specifically, the complexity of many third-party billing arrangements and the uncertainty of reimbursement amounts for certain services from certain payors may result in adjustments to amounts originally recorded. Such adjustments are expected to be identified and recorded at the point of cash application or claim denial.

Cost of Revenue

Cost of revenue consists of direct material, labor and rental equipment costs and indirect costs related to rental performance of ASSURE© System. It includes the cost of disposable WCD device components, depreciation cost of medical rental equipment reusable components, shipping, and order fulfillment costs, as well as other indirect costs incurred to support the manufacture and medical rental equipment delivery to and ongoing support for the patient's costs incurred in connection with providing the ASSURE© System to the patients.

Income Taxes

The Company accounts for income taxes using the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Valuation allowances are established if it is more likely than not that some, or all of the net deferred tax assets will not be realized.

The Company recognizes the effect of income tax positions only if it is more likely than not that the tax position will be sustained upon examination by the tax authorities. Recognized income tax positions are measured at the largest amount that has a greater than 50% likelihood of being recognized. Changes in recognition or measurement are reflected in the period in which the change in judgement occurs.

Research and Development

Research and development expenses consist of salaries and related benefits of product development personnel, prototype materials and other expenses related to the development of new products. Research and development expenses are expensed as incurred.

Patent Costs

Costs related to filing and pursuing patent applications are expensed as incurred, as recoverability of such expenditures is uncertain. Patent-related legal costs are included as a component of selling, general and administrative expenses.

Share-Based Compensation

The Company accounts for share-based compensation for employee and non-employee awards in accordance with ASC 718, *Compensation - Stock Compensation.* ASC 718 requires the recognition of compensation expense using a fair value-based method for costs related to all share-based awards, including stock options.

Share-based compensation expense for share-based payments is measured at the grant date based on the fair value of the award and recognized as compensation expense over the period of service. The Company uses the Black-Scholes option pricing model to determine the fair value of share-based payments. The model requires various assumptions involving the judgement of management, including the fair value of common units or common shares, volatility in price, time to liquidity (prior to the IPO) and risk-free interest rate. As the Company did not have sufficient trading history for share-based awards issued prior to the IPO, the expected volatility was derived from the average historical volatilities of several comparable public companies within the Company's industry over a period equivalent to the expected term of the share-based awards. The Company will continue to analyze the volatility assumptions as additional data for the Company's Common Share becomes available. Due to the lack of historical exercise history, the expected term of the Company's stock options is determined using the "simplified" method. The risk-free interest rate is based on the U.S. Treasury yield in effect at the time of grant for zero-coupon U.S. treasury notes with maturities approximately equal to expected term of the stock options. Expected dividend yield is zero based on the fact that the Company has never paid cash dividends and does not expect to pay any cash dividends in the foreseeable future.

The Company classifies share-based compensation expense in its statements of operations and comprehensive loss in the same manner in which the award recipient's payroll costs are classified or in which the award recipient's service payments are classified.

Payments on Behalf of Shareholder

During the year ended April 30, 2026 and 2025, the Company paid administrative costs to third parties on behalf of one of its shareholders. The payments to third parties on behalf of the Company's shareholder were recorded as a deemed dividend in the consolidated statements of changes in redeemable preferred stock and shareholders' equity (deficit).

Concentrations of Risk

Credit Risk

Financial instruments which potentially subject the Company to significant concentrations of credit risk consist primarily of cash. The Company's cash is mainly held in financial institutions. Amounts on deposit may at times exceed federally insured limits. The Company has not experienced any losses on its deposits of cash and does not believe that it is subject to unusual credit risk beyond the normal credit risk associated with commercial banking relationships. Further, the Company holds a small cash balance in its account located in Ireland, which is not insured.

Business Risk

The Company relies and expects to continue to rely on a small number of vendors to manufacture supplies, materials, and rental equipment for its use in the commercial product and the clinical trial programs. These programs could be adversely affected by a significant interruption in these manufacturing services.

Customer Risk

The Company earns revenues by seeking reimbursement for the product from governmental healthcare programs and private health insurance companies, including the federal Medicare program. If the Medicare program were to slow payments of the receivables for any reason, the Company would be adversely impacted. In addition, both governmental healthcare programs and private health insurance companies may seek ways to avoid or delay reimbursement, which could adversely affect the Company's cash flow and revenues.

Segment Information

The Company has a single operating and reportable segment. The Company has determined that its Chief Executive Officer is its chief operating decision maker. The Company's Chief Executive Officer reviews financial information presented on a consolidated basis and in a consistent manner with that is included in the consolidated statements of operations and comprehensive loss for purposes of assessing performance and making decisions on how to allocate resources. As the Company operates as one operating segment, all required segment financial information, such as revenues and significant operating expenses, is found in the accompanying consolidated financial statements. For the periods presented, all of the Company's long-lived assets were located in the United States, and all revenues from leasing of ASSURE© System devices to patients were earned in the United States. The accounting policies for segment reporting are the same as for the Company as a whole.

The chief operating decision maker utilizes the Company's financial information such as net loss and comprehensive loss derived from revenues and operating expenses included in the Company forecast, performance metrics, and budget versus actual analyses for purposes of evaluating financial performance and how to best allocate resources when developing and reviewing the annual budget to achieve the Company's long-term objectives. Significant expenses within loss from operations include cost of revenue, research and development expenses, and selling, general and administrative expenses, which are each separately presented on the Company's Consolidated Statements of Operations and Comprehensive Loss.

Comprehensive Loss

Comprehensive loss consists of net loss and other gains or losses affecting shareholders' equity that, under accounting principles generally accepted in the United States of America, are excluded from net loss. For the year ended April 30, 2026, unrealized losses on marketable securities were included as a component of comprehensive loss. For the year ended April 30, 2025, there were no items which qualify as components of other comprehensive loss and therefore, the Company's comprehensive loss was the same as its reported net loss.

Recently Adopted Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which enhances transparency and decision usefulness of income tax disclosures, primarily related to the income tax rate reconciliation and income taxes paid information. The Company adopted ASU 2023-09 prospectively during the year ended April 30, 2026. The adoption of the amendments in ASU 2023-09 impacted the Company's disclosures in the notes to the consolidated financial statements and did not have a material impact on its consolidated balance sheets, results of operations or cash flows.

Accounting Pronouncements Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40) ("ASU 2024-03")*, requiring disclosure in the notes to the financial statements for specified information about certain costs and expenses. ASU 2024-03 is effective for annual reporting periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027; however early adoption is permitted and can be applied either prospectively or retrospectively. The Company is evaluating the impact that this ASU will have on its financial statement disclosures.

In July 2025, the FASB issued ASU 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets ("ASU 2025-05")*, requiring election of a practical expedient when estimating expected credit losses for current accounts receivable and current contract assets. ASU 2025-05 is effective for annual reporting periods beginning after December 15, 2025, and interim reporting periods within those annual reporting periods. Early adoption is permitted in both interim and annual reporting periods. The Company is evaluating the impact that this ASU will have on its financial statements.

In September 2025, the FASB issued ASU 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software* ("ASU 2025-06"), modernizing the accounting framework for internal-use software by eliminating the prior stage-based model and introducing a principles-based capitalization threshold. ASU 2025-06 is effective for fiscal years beginning after December 15, 2027, and interim periods within those annual reporting periods, with early adoption permitted. The Company is evaluating the impact that this ASU will have on its financial statements and related disclosures.

The Company has reviewed other recent accounting pronouncements and concluded that they are either not applicable to the business, or that no material effect is expected on the consolidated financial statements as a result of future adoption.

3. Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consisted of the following at:

	April 30, 2026	April 30, 2025
Prepaid software fees	$ 1,693	$ 1,387
Other current assets	2,984	1,693
Total Prepaid expenses and other current assets	$ 4,677	$ 3,080

4. Property and Equipment

Property and equipment consisted of the following at:

	April 30, 2026	April 30, 2025
Medical rental equipment	$ 83,053	$ 52,670
Test equipment	3,490	3,115
Office equipment and furniture	1,517	1,446
Leasehold improvements	919	919
Work in progress	1,538	635
Total property and equipment	90,517	58,785
Less: accumulated depreciation	(31,427)	(23,955)
Total Property and equipment, net	$ 59,090	$ 34,830

The Company recorded $8,709 and $7,968 of depreciation expense for the years ended April 30, 2026 and 2025, respectively.

5. Leases

The Company had two operating leases for office space that commenced on May 1, 2020 and January 1, 2021 with a 48-month term and 40-month term, respectively. The Company determined at the commencement of both leases that it is reasonably certain that the Company will not exercise the option to extend the terms of either lease. The office leases have variable lease payments to reimburse the lessor for costs, such as insurance and taxes but do not depend on an index rate and are excluded from the measurement of the lease liability and are recognized in operating expense.

In June 2021, the Company amended its office lease that began on May 1, 2020 to expand the leased space, commencing on September 1, 2021. The amendment is subject to all terms and conditions of the original office lease agreement and were set to expire in April 2024. In October 2023, the Company amended the existing office lease to expire in April 2029. The Company has the option to renew for 3 or 5 years upon expiration of the extended term at prevailing market rates.

The October 2023 office lease amendment provided rent abatement from November 1, 2023 through April 30, 2024. The same amendment further provided a tenant improvement allowance of $943 to be used as rent abatement or tenant improvement reimbursement by June 2026, and $786 specifically for tenant improvement reimbursement. In August 2024, the Company amended its office lease to allow for two additional months of rent abatement and for the amount to be used specifically for tenant improvement reimbursement to be used for rent abatement or tenant improvements.

In February 2025, the Company further amended its office lease to expand the leased space, commencing on April 1, 2025.

In December 2025, the Company amended its office leases to extend the lease term through April 2031. The extended lease term resulted in a re-measurement resulting in the increase of the lease liability and right of use asset by $1,585.

In May 2025, the Company entered into a new lease agreement for an office in Texas, commencing on May 15, 2025. The lease is set to expire on May 31, 2027.

Operating lease expense was as follows for the periods below:

	Year Ended April 30,	
	2026	**2025**
Operating lease expense	$ 984	$ 758
Variable lease expense	680	636
Total operating lease expense	$ 1,664	$ 1,394

Operating lease expense includes amortization and interest expense associated with operating lease right-of-use assets and liabilities. Variable lease expense includes payments related to taxes, insurance and maintenance costs as required by the lease.

Cash paid for operating leases was $2,081 and $655 for the years ended April 30, 2026 and 2025, respectively.

The weighted average remaining lease term for the Company’s operating leases was 60 months as of April 30, 2026, and 48 months as of April 30, 2025. The weighted average discount rate used to calculate the net present value of the Company’s operating lease liabilities was 12.0% as of April 30, 2026 and 15.2% as of April 30, 2025.

Maturities of operating lease liabilities (net reimbursements) were as follows as of April 30, 2026:

Fiscal Year:		
2027		43
2028		1,346
2029		1,477
2030		1,424
2031		1,589
Total future lease payments	$	5,879
Less: imputed interest		(1,737)
Total lease liability balance	$	4,142
Less: current portion of lease liability		(31)
Total lease liability, net of current portion	$	4,111

6. Accrued Liabilities

Accrued liabilities consisted of the following at:

	April 30, 2026	April 30, 2025
Bonuses and commissions	$ 10,885	$ 6,368
Other accrued liabilities	5,486	3,547
Paid time off	3,050	2,305
Professional services	1,133	1,141
Payroll and payroll taxes	2,492	468
Total Accrued liabilities	$ 23,046	$ 13,829

7. Long-Term Debt

On September 29, 2023, the Company entered into a Credit Agreement with a lender that provided a Senior Secured Delayed Draw Term Loan Facility (as amended, the "Term Loan 2024") in an aggregate principal amount of up to $60,000 and matures on September 29, 2028. Borrowings are made available in up to three tranches, the first of which is available upon closing of the agreement, which included committed equity funding of at least $75,000, and two follow on tranches of $7,500 which became available before November 1, 2024, and February 1, 2025, dependent upon achievement of revenue milestones of trailing twelve-month revenues of $50,000 and $70,000, respectively. The Term Loan 2024 bears interest equal to the sum of Term Secured Overnight Financing Rate plus 7.25% for each interest period which is measured monthly and is payable on the last day of each fiscal quarter. Through March 31, 2025, the Company had the ability to pay-in-kind up to 2% of the payable interest. The Term Loan 2024 requires a minimum level of cash of $3,000 and certain revenue thresholds based upon trailing twelve-month revenue results. The revenue covenant began to be measured on April 30, 2024.

On September 29, 2023, the Company drew an initial $45,000. In connection with the first draw, the Company incurred a 1% facility fee of the total available loan amount of $60,000 upon the draw of the first tranche of $600 and legal fees of $1,753 for both the Company and the lender. The Company recognized the facility fee and legal fees as a discount of $1,765 to the Term Loan 2024 for the initial draw on the loan, and $588 as an Other long-term asset, for the remainder available to draw. Each of these will be amortized as interest expense over the term of the loan on a straight-line basis.

As of October 31, 2024, the Company determined that the revenue milestone related to the second tranche was not met and the third tranche was not probable of being achieved. As a result, the Company expensed the asset related to debt issuance costs and facility fees in the amount of $462.

In conjunction with the draw of the first tranche, West Affum LP issued a warrant to the lender to purchase up to 256,410 shares of West Affum LP's common units at an exercise price of $17.55 per share. The fair value of the warrant was $1,632 and was recognized as a debt discount and as a capital contribution, and the debt discount is amortized over the term of the loan to interest expense.

On February 25, 2025, the Company amended the Term Loan 2024 facility to adjust the revenue milestones applicable to the debt covenants therein and amend the ability to draw additional loans under the third tranche to allow for the ability to draw an additional $15.0 million through July 31, 2026 upon the achievement of revenue of at least $60.0 million for any twelve consecutive month period prior to the third tranche borrowing date. As of April 30, 2026, the Company was in compliance with all financial covenants.

In connection with the IPO, the warrant issued to the lender on September 29, 2023 was cancelled and exchanged for a new warrant (the "2033 Warrant") to purchase up to 325,847 Common Shares of Kestra Medical Technologies, Ltd. with an exercise price of $11.54. The 2033 Warrant expires on September 29, 2033. The 2033 Warrant is classified as a liability and is recorded as a discount to the Term Loan 2024. Upon the funding of additional amounts under the third tranche of Term Loan 2024, the Company will issue additional warrants to the lender exercisable for Common Shares with a value equal to 10% of the amount funded.

On September 4, 2025, the lender fully exercised the 2033 Warrant to purchase Common Shares on a cashless basis, resulting in the issuance of 100,397 Common Shares and the cancellation of the 2033 Warrant.

The Company's long-term debt consisted of the following at:

	April 30, 2026	April 30, 2025
Term loan	$ 45,000	$ 45,000
Accumulated paid-in-kind interest applied to term loan balance	1,395	1,395
Less: unamortized debt issuance costs and debt discount	(3,746)	(5,297)
Total long-term debt	$ 42,649	$ 41,098

The Company recognized expenses related to the Term Loan 2024 as follows:

	Year Ended April 30,	
	2026	2025
Cash interest expense	$ 5,645	$ 4,851
Amortization of the facility fee and legal fees	380	874
Amortization of the debt discount recognized in connection with the warrant	1,521	526
Interest expense paid-in-kind and applied to the Term Loan 2024 balance	—	855
Total expense recognized related to the Term Loan 2024	$ 7,546	$ 7,106

8. Fair Value Measurement

The following table presents the Company's fair value hierarchy for its classified assets and liabilities measured at fair value on a recurring basis as of April 30, 2026 and 2025.

	Level 1	Level 2	Level 3
April 30, 2026			
Assets			
Money market funds	$ 22,146	$ —	$ —
U.S. treasury securities	—	195,338	—
Total assets	$ 22,146	$ 195,338	$ —
Liabilities			
Warrant liabilities	—	—	1,369
Total liabilities	$ —	$ —	$ 1,369
April 30, 2025			
Liabilities			
Warrant liabilities	—	—	8,097
Total liabilities	$ —	$ —	$ 8,097

The Company classifies its money market funds, which are valued based on quoted market prices in active markets with no valuation adjustment, as cash equivalents within the fair value hierarchy.

The fair value and amortized cost of available-for-sale marketable securities as of April 30, 2026 are presented in the following table:

	Amortized Cost Basis	Gross Unrealized Unrealized Gains	Gross Unrealized Unrealized Losses	Fair Value
Assets				
Money market funds	$ 22,146	$ —	$ —	$ 22,146
U.S. treasury securities	195,556	—	(218)	195,338
Total	$ 217,702	$ —	$ (218)	$ 217,484

As of April 30, 2026 available-for-sale marketable securities are classified as follows in the consolidated balance sheet:

Category:	
Cash and cash equivalents	$ 54,993
Short-term investments	96,724
Long-term investments	65,767
Total	$ 217,484

Short-term investments have a contractual maturity date that is one year or less from the respective balance sheet date. Long-term investments have a contractual maturity date that is more than one year from the respective balance sheet date. The Company recognized no credit losses during the years ended April 30, 2026 and 2025, and had no allowance for credit losses as of April 30, 2026, and 2025.

As of April 30, 2026 and 2025, the fair value of the long-term debt, net of discounts, approximated $47,700 and $47,330, respectively. The fair value of long-term debt was determined using quoted market prices, when available, or discounted cash flows based on various factors, including maturity schedules and current market rates. Long-term debt has been classified as Level 2 of the fair value hierarchy.

There were no transfers into or out of the Level 1, 2 or 3 fair value hierarchies during the years ended April 30, 2026 and 2025.

Warrant Liabilities

As of April 30, 2026, the Company recorded warrant liabilities from issuance of warrants to the lender of the Term Loan 2024 in connection with the amendment on February 25, 2025. The warrant liabilities are based on significant inputs not observable in the market, which represent a Level 3 measurement within the fair value hierarchy. The Company's valuation of the warrant liabilities utilized the Black-Scholes option-pricing model, which incorporates assumptions and estimates to value the warrants.

As of April 30, 2026, the quantitative elements associated with the Company's Level 3 inputs impacting the fair value measurement of the warrant liabilities included the fair value per share of the underlying Common Shares, the remaining contractual term of the warrant, risk-free interest rate, expected dividend yield and expected volatility of the price of the underlying Common Shares. The expected volatility is derived from comparable public companies as the Company did not have sufficient trading history for the Company's Common Shares. The change in fair value of warrant liability was $2,673 for the year ended April 30, 2026, which is included in other expense within the consolidated statements of operations and comprehensive loss.

The following table presents the significant inputs and assumptions used in the Black-Scholes option pricing model to determine the fair value of the warrant liabilities as of April 30, 2026:

	April 30, 2026	April 30, 2025
Strike price	$ 11.54	$ 11.54
Expected term (in years)	7.42	8.42
Expected volatility	59.00%	65.00%
Risk free rate	4.20%	4.21%
Dividend yield	0%	0%

A reconciliation of the Level 3 liabilities is as follows:

Fair value of Level 3 liabilities as of April 30, 2025	$	8,097
Change in fair value of warrant liabilities		(2,673)
Exercise of warrant		(4,055)
Fair value of Level 3 liabilities as of April 30, 2026	$	1,369

9. Common Shares

The Company had 100,000,000 Common Shares authorized and 58,383,924 and 51,348,656 Common Shares issued and outstanding with a par value of $1.00 per Common Share as of April 30, 2026 and April 30, 2025, respectively. Each Common Share is entitled to one vote.

10. Redeemable Preferred Stock

In May 2022, Intermediate Holdings amended and restated its Memorandum and Articles of Association, according to which Intermediate Holdings' existing share capital of 5,000,000 shares can upon the discretion of Intermediate Holdings be issued in the form of either common and/or preferred stock with a par value of $0.01 each.

In May and July of 2024, Intermediate Holdings issued to West Affum LP a total of 103,400 shares of preferred stock for proceeds $103,400. Following the Organizational Transactions, pre-existing interests in Intermediate Holdings, as well as non-controlling interests of its subsidiaries, were exchanged into Common Shares. Kestra Medical Technologies, Ltd. now directly owns 100% of Intermediate Holdings and indirectly owns 100% of each of Intermediate Holdings'. There were no shares of preferred stock outstanding as of April 30, 2026 and April 30, 2025.

Preferred stock issued is considered non-voting and is subject to a preferred dividend accrued daily with a set payment "yield" capped at 4.7% for issuances prior to April 30, 2023 and at 6.0% for issuances on or after May 1, 2023. No dividends were declared as of the year ended April 30, 2026 or 2025. Cumulative unpaid dividends were factored into the value of the preferred stock when exchanged for Common Shares of Kestra Medical Technologies, Ltd. in connection with the Organizational Transactions.

11. Non-Controlling Interest

In July 2024, West Affum Holdings Designated Activity Company (the "DAC"), a subsidiary of the Company, received a $17,100 investment from a third party (the "Investor") in exchange for shares. The DAC sold the Investor 171 Class A redeemable ordinary shares ("Class A Redeemable Ordinary Shares") of the DAC at a price per share equal to $100,000 for an aggregate cash purchase price of $17,100. Concurrently with the execution and delivery of the agreement governing the Investor's investment into DAC, Intermediate Holdings entered into an agreement with the Investor and West Affum LP wherein, at the discretion of the Investor, the DAC's Class A Redeemable Ordinary Shares held by the Investor can be exchanged into common stock of Intermediate Holdings, and subsequently exchanged into Class A Common Units of West Affum LP. The exchange ratio is calculated based on the DAC price per share of $100,000 and the Class A Common Unit price of $14.67 as of July 2024 which allows the Investor to exchange 171 DAC Class A Redeemable Ordinary Shares into 1,165,644.17 Class A Common Units of West Affum LP.

In connection with the IPO, all Class A Redeemable Ordinary Shares were exchanged for common stock of Intermediate Holdings, which common stock were exchanged for common units of West Affum LP immediately after. West Affum LP contributed all of its Intermediate Holdings common stock to Kestra Medical Technologies, Ltd. for its Common Shares. Effective on December 31, 2025, West Affum LP was dissolved and all of the Common Shares it had received at IPO were distributed to its unit holders.

12. Equity Incentive Plan and Share Based Compensation

Incentive Units

Prior to the IPO, certain employees and contractors of Intermediate Holdings were granted Incentive Units of West Affum LP. The Incentive Units allow the holder to participate in the equity of West Affum LP subject to participation thresholds as defined by West Affum LP. Upon termination of employment or services, West Affum LP has the right but not the obligation to repurchase vested Incentive Units at fair market value within seven months following termination.

Incentive Units vest based on continued service on a straight-line basis over the applicable service periods. Any unvested Incentive Units are automatically forfeited upon separation. Incentive Units do not expire and have no exercise price. Compensation cost of Incentive Units is estimated on the date of grant.

In connection with the IPO, vesting was accelerated for all unvested Incentive Units and all Incentive Units were exchanged into Common Shares of Kestra Medical Technologies, Ltd. The Company recorded $2,783 in share-based compensation related to the acceleration of the vesting of the unvested Incentive Units. The following table summarizes Incentive Units activity:

	Incentive Units
Outstanding at April 30, 2024	2,130,143
Granted	1,192,999
Forfeited / repurchased	(192,405)
Exchanged into common shares	(3,130,737)
Outstanding at April 30, 2025	—

Restricted Common Units and Restricted Shares

Certain directors and advisors of the Company were granted 17,149 shares of restricted common units of West Affum LP between September 1, 2022 and October 16, 2024, with a vesting period of 3 years. In connection with the IPO, the restricted common units converted into 23,899 restricted Common Shares of Kestra Medical Technologies, Ltd., subject to continued vesting under the original grant agreements. As of April 30, 2026, 19,916 and 3,983 of these Common Shares were vested and unvested, respectively. As of April 30, 2025, 11,950 and 11,950 were vested and unvested, respectively.

Certain directors and advisors of the Company were granted 35,787 shares of restricted Class A Common Units of West Affum LP between July 24, 2024 and November 3, 2024, with a vesting period of 3 years. In connection with the IPO, Class A Common Units were automatically exchanged into 45,479 restricted Common Shares of Kestra Medical Technologies, Ltd., subject to continued vesting under the directors' original grant agreements. During the year ended April 30, 2026, 18,795 restricted Common Shares vested. As of April 30, 2026, there were 23,822 and 21,657 shares of vested and unvested restricted Common Shares outstanding. As of April 30, 2025, there were 12,994 and 32,485 shares of vested and unvested restricted Common Shares outstanding.

Share-based compensation expense associated with restricted common units and restricted Common Shares is immaterial and recorded within selling, general and administrative expense.

In connection with the IPO, the Company entered into the Kestra Medical Technologies, Ltd. 2025 Omnibus Incentive Plan (the "2025 Omnibus Incentive Plan") to grant eligible individuals incentive equity awards, including stock options and restricted stock units. Stock option and restricted stock unit activity for the year ended April 30, 2026 is as follows:

Stock Options

Stock options activity for the year ended April 30, 2026 is as follows:

	Number of options	Weighted average exercise price	Weighted average remaining contractual life (in years)	Aggregate intrinsic value (in thousands)
Balance at April 30, 2025	4,649,100	$ 17.04	9.85	$ 32,640
Forfeited	(109,721)	17.38		
Exercised	(34,871)	17.00		
Balance at April 30, 2026	**4,504,508**	**17.04**	**8.85**	16,675
Vested and exercisable at April 30, 2026	3,182,286	17.04	8.85	11,768

Also as of April 30, 2026, unrecognized compensation cost for outstanding stock options was $12,539, with the weighted-average period over which this cost is expected to be recognized at 0.45 years. The aggregate intrinsic value of stock options is calculated as the difference between the exercise price of the stock options and the fair value of the Company's Common Shares for those stock options that had exercise prices lower than the fair value of the Company's Common Shares.

The weighted average grant date fair value of stock options outstanding as of April 30, 2026 was $10.20 per share.

Restricted Stock Units

The 2025 Omnibus Incentive Plan also allows for the grants of restricted shares and restricted stock units. During the year ended April 30, 2026, the Company granted restricted stock units which vest under three methods:

- Three-year service period restricted unit grants which vest one-third on each of the first, second and third anniversaries of the date of grant. The fair value of these restricted stock units is determined based upon the Company's stock price on the date of grant and expensed over the service period.

- Performance-based restricted stock unit grants that vest after one year only if the Company has achieved curtained performance objectives as defined and approved by the Company's Board of Directors. The fair value of the performance awards is determined based on the Company's stock price at the date of grant and expensed over the performance period based on the probability of achieving the performance objectives. If such targets are not met or service is not rendered for the requisite service period, no compensation cost is recognized, and any recognized compensation cost in prior periods will be reversed.

- Market-based restricted stock units that have combined market conditions and service conditions for vesting, for which the Company uses the Monte Carlo valuation model to value equity awards (as of the date of grant). Compensation cost is not adjusted if the market condition is not met, as long as the requisite service is provided.

Time Based Restricted Stock Units

Restricted stock unit activity for the year ended April 30, 2026 is as follows:

	Number of restricted units	Weighted average grant date fair value
Outstanding at April 30, 2025	—	$ —
Granted	2,655,737	17.56
Forfeited	(155,779)	16.95
Outstanding at April 30, 2026	**2,499,958**	**$ 17.60**

As of April 30, 2026, there was $34,052 of total unrecognized compensation cost related to unvested restricted stock units that is expected to be recognized over a weighted-average period of approximately 2.38 years. As of April 30, 2026, none of the restricted stock units were vested.

Performance Based Restricted Stock Units

During the year ended April 30, 2026, the Company granted 434,702 performance-based restricted stock units that vest upon achieving curtained performance objectives. Achievement of these performance objectives was deemed probable during the three months ended July 31, 2025. The weighted average grant date fair value is $16.04.

As of April 30, 2026, there was no unrecognized compensation cost related to unvested performance-based restricted stock units. As of April 30, 2026, none of the performance-based restricted stock units were vested.

Market Based Restricted Stock Units

During the year ended April 30, 2026, the Company granted 217,351 market-based restricted stock units that vest upon achieving both market conditions and service conditions.

The Company estimated the fair value of the market-based restricted stock units granted using a Monte Carlo simulation model with the following assumptions:

	April 30, 2026
Expected volatility	54.6%
Expected term	1.76 years
Risk free rate	3.91%
Fair value of underlying common stock	$ 17.30
Weighted average grant-date fair value per share	$ 20.25

As of April 30, 2026, there was $2,741 of total unrecognized compensation cost related to unvested market-based restricted stock units that is expected to be recognized over a weighted-average period of approximately 1.21 years. As of April 30, 2026, none of the market-based restricted stock units were vested.

Employee Stock Purchase Plan

Under the 2025 Employee Stock Purchase Plan (the "ESPP"), participants are permitted to purchase shares of Common Shares, up to the IRS allowable limit of $25,000 in any calendar year and no more than 1,000 shares on any purchase date, through contributions (in the form of payroll deductions or otherwise to the extent permitted by the administrator of the ESPP) of up to 15% of their eligible compensation. The ESPP provides for offering periods not to exceed 27-months, and the Company anticipates each offering period to consist of one or more six-month purchase periods. Participants are permitted to purchase shares of the Company's Common Shares at 85% of the lower of the fair market value of the Company's Common Shares on the first trading day of an offering period or on the last trading date in each purchase period in the applicable offering period. Participants may end their participation at any time during an offering period and will be paid their accrued contributions that have not yet been used to purchase shares. Participation ends automatically upon termination of employment with the Company. No purchases were made during the year ended April 30, 2026.

Share-Based Compensation

The Company recorded share-based compensation in the following expense categories of its consolidated statements of operations and comprehensive loss:

	Year Ended April 30,	
	2026	**2025**
Research and development	$ 3,601	$ 1,964
Selling, general and administrative	30,043	22,307
Total share-based compensation expense	$ 33,644	$ 24,271

13. Income Taxes

The components of loss before income taxes are as follows:

	2026	**2025**
U.S. Operations	$ (116,148)	$ (105,417)
Foreign Operations	(15,171)	(8,262)
Total	$ (131,318)	$ (113,679)

In 2025, the Company completed its restructuring in connection with its initial public offering. The Company's parent company is based in Bermuda and is a resident for Irish tax purposes. Its subsidiaries are in the Cayman Islands, Ireland, and the U.S. Under the current laws of Bermuda and the Cayman Islands, the Company is not subject to tax on income. However, the Company and its subsidiaries are subject to taxation in Ireland, the U.S. federal government, and various states.

As a result of the restructuring completed in connection with the initial public offering, the Company's effective tax rate varies from the statutory Irish tax rate due to the effect of U.S. federal income taxes, state income taxes and research and development credits. The Company's effective tax rate could fluctuate from quarter to quarter based on variations in the estimated and actual level of pre-tax income or loss by jurisdiction, changes in enacted tax laws and regulations, and changes in estimates regarding the realizability of deferred tax assets. As of April 30, 2026 and 2025, the Company provided a full valuation allowance against its net deferred tax assets that we believe, based on the weight of available evidence, are not more likely than not to be realized.

Income tax expense for the year ended April 30, 2026 differs from the amount of income tax determined by applying the applicable Irish statutory tax rate to pretax income as a result of the following differences. For purposes of the reconciliation between the provision (benefit) for income taxes at the statutory rate and the effective tax rate, an Irish 12.5% rate is applied to pretax income as a result of the following for the year ended April 30, 2026:

	Year Ended April 30, 2026	
	Amount	**Percentage**
Irish Statutory Tax Rate	$ (16,415)	12.5%
Foreign Tax Effects		
US	(9,873)	7.5%
State Tax Provision (net of Federal Benefit)	(2,871)	2.2%
Other	503	(0.4%)
Non-deductible Expenses		
Stock-Based Compensation	6,656	(5.1%)
Other	696	(0.5%)
Tax Credits		
R&D Credit	(395)	0.3%
Other	(155)	0.1%
Change in Valuation Allowance	22,148	(16.9%)
	$ 294	(0.2%)

As previously disclosed for the year ended April 30, 2025, prior to the adoption of ASU 2023-09, income tax expense differs from the amount of income tax determined by applying the applicable U.S. statutory federal income tax rate to pretax income as a result of the following differences:

	2025
Tax provision (benefit) at statutory rate	$ (28,420)
Foreign Rate Differential	4,719
State Tax Provision (net of Federal Benefit)	(4,110)
Non-deductible Expenses	3,561
R&D Credit	(402)
Other	-
Change in Valuation Allowance	24,787
	$ 135

Significant components of the deferred tax assets and liabilities are as follows:

	2026	2025
Deferred Tax Assets		
Loss Carryforwards	$ 80,953	$ 52,281
Interest Carryforward	6,661	7,211
Accrued Expenses	1,563	4,553
Operating Lease Liability	716	539
Inventory Basis Differences	308	224
R&D Credit Carryforward	5,912	5,517
Intangible Asset	35,375	35,375
Stock Based Compensation	6,156	4,998
	137,644	110,698
Less: Valuation allowance for deferred tax assets	(125,962)	(103,815)
Net deferred tax assets	$ 11,682	$ 6,883

	2026	2025
Deferred Tax Liabilities		
Property and Equipment	$ (10,658)	$ (6,233)
Prepaid Expenses	(591)	(533)
Right-Of-Use Asset	(541)	(257)
Other	(198)	—
Total Deferred Tax Liabilities	(11,988)	(7,023)
Net deferred tax assets (liabilities)	$ (306)	$ (140)

The Company does not accrue a deferred tax liability on stock basis of its subsidiaries since the tax basis exceeds the book basis. There are no unremitted foreign earnings.

Utilization of some of the federal and state net operating losses and credit carryforwards may be subject to annual limitations due to the change in ownership provisions of the Internal Revenue Code of 1986 (“Internal Revenue Code”) and similar state provisions. The Tax Reform Act of 1986 limits the use of net operating loss and tax credit carryforwards in certain situations where changes occur in the stock ownership of a company. A study has not yet been performed. If there was an ownership change, there could be an annual limitation that may result in the expiration of net operating losses and credits before utilization.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, carry back opportunities and tax planning strategies in making the assessment. The Company believes it is more likely than not it will not realize the benefits of these deductible differences and has applied a full valuation allowance against them.

Net operating losses and tax credit carryforwards for the year ended April 30, 2026 are as follows:

	2026	Expiration Years
Net operating losses, federal (Pre-TCJA)	—	
Net operating losses, federal (Post-TCJA)	322,006	Indefinite
Net operating losses, state	97,540	Various
Tax credits, federal	6,336	2039 - 2043
Tax credits, state	—	
Net operating losses, foreign	43,657	Indefinite
Tax Credits, foreign	—	

The Company determines whether a tax position is more likely than not to be sustained upon examination based on the technical merits of the position in accordance with ASC 740. For tax positions meeting the more likely than not threshold, the tax amount recognized in the financial statements is reduced by the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the relevant taxing authority.

The following table summarized the activity related to unrecognized tax benefits:

	2026
Unrecognized Tax Benefit - Beginning of Year	$ 819
Additions - current year	44
Additions - prior year	—
Decreases - prior year	—
Unrecognized Tax Benefit - End of Year	$ 863

All of the unrecognized tax benefits as of April 30, 2026 are accounted for as a reduction in our deferred tax assets. Due to the valuation allowance, none of the $863 of unrecognized tax benefits would affect our effective tax rate, if recognized. We do not believe it is reasonably possible that our unrecognized tax benefits will significantly change in the next twelve months. We recognize interest and penalties related to unrecognized tax benefits as income tax expense. There were no accrued interest or penalties related to unrecognized tax benefits for the year ended April 30, 2026 or April 30, 2025. We do not expect any significant change in our unrecognized tax benefits during the next twelve months.

The Company files Irish, U.S. federal and U.S. state income tax returns. The Company is not currently under examination but is open to audit by the I.R.S. and state tax authorities for tax years beginning in 2019. The resolutions of any examinations are not expected to be material to these financial statements. As of April 30, 2026, there are no penalties or accrued interest recorded in the financial statements.

14. Commitments and Contingencies

The Company considers the likelihood of loss or impairment of an asset, or the incurrence of a liability, as well as the ability to reasonably estimate the amount of loss, in determining loss contingencies. An estimated loss contingency is accrued when information available prior to issuance of the consolidated financial statements indicates that it is probable that an asset has been impaired or a liability has been incurred at the date of the consolidated financial statements, and the amount or range of loss can be reasonably estimated. Legal costs are expensed as incurred. Gain contingencies are not recognized until they are realized or realizable. From time to time, the Company may become involved in litigation relating to claims arising from the ordinary course of business.

The Company enters into indemnification agreements with its officers and directors, and the Company's bye-laws include similar indemnification obligations to its officers and directors. To date, there have been no claims under any indemnification provisions, and therefore there is no accrual of such amounts as of April 30, 2026 and 2025. The Company is unable to determine the maximum potential impact of these indemnifications on the future results of operations.

Management believes that there are currently no other claims or actions pending against the Company where the ultimate disposition could have a material effect on the Company's results of operations, financial condition or cash flows.

15. Defined Contribution Plan

The Company sponsors a defined contribution retirement savings plan under Section 401(k) of the Internal Revenue Code of 1986, as amended (the "401(k) Plan"), for its full-time employees, which covers all eligible employees in the United States. The 401(k) Plan provides for matching and discretionary contributions by the Company. For the years ended April 30, 2026 and 2025, matching and discretionary contributions by the Company totaled $2,240 and $1,660, respectively.

16. Net Loss Per Share Attributable to Common Shareholders

The Organizational Transactions represent a business combination between entities under common control under the principles of ASC Topic 805, *Business Combinations*. In connection with the Organizational Transactions, West Affum LP contributed its 105,808 shares of common stock in Intermediate Holdings for 19,885,382 Common Shares of Kestra Medical Technologies, Ltd. ("Exchange"). Under the principles of ASC 260, *Earnings Per Share*, the Exchange was applied retrospectively for purposes of calculating basic and diluted net loss per share. Other transactions that closed contemporaneously with the Organizational Transactions, including conversions of preferred stock, non-controlling interests, and equity awards were accounted for prospectively beginning on the date such transactions occurred, and were not given retrospective treatment as they changed the relative subordination characteristics of the securities owned by the respective holders after the effective date of the Organizational Transactions. Similarly, the shares issued upon the Company's equity offerings were accounted for prospectively beginning on the date such shares were issued and were not given retrospective treatment. The total number of outstanding shares disclosed on the face of the consolidated balance sheets and consolidated statements of changes in redeemable preferred stock and shareholders' equity

(deficit) represents the number of shares legally outstanding as of the latest consolidated balance sheet date. This differs from the number of outstanding shares disclosed for basic and diluted net loss per share, which has been retrospectively adjusted for common shares outstanding but not yet vested.

Basic net loss per share attributable to common shareholders is calculated by dividing net loss by the weighted average number of Common Shares outstanding during the period and excludes any dilutive effects of employee share-based awards and warrants to purchase Common Shares. Diluted net loss per share attributable to common shareholders is computed giving effect to all potentially dilutive common shares, including common shares issuable upon vesting of share-based payment awards and/or upon exercise of the warrants. For the years ended April 30, 2026 or 2025, the Company did not have any dilutive shares. For both periods presented, there is no difference in the number of shares used to compute basic and diluted shares outstanding due to the Company's net loss position.

The following table sets forth the computation of basic and diluted net loss per share attributable to common shareholders for the years ended April 30, 2026 and 2025:

	Year Ended April 30,	
	2026	**2025**
Numerator:		
Net loss attributable to Kestra Medical Technologies, Ltd.	$ (131,612)	$ (113,814)
Undeclared preferred dividends	—	(12,321)
Net loss attributable to common shareholders	$ (131,612)	$ (126,135)
Denominator:		
Weighted average shares of common share outstanding - basic and diluted	54,184,698	24,583,745
Net loss per share attributable to common shareholders - basic and diluted	$ (2.43)	$ (5.13)

The following potentially dilutive securities outstanding have been excluded from the computations of weighted-average shares outstanding because such securities have an antidilutive impact due to losses reported (in common stock equivalent shares):

	As of April 30,	
	2026	**2025**
Stock options	4,504,508	4,649,100
Restricted stock units	2,499,958	—
Performance-based restricted stock units	434,702	—
Market-based restricted stock units	434,702	—
Restricted stock	25,640	32,485
Warrants to purchase Common Shares	109,069	434,916
Employee Stock Purchase Plan	68,142	—
Total	8,076,721	5,116,501

17. Subsequent Event

On July 10, 2026, Kestra Medical Technologies, Inc. (the "Borrower"), a wholly-owned subsidiary of the Company, and other credit parties thereto (the "Credit Parties"), entered into a loan agreement (the "Loan Agreement") with BPCR Limited Partnership and BioPharma Credit Investments V (Master) LP (each, a "Lender") and BioPharma Credit PLC, as collateral agent. The Loan Agreement provides for a five-year senior secured term loan facility of up to $200.0 million, divided into four tranches: (i) a committed Tranche A Loan in an aggregate principal amount of $75.0 million (the "Tranche A Loan") which was funded on July 10, 2026 (the "Tranche A Closing Date"); (ii) a committed Tranche B Loan in an aggregate principal of $25.0 million (the "Tranche B Loan") which may be requested, subject to certain limited conditions, at the Borrower's option through July 31, 2027; (iii) a committed Tranche C Loan in an aggregate principal amount of $50.0 million (the "Tranche C Loan") which is available to the Borrower upon reaching a trailing twelve-month revenue of $150.0 million and which may be requested on or prior to June 30, 2028 and (iv) an uncommitted Tranche D Loan for acquisitions at the Company's option in aggregate principal amount of $50.0 million (the "Tranche D Loan" and collectively with the Tranche A Loan, the Tranche B Loan, and the Tranche C Loan, the "Term Loans"), subject to certain limited conditions and upon approval of the Lenders, on such date mutually agreed upon between the Lenders and the Borrower.

The Borrower's net proceeds from the Tranche A Loan were approximately $20.0 million, after deducting estimated debt issuance costs, fees and expenses, and repaying the Borrower's obligations under Term Loan 2024 on July 10, 2026. The remaining proceeds will be used to fund the Company's general corporate and working capital requirements.

The Term Loans mature on July 10, 2031 (the "Maturity Date"). The Term Loans bear interest as a variable rate per annum equal to a 5.50% plus three-month Secured Overnight Financing Rate ("SOFR") with a SOFR floor of 3.25%. Interest is due and payable on the last day of each quarter, with payment beginning in the calendar quarter immediately following July 10, 2026. The Loan Agreement requires the Borrower to pay an amount equal to 1.75% of the Lenders' total committed amount to fund the Term Loans, payable with respect to each Term Loan on the funding date of such Term Loan. The Term Loans provide for 48 months of interest-only payments and amortizes in four equal quarterly installments beginning in the second fiscal quarter of 2030 and continuing through the Maturity Date. The Term Loans may be voluntarily prepaid in whole (but not in part), and are subject to make-whole, prepayment premium and exit fees, and must be prepaid upon a Change in Control (as defined in the Loan Agreement). The Borrower is required to maintain a minimum liquidity of at least $20.0 million in cash and cash equivalents at all times.

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT BOTH (I) IS NOT MATERIAL AND (II) IS THE TYPE OF INFORMATION THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL. OMISSIONS ARE DESIGNATED AS "[***]"

Exhibit 10.4

LOAN AGREEMENT

Dated as of July 10, 2026

among

KESTRA MEDICAL TECHNOLOGIES, INC.

(as ***Borrower*** and a ***Credit Party***),

THE GUARANTORS SIGNATORY HERETO OR OTHERWISE PARTY HERETO FROM TIME TO TIME

(as additional ***Credit Parties***),

BIOPHARMA CREDIT PLC

(as ***Collateral Agent***),

BPCR LIMITED PARTNERSHIP

(as a ***Lender***)

and

BIOPHARMA CREDIT INVESTMENTS V (MASTER) LP

(as a ***Lender***)

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LOAN AGREEMENT

THIS LOAN AGREEMENT (this "**Agreement**"), dated as of July 10, 2026 (the "**Effective Date**") by and among KESTRA MEDICAL TECHNOLOGIES, INC., a Delaware corporation (as "**Borrower**" and a Credit Party), KESTRA MEDICAL TECHNOLOGIES, LTD., an exempted company limited by shares incorporated under the laws of Bermuda (as "**Parent**"), the Guarantors signatory hereto or otherwise party hereto from time to time, as additional Credit Parties, BIOPHARMA CREDIT PLC, a public limited company incorporated under the laws of England and Wales with company number 10443190 (as the "**Collateral Agent**"), BPCR LIMITED PARTNERSHIP, a limited partnership established under the laws of England and Wales with registration number LP020944 (as a "**Lender**") and BIOPHARMA CREDIT INVESTMENTS V (MASTER) LP, a Cayman Islands exempted limited partnership acting by its general partner, BioPharma Credit Investments V GP LLC (as a "**Lender**"), provides the terms on which each Lender shall make, and Borrower shall repay, the Credit Extensions (as hereinafter defined).

1 ACCOUNTING AND OTHER TERMS

1.1 Accounting. Except as otherwise expressly provided herein, all accounting terms not otherwise defined in this Agreement shall have the meanings assigned to them in conformity with GAAP. Calculations and determinations must be made following GAAP. If at any time any change in GAAP would affect the computation of any financial requirement set forth in any Loan Document (including for purposes of measuring compliance with any provision of Section 6), and either Borrower or the Collateral Agent shall so request, the Collateral Agent and Borrower shall negotiate in good faith to amend such requirement to preserve the original intent thereof in light of such change in GAAP; provided, that, until so amended, (x) such requirement shall continue to be computed in accordance with GAAP prior to such change therein and (y) all financial statements, Compliance Certificates and similar documents provided, delivered or submitted hereunder shall be provided, delivered or submitted together with a reconciliation between the calculations and amounts set forth therein before and after giving effect to such change in GAAP. Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts referred to herein, including in Section 5 and Section 6 shall be made, without giving effect to any election under ASC 825-10 (or any other Financial Accounting Standards Board Accounting Standards Codification ("**ASC**") or Financial Accounting Standard or Applicable Accounting Standard (including IFRS 9) having a similar result or effect) to value any Indebtedness or other liabilities of any Credit Party or any Subsidiary of any Credit Party at "fair value". Notwithstanding anything to the contrary above or in the definition of "Capital Lease Obligations", all obligations of any Person that are or would have been treated as operating leases for purposes of GAAP prior to the effectiveness of ASC 842 shall continue to be accounted for as operating leases for all purposes hereunder or under any other Loan Documents (whether or not such operating lease obligations were in effect on such date) notwithstanding the fact that such obligations are required in accordance with ASC 842 (on a prospective or retroactive basis or otherwise) to be treated as Capital Leases.

1.2 Defined Terms. Capitalized terms not otherwise defined in this Agreement shall have the meanings set forth in Section 13. All other terms contained in this Agreement, unless otherwise indicated, shall have the meaning provided by the Code to the extent such terms are defined therein. All references to "**Dollars**" or "**$**" are United States Dollars, unless otherwise noted.

1.3 Currency. For purposes of Sections 5 and 6 hereof and solely with respect to the amount of any Indebtedness, Investment or other transaction made or consummated in a currency other than Dollars, no Default or Event of Default shall be deemed to have occurred after the time such Indebtedness, Investment or other transaction is incurred, made or consummated (so long as such Indebtedness, Investment or other transaction, at the time incurred, made or consummated, was permitted hereunder) solely as a result of changes in rates of currency exchange occurring over time.

1.4 SOFR. The Collateral Agent does not warrant or accept responsibility for, and shall not have any liability with respect to (a) the continuation of, administration of, submission of, calculation of or any other matter related to the Term SOFR Reference Rate or Term SOFR, or any component definition thereof or rates referred to in the definition thereof, or any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, the Term SOFR Reference Rate, Term SOFR or any other Benchmark

prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Conforming Changes. The Collateral Agent and its affiliates or other related entities may engage in transactions that affect the calculation of the Term SOFR Reference Rate, Term SOFR, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto, in each case, in a manner adverse to Borrower. The Collateral Agent may select information sources or services in its reasonable discretion to ascertain the Term SOFR Reference Rate, Term SOFR or any other Benchmark, in each case pursuant to the terms of this Agreement, and shall have no liability to Borrower, any Lender or any other Person for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

2 LOANS AND TERMS OF PAYMENT

2.1 Promise to Pay. Borrower hereby unconditionally promises to pay each Lender the outstanding principal amount of the Term Loans advanced to Borrower by such Lender and accrued and unpaid interest thereon and any other amounts due hereunder as and when due in accordance with this Agreement.

2.2 Term Loans.

(a) Availability. Subject to the terms and conditions of this Agreement (including Sections 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, and 3.7, as applicable):

(i) By executing and delivering this Agreement, Borrower agrees to request in accordance with Section 3.7, and each Lender severally agrees to make a term loan to Borrower on the Tranche A Closing Date in an original principal amount equal to such Lender's Applicable Percentage of the Tranche A Loan Amount and, for the avoidance of doubt, not greater than such Lender's Tranche A Commitment (collectively, the "**Tranche A Loan**");

(ii) At Borrower's election pursuant to Section 3.7, each Lender severally agrees to make a term loan to Borrower on the Tranche B Closing Date in an original principal amount equal to such Lender's Applicable Percentage of the Tranche B Loan Amount and, for the avoidance of doubt, not greater than such Lender's Tranche B Commitment (collectively, the "**Tranche B Loan**");

(iii) At Borrower's election pursuant to Section 3.7, each Lender severally agrees to make a term loan to Borrower on the Tranche C Closing Date in an original principal amount equal to such Lender's Applicable Percentage of the Tranche C Loan Amount and, for the avoidance of doubt, not greater than such Lender's Tranche C Commitment (collectively, the "**Tranche C Loan**");

(iv) At Borrower's election pursuant to Section 3.7, each Lender severally agrees to make a term loan to Borrower on the Tranche D Closing Date in an original principal amount equal to such Lender's Applicable Percentage of the Tranche D Loan Amount and, for the avoidance of doubt, not greater than such Lender's Tranche D Commitment (collectively, the "**Tranche D Loan**"); and

(v) After repayment or prepayment in full, no Term Loan (or any portion thereof) may be re-borrowed.

(b) Repayment.

(i) Borrower shall make four (4) equal quarterly payments of principal of each Term Loan, each in an amount equal to one-fourth of the cumulative principal balance of all such Term Loans, commencing on the Initial Payment Date and continuing quarterly on each of the next two (2) consecutive Payment Dates thereafter and on the Term Loan Maturity Date; provided, however, that, notwithstanding the foregoing, upon the achievement of the Amortization Adjustment Trigger, in lieu of making the amortization payments on the Initial Payment Date and each Payment Date, Borrower shall have the right to elect to pay all principal of each Term Loan on the Term Loan Maturity Date. For the avoidance of doubt, the parties

hereto acknowledge and agree that the foregoing terms may be subject to adjustment in the event the Tranche D Closing Date occurs after the Initial Payment Date (and the payment by Borrower of principal in accordance with this clause (b)), as required by the Required Lenders in accordance with Section 3.4(f).

(ii) The Term Loans, including all unpaid principal thereunder (and, for the avoidance of doubt, all accrued and unpaid interest, all due and unpaid Lender Expenses and any and all other outstanding amounts payable under the Loan Documents), are due and payable in full on the Term Loan Maturity Date.

(iii) The Term Loans may be prepaid only in accordance with Section 2.2(c), except as provided in Section 8.1.

(c) Prepayment of Term Loans.

(i) Borrower shall have the option, at any time after the Tranche A Closing Date, to prepay, in whole and not in part, outstanding principal amounts under the Term Loans advanced by Lenders under this Agreement; provided, that, (A) Borrower provides written notice to the Collateral Agent of its election to prepay the Term Loans at least five (5) Business Days prior to such prepayment (which notice shall include the amount of the outstanding principal amount of the Term Loans to be prepaid), and (B) the prepayment of such principal amount shall be accompanied by any and all accrued and unpaid interest thereon through the date of prepayment, any and all amounts payable in connection with such prepayment pursuant to Section 2.2(e), Section 2.2(f) and Section 2.7(b), as applicable, and any and all other amounts payable and not yet paid under this Agreement and the other Loan Documents (including pursuant to Section 2.4). The Collateral Agent will promptly notify each Lender of its receipt of such notice, and the amount of such Lender's Applicable Percentage of such prepayment. Notwithstanding anything in this Section 2.2(c)(i) to the contrary, Borrower may rescind any notice of prepayment under this Section 2.2(c)(i) if such prepayment would have resulted from a refinancing of the Term Loans or other contingent transaction, which refinancing or transaction shall not be consummated or shall otherwise be delayed (in which case a new notice shall be required to be sent in connection with any subsequent prepayment).

(ii) Borrower shall promptly, and in any event no later than three (3) Business Days prior (or immediately if known fewer than ten (10) Business Days prior) to the consummation of such Change in Control, notify the Collateral Agent in writing of the occurrence (or anticipated occurrence) of a Change in Control, which notice shall include reasonable detail as to the nature, timing and other circumstances of such Change in Control (such notice, a "**Change in Control Notice**"). Borrower shall prepay in full all of the Term Loans advanced by Lenders under this Agreement, immediately upon (and concurrent with) the consummation of such Change in Control, in an amount equal to the sum of (A) all unpaid principal and any and all accrued and unpaid interest thereon through the date of prepayment (such interest to be calculated based on Term SOFR for the Interest Period during which such Change in Control is consummated), and (B) any and all amounts payable with respect to the prepayment under this Section 2.2(c)(ii) pursuant to Section 2.2(e), Section 2.2(f) and Section 2.7(b), as applicable, together with any and all other amounts payable or accrued and not yet paid under this Agreement and the other Loan Documents (including pursuant to Section 2.4). The Collateral Agent will promptly notify each Lender of its receipt of the Change in Control Notice, and the amount of such Lender's Applicable Percentage of such prepayment.

(iii) Prior to any prepayment, repurchase, redemption or similar action, of the Permitted Convertible Indebtedness in accordance with its terms (the "**Convertible Indebtedness Redemption**") that occurs prior to the Term Loan Maturity Date, Borrower shall promptly, and in any event no later than five (5) days prior to the consummation of such Convertible Indebtedness Redemption, notify the Collateral Agent in writing of the expected occurrence of such Convertible Indebtedness Redemption, which notice shall include reasonable detail as to the nature, timing and other circumstances of such Convertible Indebtedness Redemption (such notice, a "**Convertible Indebtedness Redemption Notice**"). Borrower shall prepay in full all of the Term Loans advanced by Lenders under this Agreement no later than concurrently with such Convertible Indebtedness Redemption, in an amount equal to the sum of (A) all unpaid and outstanding principal and any and all accrued and unpaid interest with respect to the Term Loans, and (B) any applicable amounts payable with respect to the prepayment under this Section 2.2(c)(iii) pursuant

to Section 2.2(e) and Section 2.2(f) (as applicable) and all other amounts payable or accrued and not yet paid under this Agreement and the other Loan Documents (including pursuant to Section 2.4). The Collateral Agent will promptly notify each Lender of its receipt of the Convertible Indebtedness Redemption Notice, and the amount of such Lender's Applicable Percentage of such prepayment. Notwithstanding the foregoing, none of the following shall be deemed to be a Convertible Indebtedness Redemption: (w) the conversion to Equity Interests (and payment of cash in lieu of fractional shares) by holders of Permitted Convertible Indebtedness in accordance with the terms of the indenture or other documentation governing such Permitted Convertible Indebtedness; (x) delivery of Equity Interests and cash in lieu of fractional shares to any holder of Permitted Convertible Indebtedness to induce such holder to convert Permitted Convertible Indebtedness in accordance with the terms of the indenture governing such Permitted Convertible Indebtedness; (y) any prepayment, repurchase, redemption or similar action of the Permitted Convertible Indebtedness using cash proceeds of any issuance of Permitted Convertible Indebtedness (and any cash proceeds received pursuant to the exercise, early unwind or termination of any Permitted Equity Derivatives in connection with such prepayment, repurchase, redemption or action); or (z) the exchange of existing Permitted Convertible Indebtedness for (1) Indebtedness constituting new Permitted Convertible Indebtedness (the "**Refinancing Convertible Debt**") (or the cash proceeds from the issuance of such Refinancing Convertible Debt) to the extent such Refinancing Convertible Debt is permitted to be issued under the terms of this Agreement, (2) Equity Interests, (3) the cash proceeds, if any, received pursuant to the exercise, early unwind or termination of any Permitted Equity Derivatives entered into in connection with such existing Permitted Convertible Indebtedness, or (4) cash in respect of accrued and unpaid interest on such exchanged existing Permitted Convertible Indebtedness (any such transaction described in sub-clauses (w) through (z) above, a "**Permitted Transaction**" and collectively, the "**Permitted Transactions**").

(d) Prepayment Application. Any prepayment of the Term Loans pursuant to Section 2.2(c) or as a result of the acceleration of the maturity of the Term Loans pursuant to Section 8.1(a) (together with the accompanying Makewhole Amount, Prepayment Premium and Exit Consideration that is payable pursuant to Section 2.2(e), Section 2.2(f) and Section 2.7(b), as applicable), shall be paid to Lenders in accordance with their respective Applicable Percentages for application to the Obligations in the following order: (i) first, to due and unpaid Lender Expenses; (ii) second, to accrued and unpaid interest at the Default Rate incurred pursuant to Section 2.3(b), with respect to past due amounts, if any; (iii) third, without duplication of amounts paid pursuant to sub-clause (ii) above, to accrued and unpaid interest at the Term Loan Rate; (iv) fourth, to accrued and unpaid Additional Consideration, if any; (v) fifth, to accrued and unpaid Exit Consideration, if any; (vi) sixth, to the Prepayment Premium; (vii) seventh, to the Makewhole Amount, if applicable; (viii) eighth, to the outstanding principal amount of the Term Loans being prepaid, provided, that, unless otherwise determined by the Collateral Agent in its sole discretion, such prepayment shall be applied first to reduce the principal amount of the Tranche D Loan, then to reduce the principal of the Tranche C Loan, then to reduce the principal of the Tranche B Loan and, finally, to reduce the principal of the Tranche A Loan; and (ix) ninth, to any remaining amounts then due and payable under this Agreement and the other Loan Documents.

(e) Makewhole Amount.

(i) Any prepayment of the Tranche A Loan by Borrower (A) pursuant to Section 2.2(c) or (B) as a result of the acceleration of the maturity of the Term Loans pursuant to Section 8.1(a), in each case occurring prior to the 2nd-year anniversary of the Tranche A Closing Date shall in either case of sub-clause (A) or (B) above, be accompanied by payment of an amount equal to the Tranche A Makewhole Amount.

(ii) Any prepayment of the Tranche B Loan by Borrower (A) pursuant to Section 2.2(c) or (B) as a result of the acceleration of the maturity of the Term Loans pursuant to Section 8.1(a), in either case occurring prior to the 2nd-year anniversary of the Tranche B Closing Date, shall be accompanied by payment of an amount equal to the Tranche B Makewhole Amount.

(iii) Any prepayment of the Tranche C Loan by Borrower (A) pursuant to Section 2.2(c), or (B) as a result of the acceleration of the maturity of the Term Loans pursuant to Section 8.1(a), in each case occurring prior to the 1st-year anniversary of the Tranche C Closing Date, shall in either case of sub-clause (A) or (B) above, in any such case, be accompanied by payment of an amount equal to the Tranche C Makewhole Amount.

(iv) Any prepayment of the Tranche D Loan by Borrower (A) pursuant to Section 2.2(c), or (B) as a result of the acceleration of the maturity of the Term Loans pursuant to Section 8.1(a), in each case occurring prior to a date (if any) as mutually agreed between Borrower and Lenders, shall in either case of sub-clause (A) or (B) above, be accompanied by payment of an amount equal to the Tranche D Makewhole Amount, which, for the avoidance of doubt, the parties hereto acknowledge and agree shall be as the Required Lenders and Borrower mutually agree in accordance with Section 3.4(f) hereof.

(f) Prepayment Premium.

(i) Any prepayment of the Tranche A Loan by Borrower (A) pursuant to Section 2.2(c) or (B) as a result of the acceleration of the maturity of the Term Loans pursuant to Section 8.1(a), shall in either case of sub-clause (A) or (B) above, be accompanied by payment of an amount equal to the Tranche A Prepayment Premium.

(ii) Any prepayment of the Tranche B Loan by Borrower (A) pursuant to Section 2.2(c) or (B) as a result of the acceleration of the maturity of the Term Loans pursuant to Section 8.1(a), shall be accompanied by payment of an amount equal to the Tranche B Prepayment Premium.

(iii) Any prepayment of the Tranche C Loan by Borrower (A) pursuant to Section 2.2(c), or (B) as a result of the acceleration of the maturity of the Term Loans pursuant to Section 8.1(a), shall, in any such case, be accompanied by payment of an amount equal to the Tranche C Prepayment Premium.

(iv) Any prepayment of the Tranche D Loan by Borrower (A) pursuant to Section 2.2(c), or (B) as a result of the acceleration of the maturity of the Term Loans pursuant to Section 8.1(a), shall, in any such case, be accompanied by payment of an amount equal to the Tranche D Prepayment Premium.

For the avoidance of doubt, no Prepayment Premium shall be due and owing for any payment of principal of the Term Loans made on the Term Loan Maturity Date.

(g) Any Makewhole Amount, Prepayment Premium or Exit Consideration payable as a result of any prepayment of the Term Loans pursuant to Section 2.2(c) or as a result of the acceleration of the maturity of the Term Loans pursuant to Section 8.1(a), shall be presumed to be the liquidated damages sustained by each applicable Lender as the result of the early redemption and repayment of such Term Loan Notes and Borrower agrees that it is reasonable under the circumstances currently existing. BORROWER EXPRESSLY WAIVES (TO THE FULLEST EXTENT IT MAY LAWFULLY DO SO) THE PROVISIONS OF ANY PRESENT OR FUTURE REQUIREMENTS OF LAW THAT PROHIBITS OR MAY PROHIBIT THE COLLECTION OF ANY MAKEWHOLE AMOUNT, PREPAYMENT PREMIUM OR EXIT CONSIDERATION IN CONNECTION WITH ANY SUCH PREPAYMENT OR ACCELERATION OR OTHERWISE. Borrower expressly agrees that (to the fullest extent it may lawfully do so) that: (i) each Makewhole Amount, Prepayment Premium and Exit Consideration is reasonable and is the product of an arm's-length transaction among sophisticated business people, ably represented by counsel; (ii) each Makewhole Amount, Prepayment Premium and Exit Consideration shall be payable notwithstanding the then-prevailing market rates at the time payment thereof is made; (iii) there has been a course of conduct among Lenders and Borrower giving specific consideration in this transaction for such agreement to pay each Makewhole Amount, Prepayment Premium and Exit Consideration; and (iv) Borrower shall be estopped hereafter from claiming differently than as agreed to in this Section 2.2(g) and Section 8.6. Borrower expressly acknowledges that its agreement to pay the Makewhole Amount, Prepayment Premium and Exit Consideration to applicable Lenders as herein described is a material inducement to such Lenders to make any Credit Extension. Without affecting any of any Lender's rights or remedies hereunder or in respect hereof, if Borrower fails to pay the applicable Makewhole Amount, Prepayment Premium or Exit Consideration when due, then the amount thereof shall thereafter bear interest until paid in full at the Default Rate.

2.3 Payment of Interest on Credit Extensions.

(a) Interest Rate.

(i) Subject to Section 2.3(b) below, the principal amount outstanding under each Term Loan shall accrue interest at a *per annum* rate equal to Term SOFR for the Interest Period therefor *plus* the Applicable Margin (the "**Term Loan Rate**"), which interest shall be payable quarterly in arrears in accordance with this Section 2.3.

(ii) Interest shall accrue on each Term Loan commencing on, and including, the day on which such Term Loan is made, and shall accrue on such Term Loan, or any portion thereof, through and including the day on which such Term Loan or such portion is paid.

(iii) Interest is due and payable quarterly on each Interest Date, as calculated by the Collateral Agent (which calculations shall be deemed correct absent manifest error, provided that the Collateral Agent shall provide evidence of such calculation upon Borrower's written request); provided, however, that if any such date is not a Business Day, the applicable interest shall be due and payable on the immediately preceding Business Day.

(b) Default Rate. In the event Borrower fails to pay any of the Obligations when due (after giving effect to any applicable grace or cure period), or upon the commencement and during the continuance of an Insolvency Proceeding of Borrower, or upon the occurrence and during the continuance of any other Event of Default, immediately (and without notice or demand by any Lender or the Collateral Agent for payment thereof to Borrower), any past due Obligations shall accrue interest at a rate *per annum* which is three percentage points (3.00%) above the rate that is otherwise applicable thereto (the "**Default Rate**"), and, notwithstanding anything to the contrary in Section 2.3(a) above, such interest shall be payable entirely in cash on demand of the Collateral Agent; provided, however, that, with respect to any Event of Default of the type described in Section 7, other than Sections 7.1 and 7.5, the Collateral Agent shall notify Borrower in writing regarding the accrual of interest at the Default Rate in respect of any such Obligations as promptly as practicable following the occurrence of such Event of Default; provided, further, that the failure of the Collateral Agent to deliver such notice to Borrower shall not constitute a waiver of any such Event of Default or affect the right of any Lender or the Collateral Agent to collect or demand such accrued interest with respect to any time prior to the giving of such notice or otherwise prejudice or limit any rights or remedies of the Collateral Agent or any Lender. Payment or acceptance of the increased interest rate provided in this Section 2.3(b) is not a permitted alternative to timely payment of any Obligations and shall not constitute a waiver of any Event of Default or otherwise prejudice or limit any rights or remedies of the Collateral Agent or any Lender.

(c) 360-Day Year. Interest payable under each Term Loan shall be computed on the basis of a year of 360 days, and in each case shall be payable for the actual number of days elapsed.

(d) Payments. Except as otherwise expressly provided herein, all Term Loan payments and any other payments hereunder by (or on behalf of) Borrower shall be made on the date specified herein to such bank account of each applicable Lender as such Lender (or the Collateral Agent) shall have designated in a written notice to Borrower delivered on or before the Tranche A Closing Date (which such notice may be updated by such Lender (or the Collateral Agent) by written notice to Borrower from time to time after the Tranche A Closing Date on two (2) Business Days' notice). Except as otherwise expressly provided herein, interest is payable quarterly on each Interest Date; provided, however, that if any such date is not a Business Day, the applicable interest shall be due and payable on the immediately preceding Business Day. Payments of principal or interest received after 11:00 a.m. New York City time on such date are considered received at the opening of business on the next Business Day. When any payment is due on a day that is not a Business Day, such payment is due on the immediately preceding Business Day. All payments to be made by Borrower hereunder or under any other Loan Document, including payments of principal and interest made hereunder and pursuant to any other Loan Document, and all fees, expenses, indemnities and reimbursements, shall be made without setoff, recoupment or counterclaim, in lawful money of the United States and in immediately available funds.

(e) Conforming Changes. In connection with the use or administration of Term SOFR, the Collateral Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan

Document. The Collateral Agent will promptly notify Borrower and Lenders of the effectiveness of any Conforming Changes in connection with the use or administration of Term SOFR.

(f) Benchmark Replacement Setting. Notwithstanding anything to the contrary herein or in any other Loan Document:

(i) Benchmark Replacement. Notwithstanding anything herein or in any other Loan Document to the contrary, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (a) of the definition of Benchmark Replacement for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (b) of the definition of Benchmark Replacement for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5^{th}) Business Day after the date notice of such Benchmark Replacement is provided to Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Collateral Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders. For the avoidance of doubt, if the Benchmark Replacement is Daily Simple SOFR, all interest payments will be payable on a quarterly basis.

(ii) Conforming Changes. In connection with the implementation and administration of a Benchmark Replacement, the Collateral Agent, in consultation with Borrower, will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(iii) Notices; Standards for Decisions and Determinations. The Collateral Agent will promptly notify Borrower and Lenders of (A) the implementation of any Benchmark Replacement and (B) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement. The Collateral Agent will notify Borrower of (x) the removal or reinstatement of any tenor of a Benchmark pursuant to sub-clause (iv) below and (y) the commencement of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Collateral Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.3(f), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.3(f).

(iv) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (A) if the then-current Benchmark is a term rate (including the Term SOFR Reference Rate) and either (1) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Collateral Agent in its reasonable discretion or (2) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative, then the Collateral Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (B) if a tenor that was removed pursuant to sub-clause (A) above either (1) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (2) is not, or is no longer, subject to an announcement that it is not or will not be representative for a Benchmark (including a Benchmark Replacement), then the Collateral Agent may modify

the definition of "Interest Period" (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

2.4 Expenses. Borrower shall pay to or reimburse (or pay directly on behalf of) each Lender and the Collateral Agent, as applicable, all of such Person's reasonable and documented Lender Expenses incurred through and after the Effective Date, promptly after receipt of a written demand therefor by such Lender or the Collateral Agent (with, in the case of any Lender, a copy of such demand to the Collateral Agent), setting forth in reasonable detail such Person's Lender Expenses.

2.5 Requirements of Law; Increased Costs. In the event that any applicable Change in Law:

(a) does or shall subject any Lender to any Tax of any kind whatsoever with respect to this Agreement or any other Loan Documents or the Term Loans made hereunder (except, in each case, Indemnified Taxes, Taxes described in clause (b) through (d) of the definition of Excluded Taxes, and Connection Income Taxes);

(b) does or shall impose, modify or hold applicable any reserve, capital requirement, special deposit, compulsory loan, insurance charge or similar requirements against assets held by, or deposits or other liabilities in or for the account of, advances or loans by, or other credit extended by, or any other acquisition of funds by, any Lender; or

(c) does or shall impose on any Lender any other condition (other than Taxes, which are addressed in clause (a) above); and the result of any of the foregoing is to increase the cost to such Lender (as determined by such Lender in good faith using calculation methods customary in the industry) of making, renewing or maintaining the Term Loans or to reduce any amount receivable in respect thereof or to reduce the rate of return on the capital of such Lender or any Person controlling such Lender, then, in any such case, Borrower shall promptly pay to the applicable Lender, within thirty (30) days of its receipt of the certificate described below, any additional amounts necessary to compensate such Lender for such additional cost or reduced amounts receivable or rate of return as reasonably determined by such Lender with respect to this Agreement or the Term Loans made hereunder; provided, that, such Lender shall first, prior to Borrower being required to take any action under this Section 2.5, take commercially reasonable actions to mitigate the additional costs or reduced amounts receivable or rate of return, including assigning all of its rights and delegating and transferring all of its obligations hereunder to an existing Affiliate of such Lender that would not be subject to such, or would be subject to less, additional costs or reduced amounts receivable or rate of return, if any. If any Lender becomes entitled to claim any additional amounts pursuant to this Section 2.5, it shall notify Borrower in writing of the event by reason of which it has become so entitled (with a copy of such notice to the Collateral Agent), and a certificate as to any additional amounts payable pursuant to the foregoing sentence containing the calculation thereof in reasonable detail submitted by such Lender to Borrower (with a copy of such certificate to the Collateral Agent) shall be conclusive in the absence of manifest error. The provisions hereof shall survive the termination of this Agreement and the payment of the outstanding Term Loans and all other Obligations. Failure or delay on the part of any Lender to demand compensation for any increased costs or reduction in amounts received or receivable or reduction in return on capital under this Section 2.5 shall not constitute a waiver of such Lender's right to demand such compensation; provided that Borrower shall not be under any obligation to compensate such Lender under this Section 2.5 with respect to increased costs or reductions with respect to any period prior to the date that is 180 days prior to the date of the delivery of the notice required pursuant to the foregoing provisions of this clause (c); provided, further, that if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

2.6 Taxes; Withholding, Etc.

(a) All sums payable by any Credit Party hereunder and under the other Loan Documents shall (except to the extent required by Requirements of Law) be paid free and clear of, and without any deduction or withholding on account of, any Tax imposed, levied, collected, withheld or assessed by any Governmental Authority. In addition, the Credit Parties shall pay, in a timely manner, to the relevant Governmental Authority in accordance with Requirements of Law, Other Taxes, and Borrower shall furnish, in a timely manner, to each Lender (as applicable, with a copy to the Collateral Agent) the original or a certified copy of a receipt evidencing payment thereof or other

evidence reasonably satisfactory to the Collateral Agent of such payment and of the remittance thereof to the relevant taxing or other Governmental Authority.

(b) If any Credit Party or any other Person (in either case, a "**Withholding Agent**") is required by Requirements of Law to make any deduction or withholding on account of any Tax (as determined in the good faith discretion of such Withholding Agent) from any sum paid or payable by any Credit Party to any Lender under any of the Loan Documents: (i) such Withholding Agent shall make any such withholding or deduction; (ii) such Withholding Agent shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with Requirements of Law; (iii) if the Tax is an Indemnified Tax, the sum payable by such Withholding Agent in respect of which the relevant deduction, withholding or payment of Indemnified Tax is required shall be increased to the extent necessary to ensure that, after the making of that deduction, withholding or payment (including any deductions for Indemnified Taxes applicable to additional sums payable under this Section 2.6(b)), such Lender receives on the due date a net sum equal to what it would have received had no such deduction, withholding or payment of Indemnified Tax been required or made; and (iv) Borrower shall (or shall cause such Withholding Agent, if not Borrower, to) deliver to such Lender (with a copy to the Collateral Agent) the original or a certified copy of a receipt evidencing payment thereof or other evidence reasonably satisfactory to such Lender of such deduction, withholding or payment and of the remittance thereof to the relevant taxing or other Governmental Authority.

(c) The Credit Parties shall jointly and severally indemnify each Lender for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 2.6(c)) paid by such Lender and any liability (including any reasonable expenses) arising therefrom or with respect thereto whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. Any indemnification payment pursuant to this Section 2.6(c) shall be made to the applicable Lender within ten (10) days from written demand therefor. A certificate as to the amount of such payment or liability delivered to the Credit Parties by a Lender (with a copy to the Withholding Agent, if not a Credit Party), or by the Withholding Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(d) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver, as soon as practicable, to Borrower, at the times reasonably requested in writing by Borrower, such properly completed and executed documentation as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, such Lender, if reasonably requested in writing by Borrower, shall deliver, as soon as practicable, such other documentation prescribed by Requirements of Law or otherwise reasonably requested by Borrower to enable Borrower to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 2.6(d)(i), (ii) or (iv) below) shall not be required if in such Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender. For the avoidance of doubt, for the purposes of this Section 2.6(d), the term "Lender" shall include each applicable assignee thereof. Without limiting the generality of the foregoing, each Lender shall deliver, and shall cause each applicable assignee thereof to deliver, to Borrower, on or prior to the Tranche A Closing Date or on or prior to the applicable date of assignment, as applicable, and at such other times as may be necessary in the determination of Borrower, upon reasonable request in writing by Borrower:

(i) If such Lender or applicable assignee is organized under the laws of the United States, two (2) executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax.

(ii) If such Lender or assignee is a Foreign Lender:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, a properly completed and duly executed copy of IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any

Loan Document, a properly completed and duly executed copy of IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(2) a completed and duly executed copy of IRS Form W-8ECI;

(3) to the extent that such Foreign Lender is not the beneficial owner, a properly completed and duly executed copy of IRS W-8IMY and a withholding statement, along with IRS Form W-9, W-8BEN-E, W-8BEN, W-8ECI, a U.S. Tax Compliance Certificate (as defined below) substantially in the form of Exhibit F-2 or Exhibit F-3 or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit F-4 on behalf of each such direct and indirect partner; or

(4) in the case of a Foreign Lender claiming the benefits of the exemption for "portfolio interest" under Section 881(c) of the IRC, a properly completed and duly executed copy of IRS Form W-8BEN-E or IRS Form W-8BEN, as applicable, and a certificate reasonably satisfactory to Borrower substantially in the form of Exhibit F-1 to the effect that such Foreign Lender is not a "bank" within the meaning of 881(c)(3)(A) of the IRC, a "10 percent shareholder" of Borrower within the meaning of Section 871(h)(3)(B) of the IRC, or a "controlled foreign corporation" related to Borrower as described in Section 881(c)(3)(C) of the IRC (a "U.S. Tax Compliance Certificate").

(iii) If any Lender is a Foreign Lender it shall, to the extent it is legally entitled to do so, deliver to Borrower (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a party to this Agreement (and from time to time thereafter upon the reasonable request of Borrower), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit Borrower to determine the withholding or deduction required to be made.

(iv) If a payment made to any Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the IRC, as applicable), such Lender shall deliver to Borrower at the time or times prescribed by law and at such time or times reasonably requested by Borrower such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the IRC) and such additional documentation reasonably requested by Borrower as may be necessary for Borrower to comply with their obligations under FATCA and to determine that Lender has complied with its obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this sub-clause (iv), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(v) Each Lender agrees that if any form or certification it previously delivered pursuant to this Section 2.6 expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification, provide such successor form, or promptly notify Borrower and Collateral Agent in writing of its legal inability to do so.

(e) If any party hereto determines, in its discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 2.6 (including by the payment of additional amounts pursuant to this Section 2.6), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, under this Section 2.6 with respect

to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this clause (e) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this clause (e), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this clause (e) if the payment of such amount would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the indemnification payments or additional amounts giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This clause (e) shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(f) Borrower is currently treated as a corporation for U.S. federal income tax purposes. Borrower shall provide the Required Lenders with a prior written notice before taking any affirmative action (including making any election under Section 301.7701-3(c) of the Treasury Regulations (or any successor provision) by way of filing an IRS Form 8832) to change its U.S. entity tax classification.

(g) Borrower shall use commercially reasonable efforts to furnish upon reasonable request by any Lender any information, to the extent such information is readily available to the Borrower, to assist such Lender (i) in the computation of accruals with respect to any "original issue discount" or "market discount" arising with respect to the Term Loans for U.S. federal income tax purposes, and (ii) with its compliance with any associated tax reporting or filing requirements of such Lender or its partners, members or beneficial owners.

(h) Each party's obligations under this Section 2.6 shall survive any assignment of rights by, or the replacement of, a Lender, the termination of the Term Loan Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

2.7 Additional Consideration; Exit Consideration.

(a) As additional consideration for the obligation of each Lender to fund its Applicable Percentage of the Term Loans pursuant to Section 2.2(a) and Section 3.7 on the applicable Closing Date, solely to the extent such applicable Term Loan is actually funded:

(i) (x) on the Tranche A Closing Date, Borrower shall pay to each Lender an amount equal to the product of (1) such Lender's Applicable Percentage of the Tranche A Loan Amount, *multiplied by* (2) 0.0175 (such product, the "**Tranche A Additional Consideration**");

(ii) on the Tranche B Closing Date, Borrower shall pay to each Lender an amount equal to the sum of (A) the product of (1) such Lender's Applicable Percentage of the Tranche B Loan Amount, *multiplied by* (2) 0.0175 (such product, the "**Tranche B Additional Consideration**");

(iii) on the Tranche C Closing Date, Borrower shall pay to each Lender an amount equal to the product of (A) the sum of such Lender's Applicable Percentage of the Tranche C Loan Amount, *multiplied by* (B) 0.0175 (such product, the "**Tranche C Additional Consideration**"); and

(iv) on the Tranche D Closing Date, Borrower shall pay to each Lender an amount equal to the product of (A) the sum of such Lender's Applicable Percentage of the Tranche D Loan Amount, *multiplied by* (B) 0.0175 (such product, the "**Tranche D Additional Consideration**").

(b) As additional consideration for the funding by each Lender of its Applicable Percentage of the Term Loans pursuant to Section 2.2(a) on the applicable Closing Date:

(i) any prepayment or repayment of the Tranche A Loan by Borrower (A) pursuant to Section 2.2(c), (B) as a result of the acceleration of the maturity of the Term Loans pursuant to Section 8.1(a), or (C) pursuant to Section 2.2(b)(ii) (including, for the avoidance of doubt, on the Term Loan Maturity Date), shall, in any such case, be accompanied by payment of an amount equal to the Tranche A Exit Consideration;

(ii) any prepayment or repayment of the Tranche B Loan by Borrower (A) pursuant to Section 2.2(c), (B) as a result of the acceleration of the maturity of the Term Loans pursuant to Section 8.1(a), or (C) pursuant to Section 2.2(b)(ii) (including, for the avoidance of doubt, on the Term Loan Maturity Date), shall, in any such case, be accompanied by payment of an amount equal to the Tranche B Exit Consideration;

(iii) any prepayment or repayment of the Tranche C Loan by Borrower (A) pursuant to Section 2.2(c), (B) as a result of the acceleration of the maturity of the Term Loans pursuant to Section 8.1(a), or (C) pursuant to Section 2.2(b)(ii) (including, for the avoidance of doubt, on the Term Loan Maturity Date), shall, in any such case, be accompanied by payment of an amount equal to the Tranche C Exit Consideration; and

(iv) any prepayment or repayment of the Tranche D Loan by Borrower (A) pursuant to Section 2.2(c), (B) as a result of the acceleration of the maturity of the Term Loans pursuant to Section 8.1(a), or (C) pursuant to Section 2.2(b)(ii) (including, for the avoidance of doubt, on the Term Loan Maturity Date), shall, in any such case, be accompanied by payment of an amount equal to the Tranche D Exit Consideration.

Any and all Additional Consideration and Exit Consideration shall be fully earned when paid and shall not be refundable for any reason whatsoever. All Additional Consideration shall be treated as original issue discount with respect to the applicable Term Loan for U.S. federal income tax purposes, unless otherwise required by Requirements of Law. The Additional Consideration payable hereunder shall be deducted, as applicable, from the proceeds of the applicable Term Loans to be advanced to Borrower pursuant to Section 2.2(a) and Section 3.7.

2.8 Evidence of Debt; Note Register; Term Loan Notes.

(a) Evidence of Debt; Register. Borrower will maintain at all times at its principal executive office, a register that identifies each beneficial owner that is entitled to a payment of principal and stated interest on each Term Loan (the "**Note Register**") and provides for the registration and transfer of Term Loan Notes so that each Term Loan is at all times in "registered form" within the meaning of Section 5f.103-1(c) of the United States Treasury Regulations (or any amended or successor version) and Section 163(f), 871(h)(2) and 881(c)(2) of the IRC and any related regulations (and any other relevant or successor provisions of the IRC or such regulations). Each Term Loan: (i) shall, pursuant to this clause (a), be registered as to both principal and any stated interest with Borrower or its agent, and (ii) shall be transferred or exchanged by any Lender only through a book entry system maintained by Borrower. Any Term Loan Note issued in exchange for any other Term Loan Note or upon transfer thereof shall carry the rights to unpaid interest and interest to accrue that were carried by the Term Loan Note so exchanged or transferred, and neither gain nor loss of interest shall result from any such transfer or exchange. Any stamp, documentary, transfer or similar tax or governmental charge or fee relating to such transaction shall be paid by the party requesting the exchange. The entries in the Note Register shall be conclusive and binding for all purposes, including as to the outstanding principal amount of the Term Loan Note and the payment of interest, principal and other sums due hereunder absent manifest error and Borrower, Lenders and any of their respective agents shall treat the Person recorded in the Note Register as the sole and exclusive record and beneficial holder and owner of such Term Loan Note or any other Loan Document (including this Agreement), and a Lender hereunder, for all purposes whatsoever.

(b) Term Loan Notes. Borrower shall execute and deliver to each Lender to evidence such Lender's Term Loan, (i) on the Tranche A Closing Date, a Tranche A Note, (ii) on the Tranche B Closing Date (if any), a Tranche B Note, (iii) on the Tranche C Closing Date, a Tranche C Note and (iv) on the Tranche D Closing Date (if any), a Tranche D Note. All amounts due under the Term Loan Notes shall be repayable as set forth in this Agreement and interest shall accrue on the principal amount of the Term Loans represented by the Term Loan Notes, in each case, in accordance with the terms of this Agreement. All Term Loan Notes shall rank for all purposes *pari passu* with each other.

3 CONDITIONS TO TERM LOANS

3.1 Conditions Precedent to Tranche A Loan. Each Lender's obligation to advance its Applicable Percentage of the Tranche A Loan Amount is subject to the satisfaction (or waiver in Lenders' sole discretion in accordance with Section 11.5 hereof) of the following conditions:

(a) the Collateral Agent's and each Lender's receipt of:

(i) on the Effective Date, copies of the Loan Agreement, the Disclosure Letter, the Perfection Certificate for the Credit Parties and the Advance Request Form for the Tranche A Loan, in each case (x) dated as of the Effective Date, (y) executed (where applicable) and delivered by each applicable Credit Party, and (z) in form and substance reasonably satisfactory to the Collateral Agent; and

(ii) on the Tranche A Closing Date, copies of the other Loan Documents (including the schedules thereto), including the Tranche A Notes executed by Borrower, the Collateral Documents (but excluding any Control Agreements, Collateral Access Agreements and any other Loan Document described in Schedule 5.14 of the Disclosure Letter to be delivered after the Tranche A Closing Date), and, if and to the extent any update thereto is necessary between the Effective Date and the Tranche A Closing Date, an updated Disclosure Letter or Perfection Certificate (provided, that, in no event may the Disclosure Letter or the Perfection Certificate be updated in a manner that would reflect or evidence a Default or an Event of Default (with or without such update)), in each case (x) dated as of the Tranche A Closing Date, (y) executed (where applicable) and delivered by each applicable Credit Party, and (z) in form and substance reasonably satisfactory to the Collateral Agent;

(b) the Collateral Agent's receipt of (i) true, correct, complete and up-to-date copies of the Operating Documents of each of the Credit Parties and (ii) a Secretary's Certificate, dated the Tranche A Closing Date, certifying that the foregoing copies are true, correct and complete (such Secretary's Certificate (as applicable) to be in form and substance reasonably satisfactory to the Collateral Agent);

(c) the Collateral Agent's receipt of a good standing certificate or certificate of compliance for each Credit Party (where applicable in the subject jurisdiction), certified (where available) by the Secretary of State (or the equivalent thereof) of the jurisdiction of incorporation, formation or organization of such Person as of a date no earlier than thirty (30) days prior to the Tranche A Closing Date;

(d) the Collateral Agent's receipt of a Secretary's Certificate in relation to each Credit Party, dated the Tranche A Closing Date, certifying that:

(i) attached to such certificate is a true, correct, and complete copy of the Borrowing Resolutions then in full force and effect authorizing and ratifying the execution, delivery, and performance by such Credit Party of the Loan Documents to which it is a party;

(ii) the name(s) and title(s) of the directors, officers or other signatories of such Credit Party authorized to execute the Loan Documents to which such Credit Party is a party on behalf of such Credit Party, together with a sample of the true signature(s) of each such signatory; and

(iii) the Collateral Agent and each Lender may conclusively rely on such certificate with respect to the authority of such directors, officers and other signatories unless and until such Credit Party shall have delivered to the Collateral Agent a further certificate canceling or amending such prior certificate;

(e) each Credit Party shall have obtained all Governmental Approvals, if any, and all consents of other Persons, if any, in each case that are necessary in connection with the transactions contemplated by the Loan Documents and each of the foregoing shall be in full force and effect and in form and substance reasonably satisfactory to the Collateral Agent;

(f) the Collateral Agent's receipt on the Tranche A Closing Date of an opinion of (i) Kirkland & Ellis LLP, in its capacity as counsel to the Credit Parties and (ii) an opinion of Walkers (Bermuda) Limited, in its capacity as Bermuda counsel to the Credit Parties, in each case in form and substance reasonably satisfactory to the Collateral Agent;

(g) subject to Section 5.14 the Collateral Agent's receipt of (i) evidence that any products liability and general liability insurance policies maintained regarding any Collateral are in full force and effect and (ii) appropriate evidence showing the Collateral Agent, for the benefit of Lenders and the other Secured Parties, having been named as additional insured or loss payee, as applicable (such evidence to be in form and substance reasonably satisfactory to the Collateral Agent) with respect to any products liability and general liability insurance policies maintained in the United States regarding any Collateral;

(h) the Collateral Agent's receipt prior to the Tranche A Closing Date of Borrower's U.S. tax forms and all documentation and other information required by bank regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including the U.S.A. Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "**Patriot Act**");

(i) concurrent with the funding of the Tranche A Loan, payment of (i) Lender Expenses then due as specified in Section 2.4 hereof for which Borrower has received an invoice at least one (1) Business Day prior, and (ii) payment of the Tranche A Additional Consideration, which, notwithstanding anything to the contrary set forth herein, shall be in the amount set forth in the funds flow attached to the Advance Request Form for the Tranche A Loan, which such payments shall be deducted from the proceeds of the Tranche A Loan;

(j) the Collateral Agent's receipt of a certificate, dated the Tranche A Closing Date and signed by a Responsible Officer of Borrower, confirming: (i) there is no Adverse Proceeding pending or, to the Knowledge of Borrower, threatened, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Change, except as set forth on Schedule 4.7 of the Disclosure Letter; (ii) assuming the Collateral Agent's and each Lender's satisfaction with any matter as to which such satisfaction is required, the satisfaction of the other conditions precedent set forth in this Section 3.1 and in Section 3.5, Section 3.6 and Section 3.7 (such certificate to be in form and substance reasonably satisfactory to the Collateral Agent); and (iii) that the organizational structure or list of the names of Borrower and each of its Subsidiaries and the ownership therein held by Borrower or its applicable Subsidiary is as described on Schedule 4.15 of the Disclosure Letter as at the Tranche A Closing Date; and

(k) the Collateral Agent's receipt on the Tranche A Closing Date of: (i) a payoff letter in respect of all Indebtedness and any and all other amounts outstanding under the Existing Credit Agreement and the termination of all extensions of credit thereunder, executed and delivered by all parties thereto, and evidence of the repayment in full of all such Indebtedness and other amounts pursuant to such payoff letter prior to or concurrent with the funding of the Tranche A Loan on the Tranche A Closing Date (which evidence shall be in the form of a funds flow showing payment in full of any and all amounts described or otherwise referred to in the payoff letter); and (ii) evidence that all Liens on or security interests in any and all collateral securing the payment of any such Indebtedness and any guaranty or other obligations of Borrower or any of its Subsidiaries under the Existing Credit Agreement in favor of any Person have been effectively terminated and released as of the Tranche A Closing Date following such repayment in full of all such Indebtedness and other amounts pursuant to such payoff letter (which evidence shall include UCC Form UCC-3 termination statements, or similar release letters, notices, or terminations (including registerable discharges of any Lien filings against any Intellectual Property), if any, necessary or as the Collateral Agent or any Lender may reasonably request from Borrower or any of its respective Subsidiaries to release all such Liens and security interests).

3.2 Conditions Precedent to Tranche B Loan. Each Lender's obligation to advance its Applicable Percentage of the Tranche B Loan Amount is subject to the satisfaction (or waiver in accordance with Section 11.5 hereof) of the following conditions:

(a) the Collateral Agent's and each Lender's receipt, on the Tranche B Closing Date, of the Tranche B Note executed by Borrower, and, if and to the extent any update thereto is necessary between the Tranche A Closing Date and the Tranche B Closing Date, an updated Disclosure Letter or Perfection Certificate (provided, that, in no event may the Disclosure Letter or the Perfection Certificate be updated in a manner that would reflect or

evidence a Default or an Event of Default (with or without such update)), in each case (x) dated as of the Tranche B Closing Date, (y) executed (where applicable) and delivered by each applicable Credit Party, and (z) in form and substance reasonably satisfactory to the Collateral Agent;

(b) the Collateral Agent's receipt of a Secretary's Certificate in relation to each Credit Party, dated the Tranche B Closing Date, certifying that:

(i) (A) the Borrowing Resolutions adopted as of the Tranche A Closing Date authorizing the Term Loans and previously delivered to the Collateral Agent pursuant to Section 3.1(d) have not been modified and remain in full force and effect or, alternatively, (B) attached to such certificate is a true, correct, and complete copy of the Borrowing Resolutions then in full force and effect authorizing the Tranche B Loan; and

(ii) the Collateral Agent and each Lender may conclusively rely on such certificate with respect to the authority of such directors, officers and other signatories unless and until such Credit Party shall have delivered to the Collateral Agent a further certificate canceling or amending such prior certificate;

(c) the Tranche A Loan has been funded on the Tranche A Closing Date and not prepaid;

(d) concurrent with the funding of the Tranche B Loan, payment of Lender Expenses then due as specified in Section 2.4 hereof for which Borrower has received an invoice at least one (1) Business Day prior, and payment of the Tranche B Additional Consideration in accordance with Section 2.7, which such payments shall be deducted from the proceeds of the Tranche B Loan; and

(e) the Collateral Agent's receipt of a certificate, dated the Tranche B Closing Date and signed by a Responsible Officer of Borrower, confirming: (i) as of the date of the Advance Request Form for the Tranche B Loan; (ii) there is no Adverse Proceeding pending or, to the Knowledge of Borrower, threatened, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Change, except as set forth on Schedule 4.7 of the Disclosure Letter delivered in accordance with Section 3.1(a) or Section 3.2(a), as applicable; and (iii) assuming the Collateral Agent's and each Lender's satisfaction with any matter as to which such satisfaction is required, the satisfaction of the conditions precedent set forth in this Section 3.2 and in Section 3.5, Section 3.6 and Section 3.7 (such certificate to be in form and substance reasonably satisfactory to the Collateral Agent).

3.3 Conditions Precedent to Tranche C Loan. Each Lender's obligation to advance its Applicable Percentage of the Tranche C Loan Amount is subject to the satisfaction (or waiver in accordance with Section 11.5 hereof) of the following conditions:

(a) the Collateral Agent's and each Lender's receipt, on the Tranche C Closing Date, of the Tranche C Note executed by Borrower, and, if and to the extent any update thereto is necessary between the Tranche A Closing Date and the Tranche C Closing Date, an updated Disclosure Letter or Perfection Certificate (provided, that, in no event may the Disclosure Letter or the Perfection Certificate be updated in a manner that would reflect or evidence a Default or an Event of Default (with or without such update)), in each case (x) dated as of the Tranche C Closing Date, (y) executed (where applicable) and delivered by each applicable Credit Party, and (z) in form and substance reasonably satisfactory to the Collateral Agent;

(b) the Collateral Agent's receipt of a Secretary's Certificate in relation to each Credit Party, dated the Tranche C Closing Date, certifying that:

(i) (A) the Borrowing Resolutions adopted as of the Tranche A Closing Date authorizing the Term Loans and previously delivered to the Collateral Agent pursuant to Section 3.1(d) have not been modified and remain in full force and effect or, alternatively, (B) attached to such certificate is a true, correct, and complete copy of the Borrowing Resolutions then in full force and effect authorizing the Tranche C Loan; and

(ii) the Collateral Agent and each Lender may conclusively rely on such certificate with respect to the authority of such directors, officers and other signatories unless and until such Credit Party shall have delivered to the Collateral Agent a further certificate canceling or amending such prior certificate;

(c) the Tranche A Loan has been funded on the Tranche A Closing Date and has not been prepaid;

(d) concurrent with the funding of the Tranche C Loan, payment of Lender Expenses then due as specified in Section 2.4 hereof for which Borrower has received an invoice at least one (1) Business Day prior, and payment of the Tranche C Additional Consideration in accordance with Section 2.7, which such payments shall be deducted from the proceeds of the Tranche C Loan; and

(e) the Collateral Agent's receipt of a certificate, dated the Tranche C Closing Date and signed by a Responsible Officer of Borrower, confirming: (i) as of the date of the Advance Request Form for the Tranche C Loan, the Tranche C Net Product Revenues Trigger has been achieved; (ii) there is no Adverse Proceeding pending or, to the Knowledge of Borrower, threatened, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Change, except as set forth on Schedule 4.7 of the Disclosure Letter delivered in accordance with Section 3.1(a) or Section 3.3(a), as applicable; and (iii) assuming the Collateral Agent's and each Lender's satisfaction with any matter as to which such satisfaction is required, the satisfaction of the conditions precedent set forth in this Section 3.3 and in Section 3.5, Section 3.6 and Section 3.7 (such certificate to be in form and substance reasonably satisfactory to the Collateral Agent).

3.4 Conditions Precedent to Tranche D Loan. Each Lender's obligation to advance its Applicable Percentage of the Tranche D Loan Amount is subject to the satisfaction (or waiver in accordance with Section 11.5 hereof) of the following conditions:

(a) the Collateral Agent's and each Lender's receipt, on the Tranche D Closing Date, of the Tranche D Note executed by Borrower, and, if and to the extent any update thereto is necessary between the Tranche A Closing Date and the Tranche D Closing Date, an updated Disclosure Letter or Perfection Certificate (provided, that, in no event may the Disclosure Letter or the Perfection Certificate be updated in a manner that would reflect or evidence a Default or an Event of Default (with or without such update)), in each case (x) dated as of the Tranche D Closing Date, (y) executed (where applicable) and delivered by each applicable Credit Party, and (z) in form and substance reasonably satisfactory to the Collateral Agent;

(b) the Collateral Agent's receipt of a Secretary's Certificate in relation to each Credit Party, dated the Tranche D Closing Date, certifying that:

(i) (A) the Borrowing Resolutions adopted as of the Tranche A Closing Date authorizing the Term Loans and previously delivered to the Collateral Agent pursuant to Section 3.1(d) have not been modified and remain in full force and effect or, alternatively, (B) attached to such certificate is a true, correct, and complete copy of the Borrowing Resolutions then in full force and effect authorizing the Tranche D Loan; and

(ii) the Collateral Agent and each Lender may conclusively rely on such certificate with respect to the authority of such directors, officers and other signatories unless and until such Credit Party shall have delivered to the Collateral Agent a further certificate canceling or amending such prior certificate;

(c) the Tranche A Loan has been funded on the Tranche A Closing Date;

(d) concurrent with the funding of the Tranche D Loan, payment of Lender Expenses then due as specified in Section 2.4 hereof for which Borrower has received an invoice at least one (1) Business Day prior, and payment of the Tranche D Additional Consideration in accordance with Section 2.7, which such payments shall be deducted from the proceeds of the Tranche D Loan;

(e) the Collateral Agent's receipt of a certificate, dated the Tranche D Closing Date and signed by a Responsible Officer of Borrower, confirming: (i) as of the date of the Advance Request Form for the Tranche D Loan; (ii) there is no Adverse Proceeding pending or, to the Knowledge of Borrower, threatened, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Change, except as set forth on Schedule 4.7 of the Disclosure Letter delivered in accordance with Section 3.1(a) or Section 3.4(a), as applicable; and (iii) assuming the Collateral Agent's and each Lender's satisfaction with any matter as to which such satisfaction is required, the satisfaction of the conditions precedent set forth in this Section 3.4 and in Section 3.5, Section 3.6 and Section 3.7 (such certificate to be in form and substance reasonably satisfactory to the Collateral Agent); and

(f) such additional terms and conditions (including with respect to each Lender's commitment and obligation to advance its Applicable Percentage of the Tranche D Loan Amount to Borrower on the Tranche D Closing Date and Borrower's requirement to deliver the Advance Request Form for the Tranche D Loan) as are required by the Required Lenders, including, in the event the Tranche D Closing Date occurs after the Initial Payment Date, any adjustment under Section 2.2(b), as applicable; provided, however, that if the Required Lenders and Borrower are unable to mutually agree to any and all such additional terms and conditions, then no Lender shall be required to advance its Applicable Percentage of the Tranche D Loan Amount to Borrower pursuant to Section 3.7 or otherwise.

3.5 Additional Conditions Precedent to Term Loans. The obligation of each Lender to advance its Applicable Percentage of each Term Loan is subject to the following additional conditions precedent:

(a) the representations and warranties made by the Credit Parties in Section 4 of this Agreement and in the other Loan Documents are true and correct in all material respects on the applicable Closing Date, unless any such representation or warranty is stated to relate to a specific earlier date, in which case such representation or warranty shall be true and correct in all material respects as of such earlier date (it being understood that any representation or warranty that is qualified as to "materiality," "Material Adverse Change," or similar language shall be true and correct in all respects, in each case, on the applicable Closing Date (both with and without giving effect to the Term Loans) or as of such earlier date, as applicable); and

(b) there shall not have occurred any Default, that is then continuing, or any Event of Default (including, for the avoidance of doubt, any Material Adverse Change or Withdrawal Event).

3.6 Covenant to Deliver. The Credit Parties agree to deliver to the Collateral Agent or each Lender, as applicable, each item required to be delivered to Collateral Agent or each Lender, as applicable, under this Agreement as a condition precedent to any Credit Extension; provided, however, that any such items set forth on Schedule 5.14 of the Disclosure Letter shall be delivered to the Collateral Agent within the time period prescribed therefor on such schedule. The Credit Parties expressly agree that a Credit Extension made prior to the receipt by the Collateral Agent or any Lender, as applicable, of any such item shall not constitute a waiver by the Collateral Agent or any Lender of the Credit Parties' obligation to deliver such item, and the making of any Credit Extension in the absence of any such item required to have been delivered by the date of such Credit Extension shall be in the applicable Lender's sole discretion.

3.7 Procedures for Borrowing. Subject to the prior satisfaction of all other applicable conditions to the making of each Term Loan set forth in this Agreement, to obtain any Term Loan, Borrower shall deliver to the Collateral Agent and Lenders by electronic mail or facsimile a completed Advance Request Form (but for the funds flow to be attached thereto) for such Term Loan executed by a Responsible Officer of Borrower (which notice shall be irrevocable on and after the date on which such notice is given and Borrower shall be bound to make a borrowing in accordance therewith), in which case each Lender agrees to advance its Applicable Percentage of such Term Loan to Borrower on the Tranche A Closing Date, the Tranche B Closing Date, the Tranche C Closing Date or the Tranche D Closing Date, as applicable, by wire transfer of same day funds in Dollars, to such account(s) in the United States as may be designated in writing to the Collateral Agent by Borrower at least two (2) Business Days prior to the Tranche A Closing Date, the Tranche B Closing Date, the Tranche C Closing Date or the Tranche D Closing Date, respectively; provided, however, that with respect to the Tranche A Loan, Borrower shall deliver to the Collateral Agent and Lenders by electronic mail or facsimile, such completed Advance Request Form on or before the Effective Date; provided, further, that with respect to the Tranche B Loan, Borrower shall deliver to the Collateral Agent and Lenders by electronic mail or facsimile, at its option should it wish to obtain the Tranche B Loan, such completed Advance

Request Form no later than July 31, 2027; provided, additionally, that, with respect to the Tranche C Loan, Borrower shall deliver to the Collateral Agent and Lenders by electronic mail or facsimile, at its option should it wish to obtain the Tranche C Loan, such completed Advance Request Form no earlier than the date on which the Tranche C Net Product Revenues Trigger has been achieved and no later than June 30, 2028; provided, finally, that, with respect to the Tranche D Loan, Borrower shall deliver to the Collateral Agent and Lenders by electronic mail or facsimile, at its option should it wish to obtain the Tranche D Loan, such completed Advance Request Form on such date as is mutually agreed between the Required Lenders and Borrower. For the avoidance of doubt, the parties hereto acknowledge and agree that each Lender's commitment and obligation to advance its Applicable Percentage of the Tranche D Loan Amount to Borrower on the Tranche D Closing Date and Borrower's requirement to deliver the Advance Request Form for the Tranche D Loan shall be subject to such additional terms and conditions with respect to the Tranche D Loan as are required by the Required Lenders, including any adjustments under Section 2.2(b), as applicable, in accordance with Section 3.4(f) and agreed by Borrower, which such terms and conditions shall be expressly set forth in such Advance Request Form or other Loan Document; provided, that, if the Required Lenders and Borrower are unable to mutually agree to any and all such additional terms and conditions, then no Lender shall be required to advance its Applicable Percentage of the Tranche D Loan Amount to Borrower pursuant to this Section 3.7 or otherwise.

4 REPRESENTATIONS AND WARRANTIES

In order to induce each Lender and the Collateral Agent to enter into this Agreement and for each Lender to make the Credit Extensions to be made on each applicable Closing Date, each Credit Party, jointly and severally with each other Credit Party, represents and warrants to each Lender and the Collateral Agent that the following statements are true and correct as of the Effective Date and each applicable Closing Date on which a Term Loan is made (both with and without giving effect to the Term Loans) except as otherwise specified below:

4.1 Due Organization, Existence, Power and Authority. Parent and each of its Subsidiaries (a) is duly incorporated, organized or formed, and validly existing and, to the extent the concept is applicable in such jurisdiction, in good standing, under the laws of its jurisdiction of incorporation, organization or formation identified on Schedule 4.15 of the Disclosure Letter, (b) has all requisite power and authority to (i) own, lease, license and operate its assets and properties and to carry on its business as currently conducted and (ii) execute and deliver the Loan Documents to which it is a party and to perform its obligations thereunder and otherwise carry out the transactions contemplated thereby, (c) is duly qualified and, to the extent the concept is applicable in such jurisdiction, in good standing, under the laws of each jurisdiction where its ownership, lease, license or operation of assets or properties or the conduct of its business requires such qualification, and (d) has all requisite Governmental Approvals to operate its business as currently conducted; except in each case referred to in clauses (a) (other than with respect to Borrower and any other Credit Party), (b)(i), (c) or (d) above, to the extent that failure to do so could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Change.

4.2 Equity Interests. All of the outstanding Equity Interests in Borrower and in each Subsidiary of Borrower which are required to be pledged pursuant to the Collateral Documents have been duly authorized and validly issued, are (where required by Requirements of Law to be) fully paid and, in the case of Equity Interests representing corporate interests, are non-assessable, and, as of the applicable Closing Date, all such Equity Interests owned directly by Parent, Borrower or any other Credit Party are owned free and clear of all Liens except for Permitted Liens. Schedule 4.2 of the Disclosure Letter identifies each Person, the Equity Interests in which as of the applicable Closing Date are required to be pledged pursuant to the Collateral Documents.

4.3 Authorization; No Conflict. Except as set forth on Schedule 4.3 of the Disclosure Letter, the execution, delivery and performance by each Credit Party of the Loan Documents to which it is a party, and the consummation of the transactions contemplated thereby, (a) have been duly authorized by all necessary corporate or other organizational action and (b) do not and will not (i) contravene the terms of any of such Credit Party's Operating Documents, (ii) conflict with or result in any breach or contravention of, or require any payment to be made under (A) after giving effect to the payoff and termination of the Existing Credit Agreement, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Credit Party is a party or affecting such Credit Party or the assets or properties of such Credit Party or any of its Subsidiaries or (B) any order, writ, judgment, injunction, decree, determination or award of any Governmental Authority by which such Credit Party or any of its properties or assets are subject, (iii) result in the creation of any Lien (other than under or otherwise permitted

under the Loan Documents) or (iv) violate any Requirements of Law, except, in the cases of clauses (b)(ii) and (b)(iv) above, to the extent that such conflict, breach, contravention, payment or violation could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Change.

4.4 Government Consents; Third-Party Consents. Except as set forth on Schedule 4.4 of the Disclosure Letter, no Governmental Approval or other approval, consent, exemption or authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person (including any counterparty to any Company IP Agreement or other Material Contract) is necessary or required in connection with (a) the execution, delivery or performance by, or enforcement against, any Credit Party of this Agreement or any other Loan Document, or for the consummation of the transactions contemplated hereby or thereby, (b) the grant by any Credit Party of the Liens granted by it pursuant to the Collateral Documents, (c) the perfection or maintenance of the Liens created under the Collateral Documents (including the priority thereof) or (d) the exercise by the Collateral Agent or any Lender of its rights under the Loan Documents or the remedies in respect of the Collateral pursuant to the Collateral Documents, except in each case of clause (a) through (d) above, for (i) filings or registrations necessary to perfect the Liens on the Collateral granted by the Credit Parties to the Collateral Agent for the benefit of Lenders and the other Secured Parties, (ii) the approvals, consents, exemptions, authorizations, actions, notices and filings which have been duly obtained, taken, given or made and are in full force and effect, (iii) filings under state or federal securities laws, (iv) notices required to be delivered by the Collateral Agent or any Lender in connection with, or the cooperation of any third Person (that is not an Affiliate of any Credit Party) that is required for, any exercise of any of the rights or remedies by the Collateral Agent or any Lender, and (v) those approvals, consents, exemptions, authorizations or other actions, notices or filings, the failure of which to obtain or make could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Change.

4.5 Binding Obligation. This Agreement has been duly executed and delivered by Borrower and each other Credit Party that is a party hereto and each other Loan Document has been duly executed and delivered by each Credit Party that is a party thereto, constitutes a legal, valid and binding obligation of Borrower or such Credit Party (as applicable), enforceable against Borrower or such Credit Party (as applicable) in accordance with its respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or limiting creditors' rights generally, by general principles of equity.

4.6 Collateral. In connection with this Agreement, Borrower has delivered to the Collateral Agent a completed certificate signed by a Responsible Officer of Borrower (as may be updated from time to time in accordance with the terms herein, the "**Perfection Certificate**"). Each Credit Party, jointly and severally, represents and warrants to the Collateral Agent and each Lender that:

(a) (i) Its exact legal name is that indicated on the Perfection Certificate and on the signature page thereof; (ii) it is an organization or company of the type and is organized or incorporated in the jurisdiction set forth in the Perfection Certificate; (iii) the Perfection Certificate accurately sets forth its organizational identification or registration number or accurately states that it has none; (iv) the Perfection Certificate accurately sets forth its place of business or registered office address, or, if more than one, its chief executive office or registered office address, as well as its mailing address (if different than its chief executive office or registered office address); (v) except as set forth in the Perfection Certificate, it (and each of its predecessors) has not, in the five (5) years prior to the Effective Date or applicable Closing Date, changed its jurisdiction of formation, organizational structure or type, or any organizational number assigned by such jurisdiction; and (vi) all other information set forth on the Perfection Certificate pertaining to it and each of its Subsidiaries is accurate and complete in all material respects (it being understood and agreed that Borrower may from time to time update certain information in the Perfection Certificate after the Effective Date to the extent expressly permitted in this Agreement or the other Loan Documents to reflect changes since the Effective Date; provided, that, in no event may the Perfection Certificate be updated in a manner that would reflect or evidence a Default or an Event of Default (with or without such update)).

(b) (i) It has good and valid title to, has the rights it purports to have in, and subject to Permitted Subsidiary Distribution Restrictions, Permitted Negative Pledges and the occurrence of the applicable Closing Date, the power to transfer, each item of the Collateral (including each item of Current Company IP included therein) upon which it purports to grant a Lien under any Collateral Document, free and clear of any and all Liens except Permitted Liens and except for such irregularities or defects in title as could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Change, and (ii) it has no deposit accounts maintained at a bank or other

depository or financial institution which are not Excluded Accounts other than the deposit accounts described in the Perfection Certificate delivered to the Collateral Agent in connection herewith.

(c) A true, correct and complete list of each pending, registered, issued or in-licensed Patent, Copyright and Trademark that relates to any aspect of the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, packaging, packing, labeling, promotion, advertising, offer for sale or lease, distribution (including for investigational use) or sale or lease of any Product in the Territory, and any other pending, registered, issued or in-licensed Patent, Copyright and Trademark that, individually or taken together with any other such Patents, Copyrights or Trademarks or regulatory exclusivities, is material to the business of Borrower and its Subsidiaries, taken as a whole, and in each case, is owned or co-owned by, or exclusively licensed or non-exclusively licensed to, any Credit Party or any of its Subsidiaries, but excluding in each case any Patents, Copyrights or Trademarks for off-the-shelf products that are nonexclusively in-licensed (collectively, the "**Current Company IP**"), including its name/title, current owner or co-owners (including ownership interest), registration, patent or application number, and registration or application date, in each jurisdiction where issued or filed in the Territory, is set forth on Schedule 4.6(c) of the Disclosure Letter. Except as set forth on Schedule 4.6(c) of the Disclosure Letter:

(i) (A) (x) each item of Current Company IP owned or co-owned by a Credit Party or any of its Subsidiaries is, to each Credit Party's knowledge, valid, subsisting and enforceable, (y) no such item of Current Company IP has in any respect lapsed, expired, been cancelled, held unpatentable, held unenforceable or held invalidated or become abandoned or unenforceable, in each case, except in accordance with its statutory term or in the exercise of normal prosecution practices and the reasonable business judgment of the Credit Parties, and (z) to each Credit Party's Knowledge, no circumstance or grounds exist that would invalidate, in whole or in part, the validity, enforceability, subsistence or scope of any such Current Company IP, or the ownership or use of such Current Company IP, by any Credit Party or any of its Subsidiaries, and (B) no written notice has been received by any Credit Party or any of its Subsidiaries challenging the validity, patentability, enforceability, inventorship or ownership (other than from patent and trademark and other intellectual property offices through the normal prosecution practices), or relating to any lapse, expiration, invalidation, cancellation, abandonment or unenforceability (other than from patent and trademark and other intellectual property offices through the normal prosecution practices or relating to the expiration of Current Company IP in accordance with its statutory term), of any such item of Current Company IP owned or co-owned by a Credit Party or any of its Subsidiaries;

(ii) to each Credit Party's Knowledge, (A) each item of Current Company IP that is exclusively in-licensed by a Credit Party or any of its Subsidiaries from another Person is valid, subsisting and enforceable and no item of such Current Company IP has in any respect lapsed, expired, been cancelled, held unpatentable, held unenforceable or held invalidated, or become abandoned (in each case other than in accordance with its statutory term or through the exercise of normal prosecution practices or reasonable business judgment of the applicable licensor), and (B) no written notice has been received by any Credit Party or any of its Subsidiaries challenging the validity, patentability, enforceability, inventorship or ownership, or relating to any lapse, expiration, invalidation, cancellation, abandonment or unenforceability, of any item of Current Company IP that is exclusively in-licensed by a Credit Party or any of its Subsidiaries (in each case, other than from patent and trademark and other intellectual property offices through the applicable licensor's normal prosecution practices or relating to the expiration of Current Company IP in accordance with its statutory term);

(iii) all prior art references (including published patents, published patent applications and articles) known to the Credit Party and reasonably believed to be material to patentability of one or more claims of U.S. Current Company IP owned or co-owned by a Credit Party were disclosed to the U.S. Patent and Trademark Office and, to the Knowledge of each Credit Party, any Product as approved by FDA does not infringe the claims of an issued U.S. patent or the currently pending claims of a published U.S. patent application as of the Effective Date or applicable Closing Date if the currently pending claims were to issue and were valid;

(iv) (A) each Person who has or has had any rights in or to any owned Current Company IP or any trade secrets owned by any Credit Party or any of its Subsidiaries relating to any aspect

of the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, packaging, labeling, promotion, advertising, offer for sale, distribution or sale of any Product in the Territory, including each such Person who is an inventor named on the Patents within such owned Current Company IP, has executed an agreement assigning his, her or its entire right, title and interest in and to such owned Current Company IP and such trade secrets, and the inventions, ideas, discoveries, writings, works of authorship, information and other intellectual property embodied, described or claimed therein, to the stated owner thereof, and (B) to the Knowledge of each Credit Party, no such Person has any contractual or other obligation that would preclude or conflict with such assignment or the exploitation of any Product in the Territory or entitle such Person to ongoing payments; and

(v) no item of Current Company IP that is non-exclusively in-licensed from another Person is material to or necessary for the research, development, manufacturing, production, use, commercialization, marketing, importing, storage, transport, packaging, labeling, promotion, advertising, offering for sale, distribution or selling any Product in the Territory.

(d) (i) Each Credit Party or any of its Subsidiaries possesses valid title to the Current Company IP for which it is listed as the owner or co-owner, as applicable, on Schedule 4.6(c) of the Disclosure Letter; and (ii) there are no Liens on any Current Company IP, other than Permitted Liens.

(e) There are no maintenance, annuity or renewal fees that are currently overdue beyond their allotted grace period for any of the Current Company IP that is owned by or exclusively licensed to any Credit Party or any of its Subsidiaries, nor have any applications or registrations of any Current Company IP that is owned by or, to any Credit Party's Knowledge, exclusively licensed to any Credit Party or any of its Subsidiaries, lapsed or become abandoned, been cancelled or expired (other than through the lapse, expiration or abandonment of such Current Company IP in accordance with its statutory term or in the exercise of normal prosecution practices or reasonable business judgment of the Credit Parties, their respective Subsidiaries or the applicable licensor).

(f) There are no unpaid fees, royalties or indemnification payments under any Company IP Agreement that have become, or are expected to become, overdue. Each Company IP Agreement is in full force and effect and, to the Knowledge of each Credit Party, is legal, valid, binding, and enforceable in accordance with its respective terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability. Except as set forth on Schedule 4.6(f) of the Disclosure Letter, no Credit Party or any of its Subsidiaries is in breach of or default under any Company IP Agreement to which it is a party or is otherwise bound, and to the Knowledge of each Credit Party, no circumstances or grounds exist that could give rise to a claim of breach or right of rescission, termination, non-renewal, revision, or amendment of any of the Company IP Agreements, including the execution, delivery and performance of this Agreement and the other Loan Documents.

(g) No payments by any Credit Party or any of its Subsidiaries are due to any other Person in respect of the Current Company IP, other than (i) pursuant to the Company IP Agreements, and (ii) those fees for which a Credit Party is responsible that are payable to patent and other intellectual property offices in connection with the prosecution and maintenance of the Current Company IP and associated attorney fees.

(h) (i) No Credit Party or any of its Subsidiaries has undertaken or omitted to undertake any acts, and (ii) to the Knowledge of such Credit Party in the case of Current Company IP owned or co-owned by or exclusively or non-exclusively licensed to any Credit Party or any of its Subsidiaries, no circumstance or grounds exist, that in either case of sub-clause (i) or (ii) above, would invalidate, impair or reduce, in whole or in part, the enforceability or scope of any Credit Party's or any of its Subsidiary's right or entitlement to the Current Company IP in any manner that could reasonably be expected to materially adversely affect any aspect of the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, packaging, labelling, promotion, advertising, offer for sale, distribution or sale of any Product in the Territory, except as set forth on Schedule 4.6(h) of the Disclosure Letter.

(i) Except as noted on Schedule 4.6(i) of the Disclosure Letter, to the Knowledge of any Credit Party, there is no product or other technology of any third-party that infringes a Patent within the Current Company IP of the Disclosure Letter, to the Knowledge of each Credit Party, (A) there is no nor has there been any, infringement

or violation (whether by any product or other technology of any third-party that infringes a Patent within the Current Company IP, by any Person, or otherwise) of any of the Company IP or the rights therein and (B) there is no, nor has there been any, misappropriation by any Person of any of the Company IP or the subject matter thereof.

(j) As of the Effective Date and each applicable Closing Date, (i) no Credit Party is a party to, nor is it bound by, any Restricted License and (ii) except as noted on Schedule 4.6(j)(ii) of the Disclosure Letter, no Credit Party nor any of its Subsidiaries is a party to, nor is it bound by, any Excluded License.

(k) Except as set forth on Schedule 4.6(k) of the Disclosure Letter, in each case where an issued U.S. Patent within the Current Company IP where such U.S. Patent is owned or co-owned by any Credit Party or its Subsidiaries by assignment, the assignment has been duly recorded with the U.S. Patent and Trademark Office, and if applicable, the assignment has been duly recorded or will be recorded promptly with all similar offices and agencies anywhere in the world in which foreign counterparts are registered, filed or issued.

(l) Except as set forth on Schedule 4.6(l) of the Disclosure Letter, there are no pending or, to the Knowledge of each Credit Party, threatened (in writing) claims against Borrower or any of its Subsidiaries alleging (i) that any research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, packaging, labelling, promotion, advertising, offer for sale, distribution or sale of any Product in any Territory infringes or violates (or in the past infringed or violated), or form a reasonable basis for a claim of infringement or violation of, any of the rights of any third parties in or to any Intellectual Property ("**Third-Party IP**") or constitutes a misappropriation of (or in the past constituted a misappropriation of) any Third-Party IP, or (ii) that any Current Company IP is invalid, unpatentable or unenforceable (other than from patent and trademark offices through the normal prosecution practices).

(m) Except as set forth on Schedule 4.6(m) of the Disclosure Letter, to the Knowledge of each Credit Party, the manufacture, production, use, commercialization, marketing, importing, storage, transport, offer for sale, distribution or sale of the Product in any Territory has not in the past and does not, (i) infringe or violate (or in the past infringed or violated), or form a reasonable basis for a claim of infringement or violation of, any of the rights of third parties in or to any Third-Party IP, or (ii) constitute (or in the past constituted) a misappropriation of any Third-Party IP.

(n) Except as set forth on Schedule 4.6(n) of the Disclosure Letter, there are no settlements, covenants not to sue, consents, judgments, orders or similar obligations that: (i) restrict the rights of any Credit Party or any of its Subsidiaries to use any Intellectual Property owned, exclusively licensed or non-exclusively licensed by such Credit Party relating to any aspect of the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, packaging, labeling, promotion, advertising, offer for sale, distribution or sale of the Product in any Territory (in order to accommodate any Third-Party IP or otherwise), or (ii) permit any third parties to use any Company IP owned, or exclusively licensed or, non-exclusively licensed by such Credit Party existing as of the Effective Date and on the applicable Closing Date.

(o) Except as set forth on Schedule 4.6(o) of the Disclosure Letter, to the Knowledge of each Credit Party, (i) there is no, nor has there been any infringement or violation by any Person of any of the Company IP or the rights therein and (ii) there is no, nor has there been any, misappropriation by any Person of any of the Company IP or the subject matter thereof.

(p) Each Credit Party and each of its Subsidiaries has taken commercially reasonable measures customary in the health and life sciences sector to protect the confidentiality and value of trade secrets owned or licensed by such Credit Party or any of its Subsidiaries, or used or held for use by such Credit Party or any of its Subsidiaries, in each case relating to any aspect of the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, packaging, labeling, promotion, advertising, offer for sale, distribution or sale of any Product in the Territory. Any use or disclosure by a Credit Party or any of its Subsidiaries of any such trade secrets to any third-party has been pursuant to the terms of a written agreement including appropriate confidentiality, access, use and non-disclosure provisions with such third-party, and no Credit Party or any of its Subsidiaries has suffered any material data breach or other incident that has resulted in any loss, unauthorized access, use, disclosure or modification of any such trade secrets.

(q) Except as set forth on Schedule 4.6(q) of the Disclosure Letter, Product made, used or sold in the Territory under the Patents within the Current Company IP has been marked with the proper patent notice (where required by Requirements of Law).

(r) To the Knowledge of each Credit Party, at the time of any shipment of any Product occurring prior to the Effective Date or applicable Closing Date, the units thereof so shipped complied with their relevant specifications and were developed, manufactured, stored and shipped in accordance with then applicable FDA Good Manufacturing Practices, FDA Good Clinical Practices, FDA Good Laboratory Practices, and other Requirements of Law.

(s) With respect to the Current Company IP consisting of Patents, except as set forth on Schedule 4.6(s) of the Disclosure Letter:

(i) to the Knowledge of such Credit Party, all prior art material to such Patents was adequately disclosed, to the extent such disclosure is required, to the relevant patent office or considered by the respective patent offices during prosecution of such Patents;

(ii) subsequent to the issuance of such Patents, no Credit Party nor any Subsidiary nor any of their respective predecessors-in-interest, has filed any disclaimer or made or permitted any other voluntary reduction in the scope of the inventions claimed in such Patents;

(iii) to the Knowledge of such Credit Party, no subject matter of such Patents that is designated allowable or allowed by the U.S. Patent and Trademark Office is subject to any competing conception claims of subject matter of any patent applications or patents of any third-party and have not been the subject of any interference or derivation proceeding, and such Patents are not and have not been the subject of any re-examination, opposition or any other post-grant proceedings;

(iv) if any of such Patents is terminally disclaimed to another patent or patent application, all patents and patent applications subject to such terminal disclaimer are included in the Collateral; and

(v) neither any Credit Party nor any Subsidiaries has received advice from legal counsel expressing an opinion, including a preliminary or qualified opinion, that concludes that a challenge to the validity or enforceability, subsistence or scope of any such Patents is more likely than not to succeed.

(t) (A) Neither any Credit Party nor any Subsidiary, nor, to the Knowledge of such Credit Party, any of their respective agents or representatives, have (i) engaged in any conduct, the result of which would invalidate or render unpatentable or unenforceable or reduce, in whole or in part, the validity, enforceability, subsistence or scope of any Patent included within Current Company IP, or (ii) omitted to perform any necessary act to maintain the validity, patentability, enforceability, subsistence or scope of any such Patent, and (B) to the Knowledge of such Credit Party, no prior owner of any such Patent of any Credit Party or any of its Subsidiaries, nor any of such prior owner's agents or representatives, have (i) engaged in any conduct, the result of which would invalidate or render unpatentable or unenforceable or reduce, in whole or in part, the validity, enforceability, subsistence or scope of any such Patent, or (ii) omitted to perform any necessary act to maintain the validity, patentability, enforceability, subsistence or scope of any such Patent, in each case of sub-clause (A) and (B) above, except in the reasonable exercise of normal prosecution practices or reasonable business judgment.

(u) The Collateral Documents create in favor of the Collateral Agent, for the benefit of Lenders and the other Secured Parties, a valid and continuing and, upon the making of the filings and the taking of the actions required under the terms of the Loan Documents, perfected Lien on and security interest in the Collateral (in each case, solely to the extent perfection is available under Requirements of Law through the making of such filings and taking of such actions required to be perfected pursuant to the terms of the Loan Documents), securing the payment of the Obligations, and having priority over all other Liens on and security interests in the Collateral (except Permitted Liens).

4.7 Adverse Proceedings, Compliance with Laws.

(a) As of the Effective Date and the Tranche A Closing Date, except as set forth on Schedule 4.7 of the Disclosure Letter, (i) there are no Adverse Proceedings pending or, to the Knowledge of such Credit Party, threatened in writing, at law, in equity, in arbitration or before any Governmental Authority, by or against Borrower or any of Borrower's Subsidiaries; and (ii) neither Borrower nor any of Borrower's Subsidiaries (A) is in material violation of any Requirements of Law, excluding any Requirement of Law which is being contested in good faith by appropriate proceedings, or (B) is subject to or in default with respect to any final judgments, orders, writs, injunctions, settlement agreements, decrees, rules or regulations of any court or any federal, state, municipal or other governmental department, commission, board, bureau, agency, instrumentality, or other Governmental Authority, domestic or foreign.

(b) As of each Closing Date other than the Tranche A Closing Date, (i) except as set forth on Schedule 4.7 of the Disclosure Letter, there are no Adverse Proceedings pending or, to the Knowledge of any Credit Party, threatened in writing, at law, in equity, in arbitration or before any Governmental Authority, by or against Borrower or any of Borrower's Subsidiaries, which, if adversely determined, either individually or in the aggregate, could reasonably be expected to result in a Material Adverse Change; and (ii) neither Borrower nor any of Borrower's Subsidiaries (A) is in violation of any Requirements of Law, excluding any Requirement of Law which is being contested in good faith by appropriate proceedings, where such violation could reasonably be expected to result in uninsured damages, penalties or costs to Borrower or any of Borrower's Subsidiaries in an amount in excess of the materiality thresholds applied by Borrower in accordance with the Exchange Act and related regulations and standards for purposes of its Exchange Act reporting or (B) is subject to or in default with respect to any final judgment, order, writ, injunction, settlement agreement, decree, rule or regulation of any court or any federal, state, municipal or other governmental department, commission, board, bureau, agency, instrumentality, or other Governmental Authority, domestic or foreign that could reasonably be expected to result in uninsured damages, penalties or costs to Borrower or any of its Subsidiaries in an amount in excess of the materiality thresholds applied by Borrower in accordance with the Exchange Act and related regulations and standards for purposes of its Exchange Act reporting.

(c) Each of Borrower and its Subsidiaries, to the Knowledge of each such Credit Party, is in compliance in all material respects with the terms of all settlement agreements relating to any Adverse Proceeding to which Borrower or any Subsidiary is a party.

4.8 Exchange Act Documents; Financial Statements; Financial Condition; No Material Adverse Change; Books and Records.

(a) The Exchange Act Documents filed by Parent with the SEC since April 30, 2025, when they were filed with the SEC, conformed in all material respects to the requirements of the Exchange Act, and as of the time they were filed with the SEC, none of such documents contained any untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein (excluding any projections and forward-looking statements, estimates, budgets and general economic or industry data of a general nature), in the light of the circumstances under which they were made, not misleading; provided, that, with respect to projected financial information, Parent represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time (it being understood that such projections are not a guarantee of financial performance and are subject to uncertainties and contingencies, many of which are beyond the control of Parent or any Subsidiary, and neither Parent nor any Subsidiary can give any assurance that such projections will be attained, that actual results may differ in a material manner from such projections and any failure to meet such projections shall not be deemed to be a breach of any representation or covenant herein).

(b) Parent's audited annual financial statements as of April 30, 2025 and unaudited quarterly financial statements as of July 31, 2025, October 31, 2025 and January 31, 2026 (in each case, including the related notes thereto) of Parent and its Subsidiaries included in the Exchange Act Documents present fairly in all material respects the consolidated financial condition of Parent and such Subsidiaries and their consolidated results of operations as of the dates indicated and the results of their operations and the changes in their cash flows for the periods specified. Such financial statements have been prepared in conformity with GAAP applied on a consistent basis throughout the periods covered thereby, except as otherwise disclosed therein and, in the case of unaudited, interim financial statements, subject to normal year-end audit adjustments and the exclusion of certain footnotes.

(c) Parent acknowledges that its management is responsible for the preparation and fair presentation of the financial statements of Parent and each of its Subsidiaries delivered to the Collateral Agent pursuant to Section 5.2(a), in each case, in conformance with GAAP in all material respects. Parent has, suitable for a company of its size and stage of development, designed, implemented and maintained internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

(d) Since April 30, 2025, there has not occurred any change or event that has had or could reasonably be expected to have, either alone or in conjunction with any other change(s), event(s) or failure(s), a Material Adverse Change.

(e) Except as described on Schedule 4.8(e) of the Disclosure Letter, since December 31, 2024, there has not occurred any Transfer by Parent or any Subsidiary of Parent, voluntary or involuntary, of any material part of the business, assets or property of Borrower or any Subsidiary, and no purchase or other acquisition by any of them of any business, assets or property (including any Equity Interests of any other Person) material to Borrower or any Subsidiary, in each case, which is not reflected in the financial statements of Parent and its Subsidiaries included in the Exchange Act Documents (or in the notes thereto) and has not otherwise been disclosed in writing to the Collateral Agent or Lenders on or prior to the applicable Closing Date.

(f) The Books of Parent and each of its Subsidiaries in existence immediately prior to the Effective Date and each applicable Closing Date contain full, true and correct entries of all dealings and transactions in relation to its business and activities in conformity with GAAP and Requirements of Law.

4.9 Solvency. The Credit Parties and their Subsidiaries, on a consolidated basis, are Solvent. Without limiting the generality of the foregoing, there has been no proposal made or resolution adopted by any competent corporate body for the dissolution or liquidation of any Credit Party, nor do any circumstances exist which may result in the dissolution or liquidation of any Credit Party (other than in respect of a dissolution or liquidation expressly permitted under Section 6.3(a)(iii)).

4.10 Payment of Taxes. All U.S. federal, state, local and non-U.S. income and other material Tax returns and reports (or extensions thereof) of each Credit Party and each of its Subsidiaries required to be filed by any of them have been timely filed and are correct in all material respects, and all U.S. federal, state, local and non-U.S. income and other Taxes which are due and payable by any Credit Party or any of its Subsidiaries and all assessments, fees and other governmental charges upon any Credit Party or any of its Subsidiaries and upon their respective properties, assets, income, businesses and franchises which are due and payable in each case have been paid when due and payable, unless and only to the extent that (i) the validity or amount thereof is being contested in good faith by appropriate proceedings, provided, that, no such Tax or any claim for Taxes that have become due and payable shall be required to be paid if (i) the applicable Credit Party has set aside on its books adequate reserves therefor in conformity with GAAP or (ii) the failure to pay such Taxes, individually or in the aggregate, does not result or could not reasonably be expected to result in a Material Adverse Change. To the Knowledge of such Credit Party, there is no proposed Tax assessment against any Credit Party or any of its Subsidiaries that would reasonably be expected to result in a Material Adverse Change.

4.11 Environmental Matters. Neither Borrower nor any of its Subsidiaries nor any of their respective Facilities or operations is subject to any outstanding written order, consent decree or settlement agreement with any Person relating to any Environmental Law, any Environmental Claim, or any Hazardous Materials Activity that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Change. There are and, to the Knowledge of such Credit Party, have been, no conditions, occurrences, or Hazardous Materials Activities that would reasonably be expected to form the basis of an Environmental Claim against Borrower or any of its Subsidiaries that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Change. To the Knowledge of such Credit Party, no predecessor of Borrower or any of its Subsidiaries has filed any notice under any Environmental Law indicating past or present treatment of Hazardous Materials at any Facility, which could reasonably be expected to form the basis of an Environmental Claim against Borrower or any of its Subsidiaries that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Change (but, for the avoidance of doubt, neither Borrower nor any of its Subsidiaries has, directly or indirectly, undertaken any investigation of or made any inquiries to, or relating to, any of its or its Subsidiaries' predecessors), and neither

Borrower's nor any of its Subsidiaries' operations involves the generation, transportation, treatment, storage or disposal of hazardous waste, as defined under 40 C.F.R. Parts 260–270 or any foreign or United States state equivalents, which could reasonably be expected to form the basis of an Environmental Claim against Borrower or any of its Subsidiaries that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Change. No event or condition has occurred or is occurring with respect to any Credit Party relating to any Environmental Law, any Release of Hazardous Materials, or any Hazardous Materials Activity that, individually or in the aggregate, has resulted in, or could reasonably be expected to result in, a Material Adverse Change.

4.12 Material Contracts. As of the Effective Date and each applicable Closing Date after giving effect to the consummation of the transactions contemplated by this Agreement, except as described on Schedule 4.12 of the Disclosure Letter, each Material Contract is a valid and binding obligation of the applicable Credit Party and, to the Knowledge of such Credit Party, each other party thereto, and is in full force and effect, and neither the applicable Credit Party nor, to the Knowledge of such Credit Party, any other party thereto is in material breach thereof or default thereunder, except where such breach or default (which default has not been cured or waived) could not reasonably be expected to give rise to any cancellation, termination or acceleration right of the applicable counterparty thereto. As of the Effective Date and each applicable Closing Date, except as described on Schedule 4.12 of the Disclosure Letter, no Credit Party or any of its Subsidiaries has received any written notice from any party to any Material Contract asserting or to the Knowledge of such Credit Party, threatening in writing to assert, circumstances that could reasonably be expected to result in the cancellation, termination or invalidation of any Material Contract (or any provision thereof) or the acceleration of such Credit Party's or Subsidiary's obligations thereunder.

4.13 Regulatory Compliance. No Credit Party is or is required to be registered as, or is a company "controlled" by, an "investment company" as defined in, or is subject to regulation under, the Investment Company Act of 1940, as amended. Except as could not reasonably be expected to result in a Material Adverse Change, each Credit Party has complied with the Federal Fair Labor Standards Act (and any foreign or United States state equivalent, as applicable). Except as could not, either individually or in the aggregate, reasonably be expected to result in a Material Adverse Change, each Plan is in compliance with the applicable provisions of ERISA, the IRC and other U.S. federal or state or foreign Requirements of Law, respectively. (i) No ERISA Event has occurred or is reasonably expected to occur; (ii) neither any Credit Party nor any ERISA Affiliate has incurred, or reasonably expects to incur, any liability (and no event has occurred which, with the giving of notice under Section 4219 of ERISA, would result in such liability) under Section 4201 *et seq*. of ERISA with respect to a Multiemployer Plan; and (iii) neither any Credit Party (to the extent applicable) nor any ERISA Affiliate has engaged in a transaction that would be subject to Section 4069 or 4212(c) of ERISA, except, with respect to each of clauses (i), (ii) and (iii) above, as could not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Change.

4.14 Margin Stock. No Credit Party is engaged principally, or as one of its important activities, in extending credit for the purpose of, whether immediate or ultimate, purchasing or carrying Margin Stock. No Credit Party owns any Margin Stock. No Credit Party or any of its Subsidiaries has taken or permitted to be taken any action that might cause any Loan Document to violate Regulation T, U or X of the Federal Reserve Board.

4.15 Subsidiaries; Capitalization. Schedule 4.15 of the Disclosure Letter includes a complete and accurate list, as of the Effective Date or each applicable Closing Date, of Parent and each of its Subsidiaries, setting forth (a) its name and jurisdiction of incorporation, organization or formation, (b) in the case of each Credit Party (other than Parent), the number of authorized and issued shares (or equivalent) of each class (where applicable) of its Equity Interests outstanding, (c) the percentage of its outstanding shares of each class owned (directly or indirectly) by Borrower or any of its Subsidiaries and the certificate numbers(s) for the same (if any), and (d) in the case of each Credit Party (other than Parent), the number and effect, if exercised, of all of its outstanding options, warrants, rights of conversion or purchase and all other similar rights with respect thereto. Except as set forth on Schedule 4.15 of the Disclosure Letter, each Credit Party is a Registered Organization.

4.16 Employee Matters. Neither Borrower nor any of its Subsidiaries is engaged in any unfair labor practice that could reasonably be expected to result in a Material Adverse Change. There is (a) no unfair labor practice complaint pending against Borrower or any of its Subsidiaries or, to the Knowledge of such Credit Party, threatened in writing against any of them in each case before the National Labor Relations Board, and no grievance or arbitration proceeding arising out of or under any collective bargaining agreement that is pending against Borrower or any of its Subsidiaries or, to the Knowledge of such Credit Party, threatened in writing against any of them, (b) no strike or work

stoppage in existence or, to the Knowledge of such Credit Party, threatened in writing involving Borrower or any of its Subsidiaries, and (c) to the Knowledge of such Credit Party, no union representation question existing with respect to the employees of Borrower or any of its Subsidiaries and, to the Knowledge of such Credit Party, no union organization activity that is taking place that in each case specified in any of clauses (a), (b) and (c) above, individually or taken together with any other matter specified in clause (a), (b) or (c) above, could reasonably be expected to result in a Material Adverse Change.

4.17 Full Disclosure. None of the documents, certificates or written statements (excluding any projections and forward-looking statements, estimates, budgets and general economic or industry data of a general nature) furnished or otherwise made available to the Collateral Agent or any Lender by or on behalf of any Credit Party for use in connection with the transactions contemplated hereby (in each case, taken as a whole and as modified or supplemented by other information so furnished promptly after the same becomes available) contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein, as of the time when made or delivered, not misleading in light of the circumstances in which the same were made; provided, that, with respect to projected financial information, Parent represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time (it being understood that such projections are not a guarantee of financial performance and are subject to uncertainties and contingencies, many of which are beyond the control of Parent or any Subsidiary, and neither Parent nor any Subsidiary can give any assurance that such projections will be attained, that actual results may differ in a material manner from such projections and any failure to meet such projections shall not be deemed to be a breach of any representation or covenant herein). To the Knowledge of such Credit Party, there are no facts (other than matters of a general economic or industry nature) that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Change and that have not been disclosed herein or in such other documents, certificates and written statements furnished or made available to the Collateral Agent or any Lender for use in connection with the transactions contemplated hereby.

4.18 Anti-Corruption Laws; Anti-Money Laundering Laws; Sanctions; Export and Import Laws.

(a) None of Borrower or any of its Subsidiaries, or any of their respective directors, officers, or employees, or, to the Knowledge of such Credit Party, any affiliate or any agent of Borrower or any of its Subsidiaries, has (i) used any corporate funds of Borrower or any of its respective Subsidiaries, for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity, (ii) made any direct or, to the Knowledge of Borrower, indirect unlawful payment to any foreign or domestic government official or employee or any Person from corporate funds of Borrower or any of its respective Subsidiaries, (iii) violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "**FCPA**"), or any other applicable anti-corruption laws ("**Anti-Corruption Laws**") or (iv) made any bribe, improper rebate, payoff, influence payment, kickback or other unlawful payment, and no part of the proceeds of any Credit Extension will be used, directly or, to the Knowledge of Borrower, indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office or anyone else acting in an official capacity, in order to obtain, retain or direct business, or to obtain any improper advantage, in violation of Anti-Corruption Laws. No action, suit or proceeding by or before any Governmental Authority or any arbitrator involving Borrower or any of its respective Subsidiaries, with respect to Anti-Corruption Laws is pending or, to the Knowledge of Borrower, threatened in writing nor is there a basis for such action, suit, or proceeding.

(b) (i) The operations of Borrower or any of its respective Subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the Bank Secrecy Act of 1970 (as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT) Act of 2001) and the anti-money laundering laws and counter terrorist financing, rules and regulations of each jurisdiction (foreign or domestic) in which Borrower or any of its respective Subsidiaries, is subject to such jurisdiction's Requirements of Law (collectively, the "**Anti-Money Laundering Laws**") and (ii) no action, suit or proceeding by or before any Governmental Authority or any arbitrator involving Borrower or any of its respective Subsidiaries, with respect to the Anti-Money Laundering Laws is pending or, to the Knowledge of Borrower, threatened in writing.

(c) None of Borrower, its Subsidiaries, or its or their directors, officers, employees, or, to the Knowledge of such Credit Party, Affiliates or agents, is, or is owned or controlled by individuals or entities that are, the target or subject of any economic, trade or financial sanctions or restrictive measures administered and enforced

by the Office of Foreign Assets Control of the U.S. Department of the Treasury ("**OFAC**"), the U.S. Department of State, the United Nations Security Council, the European Union, and each member state thereof of His Majesty's Treasury of the United Kingdom and the Cayman Islands (collectively "**Sanctions**"). Neither Borrower nor any of its respective Subsidiaries: (i) has assets located in, or otherwise directly or indirectly derives revenues from or engages in, investments, dealings, activities, or transactions in or with, any Sanctioned Country; in violation of applicable Sanctions, or (ii) directly or indirectly derives revenues from, conducts any business or engages in investments, dealings, activities, or transactions with, any Blocked Person, including the making or receiving of any contribution of funds, goods or services to or for the benefit of any Blocked Person, in violation of applicable Sanctions. Borrower will not, directly or indirectly (including, to the Knowledge of the Borrower, through an agent or a non-controlled Affiliate), use the proceeds of any Term Loans or Credit Extension, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person, for (x) the purpose of financing the activities of any Person that is the target or subject of Sanctions or in any country or territory that at the time of such funding, is the subject of Sanctions, in violation of applicable Sanctions, or (y) use in any Sanctioned Country or (z) for any purpose that could cause Lender to be in violation of applicable Sanctions. No action, suit or proceeding by or before any Governmental Authority or any arbitrator involving Borrower or any of its respective Subsidiaries, with respect to Sanctions is pending or to the Knowledge of Borrower, threatened in writing, nor is there a basis for such action, suit or proceeding.

(d) Borrower will not, directly or, to the Knowledge of Borrower, indirectly (including through an agent or any other Person), use the proceeds of the Credit Extension, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person, (i) for any payments to any government official or employee, political party, official of a political party, candidate for political office or anyone else, in order to obtain, retain or direct business, or to obtain any improper advantage in violation of Anti-Corruption Laws, or (ii) in violation of any Anti-Money Laundering Laws.

(e) Borrower and each of its Subsidiaries, and their respective officers, directors, employees, and to the Knowledge of Borrower, their respective agents, are and have been in compliance in all respects with Sanctions. Borrower and each of its respective Subsidiaries have instituted and maintain policies and procedures reasonably designed to ensure compliance with Sanctions, Anti-Money Laundering Laws, Export and Import Laws, and Anti-Corruption Laws.

(f) Borrower and each of its Subsidiaries are and have been in compliance in all material respects with Export and Import Laws.

4.19 Health Care Matters.

(a) *Compliance with Health Care Laws*. Except as set forth on Schedule 4.19(a) of the Disclosure Letter, each Credit Party and, to the Knowledge of such Credit Party, each of its Subsidiaries, and each officer, Affiliate, and employee acting on behalf of such Credit Party or any of its Subsidiaries, is in compliance in all material respects with all Health Care Laws applicable to such Credit Party or Subsidiary.

(b) *Compliance with FDA Laws*. Each Credit Party and, to the Knowledge of Borrower, each of its Subsidiaries, is in compliance in all material respects with all applicable FDA Laws and EU Laws; and any and all applicable Requirements of Law, including as relating to any research, development, establishment registration, device listing, testing, approval, clearance, authorization, designation, post-approval (or post-authorization or post-clearance, as applicable) monitoring and requirements, reporting, manufacture, production, packaging, labeling, use, commercialization, marketing, promotion, advertising, importing, exporting, storage, transport, offer for sale or lease, distribution or sale or lease of any Product in the Territory. Any Product distributed or sold in the Territory during the past six (6) years has been at all times (i) manufactured and developed in all material respects in accordance with current FDA Good Manufacturing Practices, FDA Good Clinical Practices and FDA Good Laboratory Practices (as applicable), and (ii) if and to the extent such Product is required to be approved or cleared by the relevant Regulatory Agency pursuant to FDA Laws or EU Laws in order to be legally marketed in the Territory for such Product's intended uses, such Product has been approved or cleared for such intended uses, meets in all material respects any additional conditions of approval, clearance, or authorization by the competent Regulatory Agency, and except as has been set forth in Schedule 4.19(b), no inquiries regarding material issues have been initiated by any competent Regulatory Agency. All digital health functions or components of the Cardiac Recovery System platform that constitute a device

under 21 U.S.C. § 321(h)(1) (or foreign equivalents, as applicable), including the ASSURE patient application, Kestra CareStation remote patient data platform, Heart Alert services, and ASSURE Assist services, have an FDA marketing authorization or are an FDA 510(k)-exempt device. All other digital health functions or components of the Cardiac Recovery System platform do not constitute a device under 21 U.S.C. § 321(h)(1) (or foreign equivalents, as applicable).

(c) *Material Statements*. Within the past six (6) years, neither any Credit Party, nor, to the Knowledge of Borrower, any Subsidiary or any officer, Affiliate or employee of any Credit Party or Subsidiary in its capacity as a Subsidiary or as an officer, Affiliate or employee of a Credit Party or Subsidiary (as applicable), nor, to the Knowledge of Borrower, any agent of any Credit Party or Subsidiary, (i) has made an untrue statement of a material fact or a fraudulent statement to any Governmental Authority under any Health Care Law, (ii) has failed to disclose a material fact to any Governmental Authority under any Health Care Law, or (iii) has otherwise committed an act, made a statement or failed to make a statement that, at the time such statement or disclosure was made (or, in the case of such failure, should have been made) or such act was committed, could reasonably be expected to constitute a material violation of any Health Care Law. Each Credit Party has implemented reasonable policies and procedures designed to ensure compliance with all Health Care Laws concerning the types of statements, disclosures, acts, and omissions described in sub-clauses (i), (ii) or (iii) above.

(d) *Proceedings; Audits*. Except as has been set forth on Schedule 4.19(d) of the Disclosure Letter: (i) there is no Adverse Proceeding pending or, to the Knowledge of Borrower, threatened in writing, against any Credit Party or any of its Subsidiaries relating to any allegations of non-compliance with any Health Care Laws, Data Protection Laws, FDA Laws or EU Laws; and (ii) to the Knowledge of Borrower, there are no facts, circumstances or conditions that, individually or in the aggregate, would reasonably be expected to form the basis for any such Adverse Proceeding.

(e) *Recalls, Safety Notices, Etc*. Except has been set forth on Schedule 4.19(e)(A) of the Disclosure Letter, neither any Credit Party nor any of its Subsidiaries has initiated or otherwise engaged in any recalls (including corrections or removals), field notifications, safety warnings, "dear doctor" letters, investigator notices, safety alerts or other notices of action, relating to an alleged lack of safety, malfunction, or regulatory compliance of any Product. Except as set forth on Schedule 4.19(e)(B), neither any Credit Party nor any of its Subsidiaries has a reasonable expectation that there are grounds for imposition of a clinical hold or a withdrawal of an investigational device exemption application for any Product, or for the termination of an investigational study, under FDA Laws, EU Laws and applicable regulations for Product.

(f) *Preclinical Studies / Clinical Trials.* All pre-clinical and clinical studies (including trials) relating to Product conducted by or on behalf of any Credit Party or any of its Subsidiaries have been, or are being, conducted in compliance with all applicable Requirements of Law, including the applicable requirements of FDA Laws, EU Laws, FDA Good Laboratory Practices, FDA Good Clinical Practices, applicable human subject protections (including 21 C.F.R. Parts 50 and 56), and the Animal Welfare Act and applicable experimental protocols, procedures and controls, United States state equivalents and equivalent foreign laws and applicable regulations. No research involving human subjects (including clinical trials) relating to Product currently conducted or sponsored by any Credit Party or any of its Subsidiaries is currently conducted or supported by any U.S. federal department or agency, and none are subject to regulation under 45 C.F.R. Part 46. Except as set forth on Schedule 4.19(f) of the Disclosure Letter, during the past six (6) years, no clinical study involving Product conducted by or on behalf of any Credit Party or any of its Subsidiaries has been terminated or suspended by any Regulatory Agency and neither any Credit Party nor any of its Subsidiaries has received any notice that the FDA, any other Governmental Authority or any institutional review board, ethics committee or safety monitoring committee (or foreign equivalent) has recommended, initiated or, to the Knowledge of Borrower threatened in writing to initiate any action to suspend or terminate any clinical study conducted by or on behalf of any Credit Party or any of its Subsidiaries or to otherwise restrict the preclinical research on or clinical study of Product. Except as set forth on Schedule 4.19(f) of the Disclosure Letter, none of the safety issues raised by a Governmental Authority in the context of a clinical hold (or foreign equivalent) placed on products under development by any Credit Party or any of its Subsidiaries could reasonably be expected to result in an adverse impact on the research, development, testing, manufacture, approval, clearance, authorization, designation, post-approval (or post-licensure, post-authorization or post-clearance, as applicable) monitoring and commitments, reporting, production, packaging, labeling, use, commercialization, marketing, promotion, advertising, importing, exporting, storage, transport, offer for sale or lease, distribution or sale or lease of Product in the Territory. Except as

set forth on Schedule 4.19(f) of the Disclosure Letter, any clinical hold (or foreign equivalent) placed on products under development by any Credit Party or any of its Subsidiaries, or terminations of clinical trials by any Credit Party or any of its Subsidiaries, is not reasonably be expected to result in an adverse impact on the financial condition of any Credit Party and its Subsidiaries (taken as a whole), or the ability of any Credit Party and its Subsidiaries (taken as a whole) to fulfill the payment obligations under the Loan Agreement or any other Loan Documents.

(g) *Advertising/Promotion*. For the past six (6) years, each Credit Party and, to the Knowledge of Borrower, each of its Subsidiaries, officers, employees and agents has advertised, promoted, marketed and distributed Product in the Territory in compliance in all material respects with FDA Laws, EU Laws, and other applicable Requirements of Law. Except as set forth on Schedule 4.19(g) of the Disclosure Letter, for the past six (6) years, neither any Credit Party nor, to the Knowledge of Borrower, any of its Subsidiaries, officers, employees or agents has received any written notice of or is subject to any civil, criminal or administrative action, suit, demand, claim, complaint, hearing, investigation, demand letter, warning letter, untitled letter, proceeding or request for information from the FDA or any other Governmental Authority concerning noncompliance with any FDA Laws, EU Laws, or other Requirements of Law with regard to advertising, promoting, marketing or distributing Product in the Territory.

(h) *Recordkeeping / Reporting*. For the past six (6) years, each Credit Party and, to the Knowledge of Borrower, each of its Subsidiaries, has maintained records in compliance in all material respects with FDA Laws, EU Laws, Health Care Laws, and other applicable Requirements of Law, and each Credit Party and, to the Knowledge of Borrower, each of its Subsidiaries, has submitted to the FDA and other Governmental Authorities (including Regulatory Agencies) in a timely manner all material notices and annual or other reports required to be made, including medical device reports (including adverse event reports), annual reports (including annual reports specific to holders of approved applications and designations and safety reports required to be made for Products).

(i) *Prohibited Transactions; No Whistleblowers*. Except as set forth on Schedule 4.19(i) of the Disclosure Letter, within the past six (6) years, to the Knowledge of Borrower, neither any Credit Party, any Subsidiary, any officer, Affiliate or employee of a Credit Party or Subsidiary, nor any other Person acting on behalf of any Credit Party or any Subsidiary, directly or indirectly: (i) has offered or paid any remuneration, in cash or in kind, to, or made any financial arrangements with, any past, present or potential patient, supplier, physician or contractor, in order to illegally obtain business or payments from such Person in material violation of any Health Care Law; (ii) has given or made, or is party to any illegal agreement to give or make, any illegal gift or gratuitous payment of any kind, nature or description (whether in money, property or services) to any past, present or potential patient, supplier, physician or contractor, or any other Person in material violation of any Health Care Law; (iii) has presented, or caused to be presented, a claim for any designated health service pursuant to a referral to an entity from a physician who has (or whose immediate family member has) a financial relationship with that entity, in material violation of any Health Care Law; (iv) has given or made, or is party to any agreement to give or make on behalf of any Credit Party or any of its Subsidiaries, any contribution, payment or gift of funds or property to, or for the private use of, any governmental official, employee or agent where either the contribution, payment or gift or the purpose of such contribution, payment or gift is or was a material violation of the laws of any Governmental Authority having jurisdiction over such payment, contribution or gift; (v) has established or maintained any unrecorded fund or asset for any purpose or made any materially misleading, false or artificial entries on any of its books or records for any reason; or (vi) has made, or is party to any agreement to make, any payment to any Person with the intention or understanding that any part of such payment would be in material violation of any Health Care Law. Except as set forth on Schedule 4.19(i) of the Disclosure Letter, to the Knowledge of Borrower, there are no actions pending or threatened (in writing) against any Credit Party or any of its Subsidiaries or any of their respective Affiliates under any foreign, federal or United States state healthcare whistleblower statute, including under the False Claims Act of 1863 (31 U.S.C. § 3729 et seq.).

(j) *Exclusion*. Except as set forth on Schedule 4.19(j) of the Disclosure Letter, neither any Credit Party nor, to the Knowledge of Borrower, any Subsidiary or any officer, Affiliate or employee of Borrower or any Subsidiary having authority to act on behalf of any Credit Party or any Subsidiary, is or, to the Knowledge of Borrower, has been threatened in writing to be: (i) excluded from any Governmental Payor Program pursuant to 42 U.S.C. § 1320a-7b and related regulations; (ii) "suspended" or "debarred" from selling any products to the U.S. government or its agencies pursuant to the Federal Acquisition Regulation relating to debarment and suspension applicable to federal government agencies generally (42 C.F.R. Subpart 9.4), or other U.S. Requirements of Law; (iii)

debarred, disqualified, suspended or excluded from participation in Medicare, Medicaid or any other Governmental Payor Program or is listed on the General Services Administration list of excluded parties; (iv) debarred by FDA or (v) a party to any other action or proceeding by any Governmental Authority that would prohibit the applicable Credit Party or Subsidiary from distributing or selling any Product in the Territory or providing any services to any governmental or other purchaser pursuant to any Health Care Laws.

(k) *Health Information*. Except as set forth on Schedule 4.19(k)(A) of the Disclosure letter, each Credit Party and, to the Knowledge of Borrower, each of its Subsidiaries, to the extent applicable, is in material compliance with all applicable foreign, federal, state, and local laws and regulations regarding the privacy, data protection, security, and notification of breaches of health information and regarding any applicable standards, implementation specifications, and requirements for electronic transactions. Each Credit Party and each of its Subsidiaries, to the extent applicable, has implemented and maintains reasonable written policies and procedures as well as training that is reasonable in the health and life sciences sector, that materially satisfies the requirements of all applicable Requirements of Law, and is otherwise designed to ensure continued compliance and to detect material non-compliance. Kestra Medical Technology Services, Inc., a Subsidiary of Borrower and a Credit Party, is a "covered entity" (a "**CE Credit Party**") and Borrower, may be a "business associate" to CE Credit Party as such terms are defined in HIPAA (45 C.F.R. § 160.103). Without limiting the generality of the foregoing: (i) CE Credit Party and Borrower have completed a security risk assessment that comports with the requirements set forth in 45 C.F.R. § 164.308(a)(1)(ii) within the past year and has implemented security measures sufficient to reduce risks and vulnerabilities to a reasonable level; (ii) CE Credit Party and Borrower have implemented such written policies, procedures, and plans as are required by HIPAA, including incident response plans; (iii) during the past six (6) years, neither CE Credit Party nor Borrower, nor to the Knowledge of Borrower, any vendor or other entity acting as a business associate of such CE Credit Party or Borrower has experienced a "breach" as such term is defined in HIPAA (45 C.F.R. § 164.402) that required notification to affected individuals or Governmental Authorities; (iv) during the past six (6) years, neither CE Credit Party nor Borrower has received or provided notice of a "security incident" as such term is defined in HIPAA (45 C.F.R. § 164.304), (v) CE Credit Party has maintained a HIPAA-compliant notice of privacy practices and distributed this notice as required by HIPAA (45 C.F.R. § 164.520); (vi) CE Credit Party and Borrower have entered into a HIPAA-compliant business associate agreements with each vendor and other entity that serves as "business associate" under HIPAA to such Credit Party (including cloud service providers); (vii) Borrower is in material compliance with all HIPAA business associate agreements under which such Credit Party serves as a business associate of another entity; and (viii) neither CE Credit Party nor Borrower has received written notice or any other communication (including a civil investigative demand) from the U.S. Department of Health and Human Services Office for Civil Rights, the U.S. Department of Justice, or any state attorney general regarding a complaint, inquiry, data request, or investigation relating to such Credit Party's compliance with HIPAA.

(l) *Corporate Integrity Agreement*. Except as set forth on Schedule 4.19(l) of the Disclosure Letter, neither any Credit Party or Subsidiary, nor any of their respective Affiliates, nor, to the Knowledge of Borrower, any of their respective officers, directors, managing employees or agents, is, or in the reasonable business judgment of Borrower probably (as defined in ASC 450-20-20) will become within ninety (90) days of the applicable Closing Date, a party to, or has any ongoing reporting or disclosure obligations under, or is otherwise subject to, any order, individual integrity agreement, corporate integrity agreement, monitoring agreement, deferred prosecution agreement, consent decree, corrective action plan, settlement agreement or order or other similar agreements, or any order, in each case imposed by any Governmental Authority concerning compliance with any laws, rules or regulations, issued under or in connection with a Governmental Payor Program.

4.20 Regulatory Approvals or Licensures

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(a) Except as set forth on Schedule 4.20(a)(i) of the Disclosure Letter, each Credit Party and each Subsidiary thereof involved in research, development, testing, manufacture, production, packaging, labeling, use, commercialization, marketing, promotion, advertising, importing, exporting, storage, transport, offer for sale or lease, distribution or sale or lease of any Product in the Territory has all Regulatory Approvals or Licensures necessary or material to the conduct of its business as currently conducted. Borrower or one of its Subsidiaries solely and exclusively owns or possesses valid title to or right to use or exploit any and all Regulatory Submission Material

owned or purported to be owned by Borrower or any of its Subsidiaries (the "**Covered Regulatory Materials**"), free and clear of all Liens other than Permitted Liens.

(i) (A) (x) Except as set forth on Schedule 4.20(a)(i)(A) of the Disclosure Letter, each item of Covered Regulatory Materials is valid, subsisting and enforceable, (y) no such item of Covered Regulatory Materials has in any respect lapsed, expired, been cancelled, held unenforceable or held invalidated or become abandoned or unenforceable, and (z) to each Credit Party's Knowledge, no circumstance or grounds exist that would invalidate or reduce, in whole or in part, the validity, enforceability, subsistence or scope of any such Covered Regulatory Materials, or reduce the use of such Covered Regulatory Materials, by any Credit Party or any of its Subsidiaries, and (B) no written notice has been received by any Credit Party or any of its Subsidiaries challenging the validity or enforceability, or relating to any lapse, expiration, invalidation, cancellation, abandonment or unenforceability, of any such item of Covered Regulatory Materials.

(ii) (A) (x) No Credit Party or any of its Subsidiaries has undertaken or omitted to undertake any acts, and (y) to the Knowledge of Borrower in the case of Covered Regulatory Materials, no circumstance or grounds exist, that, in either case of sub-clause (x) or (y) above, would invalidate or reduce, in whole or in part, the enforceability or scope of any Credit Party's or any of its Subsidiary's right or entitlement to the Covered Regulatory Materials in any manner that could reasonably be expected to materially adversely affect any aspect of the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, packaging, labelling, promotion, advertising, offer for sale or lease, distribution or sale or lease of any Product in the Territory; and (B) (x) no Credit Party or any of its Subsidiaries has omitted to undertake any acts necessary to maintain, and (y) to the Knowledge of such Credit Party in the case of Covered Regulatory Materials, no circumstances or grounds exist that would impair the validity or, in whole or in part, the enforceability or scope of, in either case of sub-clause (x) or (y) above, any Credit Party's or any of its Subsidiary's right or entitlement to the Covered Regulatory Materials in any manner that could reasonably be expected to materially adversely affect any aspect of the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, packaging, labelling, promotion, advertising, offer for sale or lease, distribution or sale or lease of any Product in the Territory.

(iii) There are no pending or, to the Knowledge of each Credit Party, threatened (in writing) claims against Borrower or any of its Subsidiaries alleging (i) that any research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, packaging, labelling, promotion, advertising, offer for sale or lease, distribution or sale or lease of any Product in the Territory materially infringes or violates (or in the past materially infringed or violated) any of the rights of any third parties in or to any regulatory filings, submissions, approvals, licensures, and authorizations ("**Third-Party Regulatory Materials**"), or (ii) that any Covered Regulatory Materials are invalid or unenforceable.

(iv) To the Knowledge of each Credit Party, the manufacture, production, use, commercialization, marketing, importing, storage, transport, offer for sale or lease, distribution or sale or lease of any Product in the Territory does not (i) infringe or violate (or in the past infringed or violated) any of the rights of third parties in or to any Third-Party Regulatory Materials, or (ii) constitute (or constituted) a misappropriation of any Third-Party Regulatory Materials.

(v) Except as would not reasonably be expected to have a Material Adverse Change, there are no settlements, covenants not to sue, consents, judgments, orders or similar obligations, in each case, that were undertaken in connection with the avoidance, resolution or disposition of an actual, anticipated or potential Adverse Proceeding (or any actual or potential basis or grounds therefor) which: (i) restrict the rights of any Credit Party or any of its Subsidiaries to use any Covered Regulatory Materials relating to any aspect of the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, packaging, labeling, promotion, advertising, offer for sale or lease, distribution or sale or lease of any Product in the Territory (in order to accommodate any Third-Party Regulatory Materials or otherwise), or (ii) permit any third parties to use or otherwise exploit any Covered Regulatory Materials.

(vi) To the Knowledge of each Credit Party, there is no, nor has there been any, infringement or violation by any Person of any of the Covered Regulatory Materials or the rights therein.

(vii) (A) Neither any Credit Party nor any Subsidiary, nor, to the Knowledge of each Credit Party, any of their respective agents or representatives, have (i) engaged in any conduct, the result of which would invalidate or render unenforceable or materially reduce, in whole or in part, the validity, enforceability, subsistence or scope of any Covered Regulatory Materials, or (ii) omitted to perform any reasonably necessary act to maintain the validity, enforceability, subsistence or scope of any such Covered Regulatory Materials, in each case, except as would not reasonably be expected to have a Material Adverse Change.

(b) To the Knowledge of Borrower, except as set forth on Schedule 4.20(b) of the Disclosure Letter, no event or circumstance (or series of related events or circumstances) has occurred that would cause, or could reasonably be expected to cause, (i) the termination of any applicable Regulatory Approvals, Licensures, or designations for Product, or (ii) Product to no longer materially meet the requirements of, or criteria for, any applicable Regulatory Approvals, Licensures, or designations.

(c) Each Credit Party, and, to the Knowledge of such Credit Party, each Subsidiary thereof, is in compliance with, and at all times during the past five (5) years, has complied with, all applicable foreign, federal, state and local laws, rules and regulations governing any aspect of the research, development, testing, approval, clearance, authorization, post-approval (or post-licensure, post-authorization, or post-clearance, as applicable) monitoring and requirements, reporting, manufacture, production, packaging, labeling, use, commercialization, designation, marketing, promotion, advertising, importing, exporting, storage, transport, offer for sale or lease, distribution or sale or lease of any Product in the Territory, including all such regulations promulgated by each applicable Regulatory Agency, except where any instance of failure to comply with any such laws, rules or regulations could not, whether individually or taken together with any other such failures, reasonably be expected to result in a Material Adverse Change. Except as set forth on Schedule 4.20(c) of the Disclosure Letter, no Credit Party or its Subsidiaries has received any written notice from any Regulatory Agency citing action or inaction by any Credit Party or any of its Subsidiaries that would constitute a violation of any applicable foreign, federal, state or local laws, rules, or regulations, including a Warning Letter or Untitled Letter from FDA (or equivalent communication from any other Regulatory Agency).

4.21 Supply and Manufacturing.

(a) Except as set forth on Schedule 4.21(a)(A) of the Disclosure Letter, to the Knowledge of Borrower, each Product at all times during the past five (5) years has been manufactured in sufficient quantities and of a sufficient quality to satisfy demand of such Product in the Territory, without the occurrence of any material event or series of related events causing inventory of such Product to have become exhausted prior to satisfying such demand. Except as set forth on Schedule 4.21(a)(B) of the Disclosure Letter, to the Knowledge of Borrower, no event or circumstances (or series of related events or circumstances) has occurred or is occurring that could reasonably be expected to cause (i) any Product to be manufactured in a quantity or of a quality insufficient to satisfy current or future demand of such Product in the Territory or (ii) inventory of any Product in the Territory to become or have become exhausted prior to satisfying such demand of such Product in the Territory.

(b) Except as set forth on Schedule 4.21(b) of the Disclosure Letter, to the Knowledge of Borrower, (i) no manufacturer (including a contract manufacturer) or licensing partner of or for any Product has been during the last five (5) years or is currently subject to a material Regulatory Agency shutdown or voluntary shutdown (other than shutdowns for routine maintenance), restriction, or import or export prohibition, (ii) no manufacturer (including a contract manufacturer) or licensing partner of any Product has a Form 483 or is currently subject to (1) a Form 483 or (2) other written Regulatory Agency notice of inspectional observations (other than routine inspections), Warning Letter, Untitled Letter or recommendation to make changes to such Product that could, or could reasonably be expected to, impact such Product, in either case of sub-clause (1) or (2) above with respect to any facility manufacturing such Product for import, export, distribution or sale or lease, in the Territory, and (iii) with respect to each such Form 483 received (if any) or other written Regulatory Agency notice (if any), all scientific and technical violations or other issues relating to FDA Good Manufacturing Practice requirements, or foreign equivalents,

documented therein, and any disputes regarding any such violations or issues, have been corrected or otherwise resolved.

(c) Except as disclosed in Schedule 4.21(c) of the Disclosure Letter, no Credit Party or any of its Subsidiaries has received any written or, to the Knowledge of each Credit Party, other notice or, from any party to any Manufacturing Agreement containing any indication by or intent or threat of, such party to reduce or cease, in any material respect, the supply of any Product in the Territory or the materials (including raw materials), components (including component raw materials and other component materials), equipment, technology (including software and systems) or any other element needed to fulfill its contractual obligations related to such Product for the Territory in any Manufacturing Agreement through calendar year 2031 (or such earlier date in accordance with the terms and conditions of such Manufacturing Agreement, as applicable).

4.22 Cybersecurity and Data Protection.

(a) Except as set forth in Schedule 4.22(a) of the Disclosure Letter, to the Knowledge of such Credit Party, the information technology systems (including software and hardware) used in the business of each of Borrower and its Subsidiaries, including any technology systems and applications (including the ASSURE patient application, Kestra CareStation remote patient data platform, Heart Alert services, and ASSURE Assist services) made available by Borrower or any of its Subsidiaries to any medical partners, physicians, patients, payors, patient assistance programs, or other third parties in connection with any Product, (altogether, "**Systems**") operate and perform in all material respects as required to permit each of Borrower and its Subsidiaries to conduct their respective businesses as presently conducted in the Territory. Each of Borrower and its Subsidiaries has implemented and maintains commercially reasonable and appropriate security controls and safeguards designed to protect the confidentiality, integrity, and availability of Sensitive Information and designed to protect the Systems, modifies such controls and safeguards as needed to continue provision of reasonable and appropriate protection of Sensitive Information, and updates documentation of such safeguards in accordance with applicable Requirements of Law. To the Knowledge of such Credit Party, no System contains any material ransomware, disabling codes or instructions, spyware, Trojan horses, worms, viruses or other software routines that are designed or intended to delete, destroy, disable, disrupt, impair, interfere with, perform unauthorized modifications to, or provide unauthorized access to, any data, files, software, system, network or other device. Borrower and its Subsidiaries have and maintain back-up systems, consistent with the industry in which Borrower and each of its Subsidiaries operate and the size and condition of Borrower and each of its Subsidiaries, designed to provide continuing availability of the material functionality provided by the Systems in the event of any malfunction of, or other event interrupting access to or the functionality of, such Systems. Borrower and each of its Subsidiaries use commercially reasonable efforts to maintain System security, including promptly implementing material security patches that are generally available for the Systems.

(b) Except as set forth on Schedule 4.22(b) of the Disclosure Letter, Borrower and each of its Subsidiaries has implemented and maintains a commercially reasonable, enterprise-wide privacy and information security program (altogether, "**Security Program**"), with plans, policies and procedures for privacy and physical and cyber security (including for disaster recovery, business continuity, encryption, data back-up, Systems access controls, workstation use and security, incident detection, and incident response). Except as set forth on Schedule 4.22(b) of the Disclosure Letter, the Security Program materially comports with all applicable Data Protection Laws and includes commercially reasonable and appropriate administrative, technical and physical safeguards designed to protect the integrity and availability of the Systems, consistent with the industry in which Borrower and each of its Subsidiaries operate and the size and condition of Borrower and its Subsidiaries, and designed to protect against (i) any unauthorized, accidental, or unlawful access to or acquisition, use, disclosure, transmission, retention, processing, loss, destruction, corruption, or modification of Personal Data that would require notification to any affected individuals or any Governmental Authority under any applicable Data Protection Laws (each, a "**Personal Data Breach**"), (ii) any unauthorized, accidental, or unlawful access to or acquisition, use, disclosure, transmission, loss, destruction, corruption, or modification of Sensitive Information that is not Personal Data, and (iii) any security incident that would result in unauthorized, or unlawful access to or acquisition, use, control, disruption, destruction, or modification of any of the Systems (including cyber-attacks) that could reasonably be expected to result in a material and adverse effect on the operation of Borrower's or any of its Subsidiaries' business operations as currently conducted (sub-clauses (i) through (iii), collectively, "**Security Incidents**").

(c) Except as set forth on Schedule 4.22(c) of the Disclosure Letter, Borrower and each of its Subsidiaries have conducted commercially reasonable privacy and security audits and penetration tests at reasonable intervals, including all Systems that maintain, store, access, or process Sensitive Information, in each case consistent with the industry in which Borrower and each of its Subsidiaries operate. Except as set forth on Schedule 4.22(c) of the Disclosure Letter, Borrower and each of its Subsidiaries have taken commercially reasonable steps, consistent with the industry in which Borrower and each of its Subsidiaries operate, to address and remediate all material privacy or data security issues identified as "critical risk" or "high risk" in the applicable final report delivered to Borrower or any of its Subsidiaries in connection with any such audits or penetration tests performed by a third party (including any third-party audits of the Systems).

(d) Except as set forth on Schedule 4.22(b) of the Disclosure Letter, Borrower and each of its Subsidiaries have conducted commercially reasonable privacy and data security diligence, consistent with generally accepted practices within the industry in which Borrower and each of its Subsidiaries operate and in compliance in all material respects with any applicable Data Protection Laws, on all applicable service providers (including any business associates, clinical trial investigators, contract research organizations, contract laboratories, contract manufacturers, suppliers, clinical data management organizations, back-office service providers, vendors, and contractors) that (i) collect, create, receive, access, maintain, store, or otherwise process Sensitive Information for or on behalf of Borrower or any of its Subsidiaries, or (ii) access or maintain the Systems. Except as set forth on Schedule 4.22(d) of the Disclosure Letter, neither Borrower nor any of its Subsidiaries has, in the past six (6) years, received any notice from any such service provider that the service provider experienced a Security Incident.

(e) Except as set forth on Schedule 4.22(e) of the Disclosure Letter, to the Knowledge of Borrower, neither Borrower nor any of its Subsidiaries, have in the past six (6) years suffered (i) any Personal Data Breaches, or (ii) any other Security Incidents which, individually or together with any other Security Incidents, could reasonably be expected to have a material and adverse effect on Borrower's or any of its Subsidiaries' business operations.

(f) Except as set forth on Schedule 4.22(f) of the Disclosure Letter, Borrower and each of its Subsidiaries is in material compliance with the requirements of (i) their respective Security Programs, (ii) their respective contractual obligations regarding privacy, security, or notification of breaches of Personal Data, (iii) their respective contractual non-disclosure obligations, (iv) their respective publicly available privacy notices and policies, and (v) all applicable Data Protection Laws.

(g) Except as set forth on Schedule 4.22(g) of the Disclosure Letter, in the past five (5) years: (i) neither Borrower nor any of its Subsidiaries has received any written third-party claims or any threat (in writing) of a third-party claim, related to any Personal Data Breaches or other Security Incidents; and (ii) neither Borrower nor any of its Subsidiaries has received any written notice of any claims or investigations (including investigations by any Governmental Authority) relating to any Personal Data Breaches or other Security Incidents, except, in each case of sub-clauses (i) and (ii) above as could not reasonably be expected to be material to Borrower and its Subsidiaries, taken as a whole.

(h) Except as set forth on Schedule 4.22(h), to the Knowledge of Borrower, any information technology systems and applications made available by Borrower or any of its Subsidiaries to medical partners, physicians, patients, payors, or other third parties in connection with any Product (including the ASSURE patient application, Kestra CareStation remote patient data platform, Heart Alert services, and ASSURE Assist services) have performed in material compliance with their respective published Product manuals, release notes, specifications, and usage guides; contractual obligations; and other published Products terms and documentation.

(i) Parent and its Subsidiaries have established, maintain, and enforce industry standard policies and procedures for the use of artificial intelligence and automated decision-making technology by the Credit Parties' employees, agents, and contractors.

4.23 Additional Representations and Warranties.

(a) As of the Effective Date and the Tranche A Closing Date, except as set forth on Schedule 4.23(a) of the Disclosure Letter, after giving effect to consummation of the transactions contemplated by this

Agreement, there is no Indebtedness for borrowed money owed to Borrower or any of its Subsidiaries other than Permitted Indebtedness or Permitted Investments, or owed by Borrower or any of its Subsidiaries, other than Permitted Indebtedness, and all Indebtedness and any and all other amounts outstanding under the Existing Credit Agreement are paid or repaid in full, no further extension of credit is available thereunder and all Liens on or security interests in any and all collateral securing the payment of any such Indebtedness and any guaranty and other obligation of Borrower or any of its Subsidiaries thereunder in favor of any Person have been terminated.

(b) As of each Closing Date other than the Tranche A Closing Date, there is no Indebtedness for borrowed money (x) owed to Borrower or any of its Subsidiaries other than Permitted Indebtedness or Permitted Investments, or (y) owed by Borrower or any of its Subsidiaries other than Permitted Indebtedness.

(c) As of the Effective Date and Tranche A Closing Date, except as set forth on Schedule 4.23(c) of the Disclosure Letter, neither Borrower nor any of its Subsidiaries are party to, or otherwise bound by, any Hedging Agreements.

(d) As of any Closing Date other than the Tranche A Closing Date, neither Borrower nor any of its Subsidiaries are party to, or otherwise bound by, any Hedging Agreements, except for Hedging Agreements expressly permitted by this Agreement.

(e) Except as has been disclosed in the Exchange Act Documents, as of the Effective Date and each Closing Date, there is no registration rights agreement, investors' rights agreement or other similar agreement relating to, governing or otherwise affecting the ownership of any Equity Interest that is required to be pledged pursuant to the Collateral Documents.

(f) As of the Effective Date and the Tranche A Closing Date, after giving effect to consummation of the transactions contemplated by this Agreement, neither Parent nor Borrower nor any of their respective Subsidiaries is obligated to pay any royalty, revenue participation, milestone payment, deferred payment or any other contingent payment in respect of the Product.

5 AFFIRMATIVE COVENANTS

Each Credit Party covenants and agrees that until payment in full of all Obligations (other than contingent indemnification obligations to the extent no claims giving rise thereto have been asserted), each Credit Party shall, and shall cause each of its Subsidiaries to:

5.1 Maintenance of Existence. (a) Preserve, renew and maintain in full force and effect its and all its Subsidiaries' legal existence under the Requirements of Law in their respective jurisdictions of organization, incorporation or formation (other than as otherwise expressly permitted under Section 6.2(a)); (b) take all commercially reasonable action to maintain all rights, privileges (including its good standing (to the extent the concept is applicable in such jurisdiction)), permits, licenses and franchises necessary or desirable for it and all of its Subsidiaries in the ordinary course of its business, except in the case of clause (a) (other than with respect to Borrower) and clause (b) above, (i) to the extent that failure to do so could not reasonably be expected to result in a Material Adverse Change or (ii) pursuant to a transaction permitted by this Agreement; and (c) comply with all Requirements of Law of any Governmental Authority to which it is subject, except where the failure to do so could not reasonably be expected to result, individually or in the aggregate, in a Material Adverse Change.

5.2 Financial Statements, Notices. Deliver to the Collateral Agent:

(a) Financial Statements.

(i) Annual Financial Statements. As soon as available, but in any event within ninety (90) days after the end of each fiscal year of Parent (or such earlier date on which Parent is required to file a Form 10-K under the Exchange Act, as applicable), beginning with the fiscal year ending April 30, 2026, a consolidated balance sheet of Parent and its Subsidiaries, as of the end of such fiscal year, and the related consolidated statements of income, cash flows and stockholders' equity for such fiscal year, setting forth in

each case, certified by a Responsible Officer of Parent, in comparative form the figures for the previous fiscal year, all prepared in accordance with GAAP, with such consolidated financial statements to be audited and accompanied by (x) a report and opinion of Parent's independent certified public accounting firm of recognized national standing (which report and opinion shall be prepared in accordance with GAAP and shall not be subject to any qualification as to "going concern" or "scope of audit" (other than a "going concern" qualification solely in respect of (1) the Term Loans maturing on the Term Loan Maturity Date or (2) the potential or actual inability to satisfy the minimum Liquidity covenant set forth in Section 6.15 hereof) stating that such financial statements fairly present, in all material respects, the consolidated financial condition, results of operations and cash flows of Parent and its Subsidiaries as of the dates and for the periods specified in accordance with GAAP), and (y) if and only if Parent is required to comply with the internal control provisions pursuant to Section 404 of the Sarbanes-Oxley Act of 2002 requiring an attestation report of such independent certified public accounting firm, an attestation report of such independent certified public accounting firm as to Parent's internal controls pursuant to Section 404 of the Sarbanes-Oxley Act of 2002 attesting to management's assessment that such internal controls meet the requirements of the Sarbanes-Oxley Act of 2002;

(ii) Quarterly Financial Statements. As soon as available, but in any event within forty-five (45) days after the end of each of the first three (3) Fiscal Quarters of each fiscal year of Parent (or such earlier date on which Parent is required to file a Form 10-Q under the Exchange Act, as applicable), beginning with respect to the Fiscal Quarter ending July 31, 2026, a consolidated balance sheet of Parent and its Subsidiaries, as of the end of such Fiscal Quarter, and the related consolidated statements of income and cash flows and for such Fiscal Quarter and (in respect of the second and third Fiscal Quarters of such fiscal year) for the then-elapsed portion of Parent's fiscal year, setting forth in each case in comparative form the figures for the comparable period or periods in the previous fiscal year, all prepared in accordance with GAAP, subject to normal year-end audit adjustments and the absence of disclosures normally made in footnotes;

(iii) Quarterly Compliance Certificate. Upon delivery (or within five (5) Business Days following any deemed delivery) of financial statements pursuant to Section 5.2(a)(i) or Section 5.2(a)(ii), a duly completed Compliance Certificate signed by a Responsible Officer of Parent, certifying, among other things, that (A) such financial statements fairly present, in all material respects, the consolidated financial condition, results of operations and cash flows of Parent and its Subsidiaries as of the applicable dates and for the applicable periods in accordance with GAAP consistently applied, and are not subject to any qualification or statement as to "going concern" or "scope of audit" other than as expressly permitted under sub-clause (i) above and, and (B) no Event of Default or Default has occurred or, if such an Event of Default or Default has occurred, specifying the nature and extent thereof and any corrective action taken or proposed to be taken with respect thereto; and

(iv) Other Information. As promptly as practicable, and in any event within five (5) Business Days after the request of the Collateral Agent therefor such additional information regarding the operations, assets, properties, business, liabilities or condition (financial or otherwise) of Parent and its Subsidiaries (including with respect to the Collateral), or compliance with the terms of this Agreement or any other Loan Documents, in each case in a form reasonably acceptable to the Collateral Agent; provided, that, Parent shall not be obligated to disclose any information that is restricted by Requirements of Law or contractual agreement with a third-party (so long as such contractual restriction was not agreed to for the specific purpose of preventing disclosure under this Agreement) or that is subject to the attorney-client privilege or constitutes attorney work product.

(b) Notice of Defaults or Events of Default, ERISA Events, Withdrawal Events and Material Adverse Changes. Written notice as promptly as practicable (and in any event within five (5) Business Days) after a Responsible Officer of any Credit Party shall have obtained knowledge thereof, of (i) the receipt by Parent or any of its Subsidiaries of any written notice from the FDA or any other Regulatory Agency of a pending recommendation or a final decision to withdraw marketing authorization for the Product in the U.S., or (ii) the occurrence of, or the occurrence of any event which could reasonably be expected to result in, any (x) Default or Event of Default (including, for the avoidance of doubt, any Withdrawal Event or Material Adverse Change) or (y) ERISA.

(c) Legal Action Notice. Promptly (and in any event within five (5) Business Days) upon any Credit Party's receipt or otherwise obtaining Knowledge thereof, written notice (which shall be deemed given to the extent timely reported in a Form 8-K under the Exchange Act and available on the SEC's EDGAR system (or any successor system adopted by the SEC), provided, however, that such notice shall be deemed to have been so given with respect to additional information the Collateral Agent may reasonably request only if it includes such additional information) of: (i) correspondence received from the SEC (or comparable agency in any applicable foreign. jurisdiction) concerning any investigation or possible investigation or other material inquiry by such agency regarding financial or other operational results of Parent, Borrower or any of their respective Subsidiaries; or (ii) any legal action, litigation, investigation or proceeding pending or threatened in writing against Parent, Borrower or any of their respective Subsidiaries or any material out-licensing partners (A) that could reasonably be expected to result in uninsured damages or costs to Parent, Borrower or any of their respective Subsidiaries in an amount in excess of the materiality thresholds applied by Parent in accordance with the Exchange Act and related regulations and standards for purposes of its Exchange Act reporting or (B) that alleges violations of any Health Care Laws, FDA Laws, EU Laws, Data Protection Laws or any other applicable statutes, rules, regulations, standards, guidelines, policies and orders, or applicable foreign equivalents, administered or issued by any U.S. or foreign Governmental Authority which, individually or together with any other such allegations, could reasonably be expected to result in a Material Adverse Change; and in each case of sub-clause (i) or (ii) above, provide such additional information (including a description in reasonable detail regarding any material development) as the Collateral Agent may reasonably request in relation thereto; provided, however, that neither Parent nor Borrower nor any other Credit Party shall be obligated to disclose any information that is reasonably subject to the assertion of attorney-client privilege or attorney work-product.

(d) Accounting Changes. Written notice within five (5) Business Days after any material change in accounting policies or financial reporting practices by Parent or any Subsidiary.

(e) Material Statements and Reports.

Within five (5) Business Days after the request therefor by the Collateral Agent, copies of any material statement or report furnished to any holder of debt securities of Parent or any of its Subsidiaries pursuant to the terms of any indenture, loan or credit or similar agreement.

(f) Sanctions and Anti-Money Laundering Laws Requirements.

(i) Credit Party Information. Upon request by the Collateral Agent, certain information and documentation that identifies each Credit Party and its principals, which information includes the legal name and address of each Credit Party and its principals and such other information that will allow the Collateral Agent and each Lender to identify such party in accordance with Sanctions and Anti-Money Laundering Laws.

(ii) Blocked Person Notice. Notification to it and each Lender in writing promptly (but in any event within three (3) Business Days) upon any Responsible Officer of any Credit Party becoming aware that any Credit Party or any Subsidiary or Affiliate of any Credit Party is a Blocked Person or Credit Party or any Subsidiary or Affiliate of any Credit Party or any of their respective directors, officers, affiliates or employees is (w) is convicted on, (x) pleads nolo contendere to, (y) is indicted on, or (z) is arraigned and held over on charges involving money laundering or predicate crimes to money laundering.

Notwithstanding the foregoing, any documents, materials, notices or other information, that Parent, Borrower, any Credit Party or any Subsidiary of Parent or Borrower is required to deliver under Sections 5.2(a)(i), (a)(ii), (b), (c), (d) and (e) above shall be deemed to have been made if such item shall have been made available within the time period specified above on the SEC's EDGAR system (or any successor system adopted by the SEC) or the Parent's website, provided, however, that in the case of any notice required to be delivered under Section 5.2(c) above, such notice shall be deemed to have been so made with respect to additional information the Collateral Agent may reasonably request only if it includes such additional information.

5.3 Taxes. Timely file all income and other Tax returns and reports or extensions therefor and timely pay all Taxes, assessments, deposits and contributions imposed upon it or any of its properties or assets or in respect

of any of its income, businesses or franchises before any penalty or fine accrue thereon except to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Change; provided, however, that no such Tax or any claim for Taxes that has become due and payable and has or may become a Lien on any Collateral shall be required to be paid if (a) it is being contested in good faith by appropriate proceedings promptly instituted and diligently conducted, so long as adequate reserves therefor have been set aside on its books and maintained in conformity with GAAP and (b) solely in the case of a Tax or claim that has or may become a Lien against any Collateral, such contest proceedings conclusively operate to stay the sale or forfeiture of any portion of any Collateral to satisfy such Tax or claim. No Credit Party will, nor will it permit any of its Subsidiaries, as applicable, to, file or consent to the filing of any consolidated income Tax return with any Person (other than Borrower or any of its Subsidiaries) without the Collateral Agent's consent.

5.4 Insurance. Maintain with financially sound and reputable independent insurance companies or underwriters, insurance with respect to its properties and business against loss or damage of the kinds customarily insured against by Persons of comparable size engaged in the same or similar business, of such types and in such amounts (after giving effect to any self-insurance reasonable and customary for similarly situated Persons of comparable size engaged in the same or similar businesses as Borrower and its Subsidiaries) as are customarily carried under similar circumstances by such other Persons. Subject to the timing requirements of Section 5.14 (solely with respect to any such policies in effect as of the Tranche A Closing Date), any products liability or general liability insurance maintained in the United States regarding Collateral shall name the Collateral Agent, on behalf of the Lenders and the other Secured Parties, as additional insured or loss payee, as applicable (the additional insured clauses or endorsements for which, in form and substance reasonably satisfactory to the Collateral Agent). So long as no Event of Default shall have occurred and be continuing, with respect to Borrower's and its Subsidiaries' property and general liability policies, and at all times with respect to any other policies (including any product liability policies) Borrower and its Subsidiaries may retain all or any portion of the proceeds of any such insurance of Borrower and its Subsidiaries (and the Collateral Agent and each Lender shall promptly remit to Borrower any proceeds received by it with respect to any such insurance).

5.5 Operating Accounts.

(a) In the case of any Credit Party, following the establishment of any new Collateral Account at or with any bank or other depository or financial institution located in (i) the United States, subject such account to a Control Agreement or other appropriate instrument that is reasonably acceptable to the Collateral Agent, and (ii) any jurisdiction other than the United States, comply with requirements set forth in the applicable Collateral Document in relation to Collateral Accounts in such jurisdiction. For each Collateral Account that each Credit Party at any time maintains in the United States, such Credit Party shall, within thirty (30) days (or such longer period as the Collateral Agent may agree in writing and in its sole discretion, taking into account reasonable good faith efforts) of establishing such Collateral Account, cause the applicable bank or other depository or financial institution located in the United States, at or with which any Collateral Account is maintained to execute and deliver, and such Credit Party shall execute and deliver, to the Collateral Agent, a Control Agreement or other appropriate instrument with respect to such Collateral Account to perfect the Collateral Agent's Lien, for the benefit of Lenders and the other Secured Parties, in such Collateral Account in accordance with the terms hereunder, which Control Agreement may not be terminated without the prior written consent of the Collateral Agent.

(b) The provisions of the previous clause (a) shall not apply to (1) accounts exclusively used for payroll, payroll Taxes and other employee wage and benefit payments to or for the benefit of any Credit Party's employees, (2) zero balance accounts, provided, that, within two (2) Business Days of any deposit made into any such zero balance account, such deposit is swept in full to an account subject to a Control Agreement, (3) accounts (including trust accounts) used exclusively for escrow, customs, insurance, fiduciary or taxes purposes, (4) merchant accounts, (5) accounts used exclusively for compliance with any Requirements of Law to the extent such Requirements of Law prohibit the granting of a Lien thereon, (6) accounts which constitute cash collateral in respect of a Permitted Lien, (7) any other account established and maintained in the ordinary course of business or in furtherance of a *bona fide* general corporate purpose and designated as an Excluded Account by a Responsible Officer of Borrower in writing delivered to the Collateral Agent, the cash balance of which, individually or together with all other such accounts excluded pursuant to this sub-clause (7), does not exceed $1,000,000 in the aggregate at any time, provided, that, if the cash balance of such account, individually or together with all other such accounts excluded pursuant to this sub-clause (7), exceeds $1,000,000 at any time, (x) such account shall no longer be deemed to be an Excluded Account

hereunder as of such time, with the effect that the accounts which remain as Excluded Accounts pursuant to sub-clause (7) are in compliance with the requirements for exclusion under sub-clause (7), and (y) such account shall be deemed to be a Collateral Account on such date and Borrower shall comply with the requirements of this Section 5.5 with respect to such account, and (8) accounts not otherwise described in sub-clauses (1) through (7) above constituting Excluded Property (all such accounts in sub-clauses (1) through (8) above, collectively, the "**Excluded Accounts**").

(c) Notwithstanding the foregoing, the Credit Parties shall have until the date that is thirty (30) days (plus an additional thirty (30) days so long as such Credit Party is using reasonable good faith efforts) following (i) the Tranche A Closing Date, to comply with the provisions of this Section 5.5 with regards to Collateral Accounts (other than Excluded Accounts) of the Credit Parties in existence on the Tranche A Closing Date or opened during such 30-day period, and (ii) the closing date of any Acquisition or other Investment, to comply with the provisions of this Section 5.5 with regards to Collateral Accounts (other than Excluded Accounts) of the Credit Parties acquired in connection with such Acquisition or other Investment.

5.6 Compliance with Laws.

(a) Comply in all respects with the Requirements of Law and all orders, writs, injunctions, decrees, settlements, and judgments applicable to it or to its business or its assets or properties (including Environmental Laws, ERISA, Health Care Laws, FDA Laws, Data Protection Laws, the Federal Fair Labor Standards Act, EU Laws, and any foreign equivalents thereof), including in connection with governing any aspect of the research, development, testing, approval, clearance, authorization, designation, post-approval (or post-licensure, post-authorization, or post-clearance, as applicable) monitoring or commitments, reporting, (including post-marketing safety reports, if any), manufacture, production, packaging, labeling, use, commercialization, marketing, promotion, advertising, importing, exporting, storage, transport, offer for sale or lease, distribution (including for investigational use) or sale or lease of any Product in the Territory, except, in each case, if the failure to comply therewith individually or taken together with any other such failures, could not reasonably be expected to result in a Material Adverse Change.

(b) Implement and maintain policies and procedures reasonably designed to ensure compliance with applicable Sanctions, Anti-Money Laundering Laws, Export and Import Laws, Anti-Corruption Laws, Health Care Laws, and Data Protection Laws.

(c) Comply with all Sanctions, Anti-Money Laundering Laws, Export and Import Laws and Anti-Corruption Laws.

5.7 Protection of Intellectual Property Rights.

(a) Except as a Credit Party may otherwise determine in its reasonable business judgment and, as applicable, in accordance with the exercise of normal prosecution practices: each Credit Party shall (i) use commercially reasonable efforts to protect, defend and maintain the validity and enforceability of Company IP material to any aspect of the research, development, manufacture, production, use, commercialization, marketing, import, storage, transport, offer for sale or lease, distribution or sale or lease of any Product in the Territory, including defending any future or current oppositions, interference proceedings, reissue proceedings, reexamination proceedings, *inter partes* review proceedings, derivative proceedings, post-grant review proceedings, cancellation proceedings, injunctions, lawsuits, hearings, investigations, complaints, arbitrations, mediations, demands, International Trade Commission investigations, decrees, or any other disputes, disagreements, or claims, challenging the legality, validity, patentability, enforceability, inventorship or ownership of any such Company IP; (ii) maintain the confidential nature of any material trade secrets and trade secret rights used in any research, development, manufacture, production use, commercialization, marketing, importing, storage, transport, offer for sale or lease, distribution or sale or lease of any Product in the Territory; (iii) not allow any Company IP material to any aspect of the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, offer for sale or lease, distribution or sale or lease of any Product in the Territory, to be abandoned, disclaimed, forfeited or dedicated to the public or any Company IP Agreement to be terminated by any Credit Party or any of its Subsidiaries, as applicable, without the Collateral Agent's prior written consent (such consent not to be unreasonably withheld, conditioned or delayed); provided, however, that with respect to any such Company IP that is not owned by a Credit Party or any of its Subsidiaries, the obligations in sub-clauses (i) and (iii) above shall apply only to the extent

a Credit Party or any of its Subsidiaries have the right to take such actions or to cause any licensee or other third-party to take such actions pursuant to applicable agreements or contractual rights.

(b) Except as a Credit Party may otherwise determine in its reasonable business judgment: (i) use commercially reasonable efforts, either directly or indirectly, to take any and all actions (including taking legal action to specifically enforce the applicable terms of any license agreement) and prepare, execute, deliver and file agreements, documents or instruments which are necessary to (A) prosecute and maintain the Company IP material to any aspect of the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, offer for sale or lease, distribution or sale or lease of any Product in the Territory and (B) diligently defend or assert the Company IP material to any aspect of the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, offer for sale or lease, distribution or sale or lease of any Product in the Territory against material infringement, misappropriation, violation or interference by any other Persons and, in the case of Copyrights, Trademarks and Patents within the Company IP, against any claims of invalidity, unpatentability or unenforceability (including by bringing any legal action for infringement, dilution, violation, derivation or defending any counterclaim of invalidity or action of a non-Affiliate third-party for declaratory judgment of non-infringement or non-interference); (ii) cause any licensee or licensor of any Company IP not to disclaim, forfeit, dedicate to the public or abandon, or fail to take any action necessary to prevent the disclaimer, forfeiture or abandonment of Company IP necessary to any aspect of the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, offer for sale or lease, distribution or sale or lease of any Product in the Territory (other than in accordance with the applicable licensor's normal prosecution practices and reasonable business judgment); and (iii) use commercially reasonable efforts to cause any licensee or licensor of any Company IP not to disclaim, forfeit, dedicate to the public or abandon, or fail to take any action necessary to prevent the disclaimer, forfeiture or abandonment of Company IP otherwise material to any aspect of the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, offer for sale or lease, distribution or sale or lease of any Product in the Territory (other than in accordance with the applicable licensor's normal prosecution practices and reasonable business judgment). Each Credit Party agrees to (1) notify the Collateral Agent in writing, promptly (and in any event within ten (10) Business Days) after a Credit Party or any of its Subsidiaries first becomes aware of, and thereafter (2) keep the Collateral Agent reasonably informed regarding, (x) any infringement or violation of any of the rights of any Credit Party or its Subsidiary in or to any Company IP, or any misappropriation by any Person of any Company IP or any of the subject matter thereof, and (y) if any Product infringes or violates any Third-Party IP or constitutes a misappropriation of any Third-Party IP.

(c) Except as a Credit Party may otherwise determine in its reasonable business judgment, or save as contemplated by any Permitted License, use commercially reasonable efforts to protect, defend and maintain, and assert against any similar, substantially equivalent or interchangeable version of any Product in the Territory, market, data and any other applicable regulatory exclusivity provided under Requirements of Law for the manufacture, production, use, commercialization, marketing, importing, storage, transport, offer for sale or lease, distribution or sale or lease of any Product in the Territory through the Term Loan Maturity Date, and use commercially reasonable efforts to otherwise not allow for the manufacture, production, use, commercialization, marketing, importing, storage, transport, offer for sale or lease, distribution or sale or lease of any similar, substantially equivalent or interchangeable version of any Product in the Territory before the Term Loan Maturity Date. Borrower agrees to, in each case, provided that no Credit Party or third-party confidential information will be shared that violates trade secret protection or a court order, (i) promptly notify the Collateral Agent in writing of and (ii) keep the Collateral Agent informed, and (iii) at the request of the Collateral Agent in writing, consult with and consider in good faith any comments of the Collateral Agent, regarding the commencement of any filings or submissions in any opposition, interference proceeding, reissue proceeding, reexamination proceeding, *inter partes* review proceeding, post-grant review proceeding, derivation proceeding, cancellation proceeding, injunction, lawsuit, hearing, investigation, complaint, arbitration, mediation, demand, International Trade Commission investigation, decree, or any other dispute, disagreement, or claim, in each case challenging the legality, validity, patentability, enforceability, inventorship ownership of any Company IP (including any claim in any Patent within the Company IP that is material to any aspect of the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, packaging, labelling, promotion, advertising, offer for sale or lease, distribution or sale or lease of any Product in the Territory).

5.8 Books and Records. Maintain proper Books, in which entries that are full, true and correct in all material respects and are in conformity with GAAP consistently applied shall be made of all material financial transactions and matters involving the assets, properties and business of such Credit Party (or such Subsidiary).

5.9 Access to Collateral; Audits. Allow the Collateral Agent, or its agents or representatives, at any time after the occurrence and during the continuance of an Event of Default, during normal business hours and upon reasonable advance notice, to visit and inspect any of the Collateral or to inspect and copy and (at the sole discretion of the Collateral Agent) audit any Credit Party's Books. The foregoing inspections and audits, if any, shall be at the relevant Credit Party's expense.

5.10 Use of Proceeds. (a)Use the proceeds of the Tranche A Loan solely to repay all Indebtedness and any and all other amounts outstanding under the Existing Credit Agreement and any and all costs and expenses associated therewith, and to fund its general corporate, and working capital and business development requirements and use the proceeds of any and all other Term Loans solely to fund its general corporate and working capital and business development, requirements and Permitted Acquisitions (including Permitted Investments required therefor); and (b) not use the proceeds of the Term Loans or any other Credit Extensions, directly or indirectly, for the purpose of purchasing or carrying any Margin Stock, for the purpose of reducing or retiring any Indebtedness that was originally incurred to purchase or carry any Margin Stock, for the purpose of extending credit to any other Person for the purpose of purchasing or carrying any Margin Stock or for any other purpose that might cause any Term Loan or other Credit Extension to be considered a "purpose credit" within the meaning of Regulation T, U or X of the Federal Reserve Board. If requested by the Collateral Agent, Borrower shall complete and sign Part I of a copy of Federal Reserve Form G-3 referred to in Regulation U and deliver such copy to the Collateral Agent.

5.11 Further Assurances. Promptly upon the reasonable written request of the Collateral Agent, execute, acknowledge and deliver such further documents and do such other acts and things in order to effectuate or carry out more effectively the purposes of this Agreement and the other Loan Documents at its expense, including after the Tranche A Closing Date taking such steps as are reasonably deemed necessary or desirable by the Collateral Agent to maintain, protect and enforce its Lien, for the benefit of Lenders and the other Secured Parties, on Collateral securing the Obligations created under the Collateral Documents and the other Loan Documents in accordance with the terms of the Collateral Documents and the other Loan Documents, subject to Permitted Liens. Notwithstanding the foregoing, (i) no perfection steps shall be required outside of the United States or the jurisdiction of organization of a Credit Agreement (and, if different, the jurisdiction of the principal place of business of such Credit Party) and (ii) no Credit Party or any of its Subsidiaries shall be required to (a) complete any filings or take any other action with respect to perfection of security interests in Intellectual Property included in Collateral beyond the filing of short-form intellectual property security agreements with the U.S. Copyright Offices and U.S. Patent and Trademark Office, (b) enter into any source code escrow arrangement, or (c) register any Intellectual Property.

5.12 Additional Collateral; Guarantors.

(a) Parent and each other Credit Party (other than Borrower) shall, and Parent, Borrower and each other Credit Party shall cause each of its Subsidiaries (other than Excluded Subsidiaries) to: (i) guarantee the Obligations; (ii) grant to the Collateral Agent, for the benefit of Lenders and the other Secured Parties, a first priority security interest in and Lien upon (subject to Permitted Liens, the limitations expressly set forth herein and the limitations expressly set forth in the other Loan Documents), and pledge to the Collateral Agent for the benefit of Lenders and the other Secured Parties, all of such Credit Party's or Subsidiary's properties and assets constituting Collateral (including the certificated and uncertificated Equity Interests (other than Excluded Equity Interests) in such Subsidiary), whether now existing or hereafter acquired or existing (including in connection with an Asset Acquisition), to secure such guaranty; and (iii) subject to the timing requirements of Sections 5.13 and 5.14 if and only to the extent applicable, execute and deliver to the Collateral Agent, a joinder or pledge amendment to the Security Agreement (in the form(s) attached thereto), and such other Collateral Documents or other documents required under the terms of the Loan Documents or as the Collateral Agent may reasonably request, including (x) in connection with each pledge of certificated Equity Interests, such certificate(s) together with stock powers, stock transfer forms or assignments, as applicable, properly endorsed for transfer to the Collateral Agent or duly executed in blank, in each case reasonably satisfactory to the Collateral Agent, and (y) in connection with each pledge of uncertificated Equity Interests of a Person organized in the U.S., an executed uncertificated stock control agreement

among the issuer, the registered owner and the Collateral Agent, substantially in the form attached to the Security Agreement.

(b) Borrower and each other Credit Party shall, and shall cause each of its Subsidiaries (other than Excluded Subsidiaries) to: (i) grant to the Collateral Agent, for the benefit of Lenders and the other Secured Parties, a first priority security interest in and Lien upon (subject to Permitted Liens, the limitations set forth herein and the limitations set forth in the other Loan Documents), and pledge to the Collateral Agent for the benefit of Lenders and the other Secured Parties, all of such Credit Party's or Subsidiary's properties and assets constituting Collateral (including the certificated and uncertificated Equity Interests (other than Excluded Equity Interests) in such Subsidiary), whether now existing or hereafter acquired or existing (including in connection with an Asset Acquisition), to secure the payment and performance in full of all of the Obligations; and (ii) subject to the timing requirements of Sections 5.13 and 5.14 if and only to the extent applicable, execute and deliver to the Collateral Agent a joinder or pledge amendment to the Security Agreement (in the form(s) attached thereto), and such other Collateral Documents or other documents required under the terms of the Loan Documents or as the Collateral Agent may reasonably request, including (x) in connection with each pledge of certificated Equity Interests, such certificate(s) together with stock powers, stock transfer forms or assignments, as applicable, properly endorsed for transfer to the Collateral Agent or duly executed in blank, in each case reasonably satisfactory to the Collateral Agent, and (y) in connection with each pledge of uncertificated Equity Interests of a Person organized in the U.S. that is a Credit Party, an executed uncertificated stock control agreement among the issuer, the registered owner and the Collateral Agent, substantially in the form attached to the Security Agreement.

(c) Notwithstanding the foregoing, each Credit Party's obligations to take the actions set forth in clause (a) and clause (b) above with respect to any assets acquired as part of an Asset Acquisition or in connection with the Stock Acquisition of a Subsidiary after the Tranche A Closing Date or any Subsidiary incorporated, organized, formed or acquired (including by a Stock Acquisition) after the Tranche A Closing Date, shall, in each case, be subject to the timing requirements of Section 5.13. Any document, agreement or instrument executed or issued pursuant to this Section 5.12 shall be a Loan Document for all purposes under this Agreement and the other Loan Documents.

(d) In the event after the Effective Date any Credit Party acquires any fee title to real estate in the U.S. with a fair market value (reasonably determined in good faith by a Responsible Officer of such Credit Party) in excess of $1,000,000, unless otherwise agreed by the Collateral Agent, such Person shall execute or deliver, or cause to be executed or delivered, to the Collateral Agent, (i) within sixty (60) days (or such longer period as the Collateral Agent may agree in writing and in its sole discretion, taking into account reasonable good faith efforts) after such acquisition, an appraisal complying with the Financial Institutions Reform, Recovery and Enforcement Act of 1989, (ii) within forty-five (45) days (or such longer period as the Collateral Agent may agree in writing and in its sole discretion, taking into account reasonable good faith efforts) after receipt of notice from the Collateral Agent that such real estate is located in a Special Flood Hazard Area, Federal Flood Insurance, (iii) within sixty (60) days (or such longer period as the Collateral Agent may agree in writing and in its sole discretion, taking into account reasonable good faith efforts) after such acquisition, a fully executed Mortgage, in form and substance reasonably satisfactory to the Collateral Agent, together with an A.L.T.A. lender's title insurance policy issued by a title insurer reasonably satisfactory to the Collateral Agent, in form and substance (including any endorsements) and in an amount reasonably satisfactory to the Collateral Agent insuring that the Mortgage is a valid and enforceable first priority Lien on the respective property, free and clear of all defects, encumbrances and Liens (other than Permitted Liens), (iv) simultaneously with such acquisition, then-current A.L.T.A. surveys, certified to the Collateral Agent by a licensed surveyor sufficient to allow the issuer of the lender's title insurance policy to issue such policy without a survey exception and (v) within forty-five (45) days (or such longer period as the Collateral Agent may agree in writing and in its sole discretion, taking into account reasonable good faith efforts) after such acquisition, an environmental site assessment prepared by a qualified firm reasonably acceptable to the Collateral Agent, in form and substance reasonably satisfactory to the Collateral Agent.

5.13 Formation or Acquisition of Subsidiaries; Designated Guarantors. If (a) any Credit Party or any of its Subsidiaries at any time after the Tranche A Closing Date incorporates, organizes, forms or acquires (including by a Stock Acquisition or an Asset Acquisition) a Subsidiary (including by division), other than an Excluded Subsidiary (a "**New Subsidiary**") or (b) Borrower elects, in its sole discretion, to designate an Excluded Subsidiary as a Credit Party (such designated Subsidiary, a "**Designated Guarantor**") or (c) any Excluded Subsidiary ceases to be an Excluded Subsidiary (a "**Non-Excluded Subsidiary**"), then in each such case such Credit Party shall (i) (x)

notify the Collateral Agent in writing promptly, and in no event later than five (5) Business Days after such incorporation, organization, formation or acquisition, designation, or cessation, as applicable, and (y) within thirty (30) days after such incorporation, organization, formation or acquisition, designation, or cessation, as applicable (or such longer period as the Collateral Agent may agree in writing and in its sole discretion, taking into account reasonable good faith efforts): (1) without limiting the generality of sub-clause (ii) below, cause such New Subsidiary, Designated Guarantor or Non-Excluded Subsidiary, as applicable, to the extent required or applicable, to execute and deliver to the Collateral Agent a joinder to the Security Agreement (in the form attached thereto), any relevant IP Agreement or other Collateral Documents, and such other Collateral Documents or other documents as the Collateral Agent may reasonably request; (2) cause such New Subsidiary, Designated Guarantor or Non-Excluded Subsidiary, as applicable, to deliver (or cause to be delivered) to the Collateral Agent (A) true, correct and complete copies of the Operating Documents of such New Subsidiary, Designated Guarantor or Non-Excluded Subsidiary, as applicable, (B) a Secretary's Certificate, certifying that the copies of the Operating Documents of such New Subsidiary, Designated Guarantor or Non-Excluded Subsidiary, as applicable, are true, correct and complete (such Secretary's Certificate to be in form and substance reasonably satisfactory to the Collateral Agent) and (C) a good standing certificate for such New Subsidiary, Designated Guarantor or Non-Excluded Subsidiary, as applicable, certified by the Secretary of State (or the equivalent thereof) of its jurisdiction of organization, incorporation or formation (where applicable in the subject jurisdiction); and (ii) cause such New Subsidiary, Designated Guarantor or Non-Excluded Subsidiary, as applicable, to satisfy all collateral requirements contained in this Agreement (including Section 5.12) and each other Loan Document if and to the extent applicable to such New Subsidiary, Designated Guarantor or Non-Excluded Subsidiary. The parties hereto agree that any New Subsidiary, Designated Guarantor or Non-Excluded Subsidiary, as applicable, shall constitute a Credit Party for all purposes hereunder as of the date of the execution and delivery of any joinder contemplated by clause (a) above or the date such New Subsidiary, Designated Guarantor or Non-Excluded Subsidiary, as applicable, provides any guarantee of the Obligations as contemplated by Section 5.12. Any document, agreement or instrument executed or issued pursuant to this Section 5.13 shall be a Loan Document for all purposes under this Agreement and the other Loan Documents.

5.14 Post-Closing Requirements. Borrower will, and will cause each of its Subsidiaries, as applicable, to take each of the actions set forth on Schedule 5.14 of the Disclosure Letter within the time period prescribed therefor on such schedule, which shall include, among other things, that: (a) notwithstanding anything to the contrary in Section 3.1(g) or Section 5.4, the Credit Parties shall have until the date that is ten (10) days following the Tranche A Closing Date to comply with the provisions of Section 5.4 with regards to naming the Collateral Agent, on behalf of the Lenders and the other Secured Parties, as additional insured or loss payee, on any products liability or general liability insurance policies maintained in the United States regarding any Collateral in effect; (b) notwithstanding anything to the contrary in Section 5.5, the Credit Parties shall have until the date that is thirty (30) days following the Tranche A Closing Date (plus an additional thirty (30) days so long as such Credit Party is using reasonable good faith efforts) to comply with the provisions of Section 5.5 with regards to Collateral Accounts of the Credit Parties in existence on the Tranche A Closing Date or opened during such 30-day period; (c) notwithstanding anything to the contrary in Section 6.2(b), the Credit Parties shall have until the date that is thirty (30) days (plus an additional thirty (30) days so long as such Credit Party is using reasonable good faith efforts) following the Tranche A Closing Date to comply with the provisions of Section 6.2(b) with regards to the location of the primary Books of any Credit Party or the location of any material portion of the Collateral on the Tranche A Closing Date or during such 30-day period, and (d) notwithstanding anything to the contrary in Section 3.1(a)(ii), Section 3.1(b), Section 3.1(c), Section 3.1(d) or Section 3.1(f), the Credit Parties shall have until the date that is thirty (30) days following the Tranche A Closing Date to comply with the provisions of Section 3.1(a)(ii), Section 3.1(b), Section 3.1(c), Section 3.1(d) or Section 3.1(f) with regards to the actions to be taken (if any) and the agreements and other documents to be delivered (if any) pursuant to the provisions of Section 3.1(a)(ii), Section 3.1(b), Section 3.1(c), Section 3.1(d) or Section 3.1(f) in respect of any Credit Party that is a Foreign Subsidiary of Borrower. All representations and warranties and covenants contained in this Agreement and the other Loan Documents shall be deemed modified to the extent necessary to take the actions set forth on Schedule 5.14 of the Disclosure Letter within the time periods set forth therein, rather than elsewhere provided in the Loan Documents, such that to the extent any such action set forth in Schedule 5.14 of the Disclosure Letter is not overdue, the applicable Credit Party shall not be in breach of any representation or warranty or covenant contained in this Agreement or any other Loan Document applicable to such action for the period from the Tranche A Closing Date until the date on which such action is required to be fulfilled as set forth on Schedule 5.14 of the Disclosure Letter.

5.15 Environmental.

(a) Deliver to the Collateral Agent:

(i) as soon as practicable following receipt thereof, copies of all environmental audits, investigations, analyses and reports of any kind or character, whether prepared by personnel of Borrower or any of its Subsidiaries or by independent consultants, governmental authorities or any other Persons, with respect to any significant environmental matter at any Facility or with respect to any material Environmental Claim;

(ii) promptly upon a Responsible Officer of any Credit Party or any of its Subsidiaries obtaining knowledge of the occurrence thereof, written notice describing in reasonable detail (A) any Release required to be reported to any federal, state, local or foreign governmental or regulatory agency under any applicable Environmental Laws, (B) any remedial action taken by (or on behalf of) any Credit Party or any other Person in response to (x) any Hazardous Materials Activities, the existence of which, individually or in the aggregate, could reasonably be expected to result in one or more Environmental Claims resulting in a Material Adverse Change, or (y) any Environmental Claims that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Change, and (C) any Credit Party's discovery of any occurrence or condition on any real property adjoining or in the vicinity of any Facility that could cause such Facility or any part thereof to be subject to any material restrictions on the ownership, occupancy, transferability or use thereof under any Environmental Laws, provided, that, with respect to real property adjoining or in the vicinity of any Facility, Borrower shall have no duty to affirmatively investigate or make any efforts to become or stay informed regarding any such adjoining or nearby properties;

(iii) as soon as practicable following the sending or receipt thereof by any Credit Party, a copy of any and all written communications with respect to (A) any Environmental Claims that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Change, (B) any Release required to be reported to any federal, state, local or foreign governmental or regulatory, and (C) any request for information from any Governmental Authority that suggests such Governmental Authority is investigating whether any Credit Party or any of its Subsidiaries may be potentially responsible for any Hazardous Materials Activity that, individually or in the aggregate, could reasonably be expected to subject any Credit Party to any additional material obligations or requirements under any Environmental Laws;

(iv) prompt written notice describing in reasonable detail of (A) any proposed acquisition of stock, assets, or property by Borrower or any of its Subsidiaries that, individually or in the aggregate, could reasonably be expected to (x) expose Borrower or any of its Subsidiaries to, or result in, Environmental Claims which could reasonably be expected to result in a Material Adverse Change or (y) affect the ability of Borrower or any of its Subsidiaries to maintain in full force and effect all material Governmental Approvals required under any Environmental Laws for their respective operations, and (B) any proposed action to be taken by Borrower or any of its Subsidiaries to modify current operations, in each case of sub-clause (A) and (B) above, that, individually or taken together with any other such proposed acquisitions or actions, expose Borrower or any of its Subsidiaries to, or result in, Environmental Claims that could reasonably be expected to result in a Material Adverse Change; and

(v) with reasonable promptness, such other documents and information as from time to time may be reasonably requested by the Collateral Agent in relation to any matters disclosed pursuant to this Section 5.15(a).

(b) Each Credit Party shall, and shall cause each of its Subsidiaries to, promptly take any and all actions reasonably necessary to (i) cure any violation of applicable Environmental Laws by Borrower or any of its Subsidiaries that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Change, and (ii) make an appropriate response to any Environmental Claim against Borrower or any of its Subsidiaries and discharge any obligations it may have to any Person thereunder where failure to do so, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Change.

5.16 Inventory; Returns; Maintenance of Properties. Keep all Inventory in good and marketable condition, free from material defects and otherwise keep all Inventory in compliance with all applicable FDA Laws, EU Laws, and all other foreign equivalents, as applicable, except where the failure to do so could not reasonably be

expected to result in a Material Adverse Change. Returns and allowances between a Credit Party and its Account Debtors shall follow such Credit Party's customary practices. Each Credit Party will, and will cause each of its Subsidiaries to, maintain or cause to be maintained in good repair, working order and condition, ordinary wear and tear, casualty and condemnation excepted, all material tangible properties used or useful in its respective business, and from time to time will make or cause to be made all commercially reasonably and appropriate repairs, renewals and replacements thereof except where failure to do so could not reasonably be expected to result in a Material Adverse Change.

5.17 Regulatory Obligations; Maintenance of Regulatory Approval or Licensure; Licensure and Designation; Manufacturing, Marketing and Distribution.

(a) (i) Comply in all material respects with Governmental Authority research, development, testing, post-marketing approval, authorization, clearance, or licensure requirements for the Product in the Territory, as applicable, (ii) maintain all Regulatory Approvals or Licensures required to manufacture, market, and distribute the Product in the Territory (including meeting the supplier standards of Medicare, Medicaid, and other federal healthcare programs), and (iii) continue the manufacturing, marketing, and distribution of each Product in the Territory in sufficient quantities to satisfy current or reasonably expected future demand of such Product in the Territory,.

(b) Deliver to the Collateral Agent, as promptly as practicable after a Responsible Officer of Borrower shall have obtained Knowledge thereof, written notice describing in reasonable detail any instance where any Credit Party or any of its Subsidiaries or licensing partners: (i) has a reasonable expectation that there are grounds for imposition of a clinical hold as described in 21 C.F.R. § 312.42, or foreign equivalent, rescinding of an Investigational Device Exemption, as described in 21 C.F.R. Part 812 or foreign equivalent, withdrawal or suspension of a Product approval clearance, or designation, as described in 21 C.F.R. Part 814, 21 U.S.C. § 360e, 360e-3, and 515 or foreign equivalents (including PMA, HUD designation or HDE approval), or a recall, as defined in 21 C.F.R. § 7.3 or foreign equivalent, in each case with respect to any Product; (ii) has been issued a Warning Letter or Untitled Letter or Form FDA-483 from FDA (or equivalent communication from any other Regulatory Agency) with respect to any Product; (iii) has received notice from a Regulatory Agency (including the EMA) that an application for the Product will not be approved in its present form; (iv) has a reasonable expectation that any Product will face a material supply shortage materially impacting such Product; or (v) has a reasonable expectation that the Product will not be distributed in any calendar year in such quantities to exceed any applicable ADN under 21 U.S.C. § 360j(m)(6)(A).

5.18 Material Contracts; Collateral Documents. Comply with all of its covenants, agreements, undertakings and obligations arising under, and fulfill all of its obligations under, (a) each Material Contract to which it is a party, except as could not reasonably be expected to have a Material Adverse Change, except to the extent prohibited by or as would contravene in any respect any of the terms or conditions set forth in this Agreement (including Section 6.10), or (b) each Collateral Document to which it is a party.

5.19 Protection of Regulatory Materials.

(a) Except as expressly permitted under clause (b) below, use commercially reasonable efforts to (i) protect, defend and maintain the validity and enforceability of Covered Regulatory Materials material to any aspect of the research, development, manufacture, production, use, commercialization, marketing, import, storage, transport, offer for sale, distribution or sale of the Product in the Territory, including defending any future or current cancellation proceedings, injunctions, lawsuits, hearings, investigations, complaints, arbitrations, mediations, demands, decrees, or any other disputes, disagreements, or claims, challenging the legality, validity, enforceability or ownership of any such Covered Regulatory Materials; and (ii) not allow any Covered Regulatory Materials material to any aspect of the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, offer for sale, distribution or sale of the Product in the Territory, to be abandoned, disclaimed, forfeited or dedicated to the public (other than in accordance with its statutory term or the exercise of the Credit Parties' reasonable business judgment).

(b) Except as a Credit Party may otherwise determine in its reasonable business judgment, (i) use commercially reasonable efforts to cause any licensee or licensor of any Covered Regulatory Materials not to disclaim, forfeit, dedicate to the public or abandon, or fail to take any action necessary to prevent the disclaimer, forfeiture or abandonment of Covered Regulatory Materials necessary to any aspect of the research, development,

manufacture, production, use, commercialization, marketing, importing, storage, transport, offer for sale, distribution or sale of the Product in the Territory, and (ii) use commercially reasonable efforts to cause any licensee or licensor of any Covered Regulatory Materials not to disclaim, forfeit, dedicate to the public or abandon, or fail to take any action necessary to prevent the disclaimer, forfeiture or abandonment of Covered Regulatory Materials otherwise material to any aspect of the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, offer for sale, distribution or sale of the Product in the Territory (other than in accordance with the applicable licensor's reasonable business judgment).

5.20 Privacy, Cybersecurity, and Data Protection.

(a) Borrower and each of its Subsidiaries shall conduct commercially reasonable privacy and security audits and penetration tests at reasonable intervals on all Systems that maintain, store, access, or process Sensitive Information, in each case consistent with the industry in which Borrower and each of its Subsidiaries operate and in accordance with any applicable Requirements of Law.

(b) Deliver to the Collateral Agent, as promptly as practicable after a Responsible Officer of Borrower shall have obtained Knowledge thereof, written notice describing in reasonable detail any instance where any Credit Party or any of its Subsidiaries or licensing partners: (i) discovers any material Security Incident that requires affected Persons to be notified under applicable Requirements of Law, including any "breach" as such term is defined in HIPAA (45 C.F.R. § 164.402); (ii) receives any notice or communications from the U.S. Department of Health and Human Services Office for Civil Rights, the U.S. Department of Justice, the Federal Trade Commission, or any state attorney general regarding any Security Incident or violations of Data Protection Laws; (iii) receives any written third-party claim or any threat (in writing) of a third-party claim, related to any Personal Data Breaches or other Security Incidents; or (iv) receives any written notice of any claims or investigations (including investigations by any Governmental Authority) relating to any Personal Data Breaches or other Security Incidents.

6 NEGATIVE COVENANTS

Each Credit Party covenants and agrees that until payment in full of all Obligations (other than contingent indemnification obligations to the extent no claims giving rise thereto has been asserted), such Credit Party shall not, and shall cause each of its Subsidiaries not to:

6.1 Dispositions. Convey, sell, lease, transfer, exchange, assign, covenant not to sue, enter into a coexistence agreement, or exclusively or non-exclusively license out, or otherwise dispose of (including any sale-leaseback or any transfer of assets pursuant to a plan of division), directly or indirectly and whether in one or a series of transactions (collectively, "**Transfer**"), all or any part of its properties or assets constituting Collateral (including, for the avoidance of doubt, any Equity Interests constituting Collateral issued by any Subsidiary which are owned or otherwise held by such Credit Party) or any Current Company IP that does not constitute Collateral under the Loan Documents but is related to any aspect of the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, offer for sale or lease, distribution or sale or lease of the Product in the Territory; except, in each case of this Section 6.1, for Permitted Transfers.

6.2 Fundamental Changes; Location of Collateral.

(a) Without at least ten (10) days prior written notice to the Collateral Agent, solely in the case of a Credit Party: (i) change its jurisdiction of organization, incorporation or formation, (ii) change its organizational structure or type, (iii) change its legal name, or (iv) change any organizational number (if any) assigned by its jurisdiction of organization, incorporation or formation.

(b) Maintain its primary Books at or deliver any Collateral with a fair market value or, if less, replacement cost (in each case, as reasonably determined in good faith by a Responsible Officer of Parent or Borrower), individually or together with any other Collateral, in excess of $1,000,000 to, one or more mortgaged or leased locations or one or more warehouses, processors or bailees, as applicable, unless, subject to the timing requirements of Section 5.12, 5.13 or 5.14 if and only to the extent applicable (solely with respect to such locations, warehouses, processors or bailees where such Books or Collateral is located on the applicable Closing Date (or during

the 30-day period following such applicable Closing Date)), such Credit Party uses commercially reasonable efforts to obtain, within thirty (30) days (plus an additional period of up to thirty (30) days so long as such Credit Party is using reasonable good faith efforts) after such Books are maintained or such Collateral is delivered, a Collateral Access Agreement for such mortgaged or leased location or such warehouse, processor or bailee governing such Books or such Collateral (as applicable), in form and substance reasonably satisfactory to the Collateral Agent, to the extent such Books or such Collateral is located in the United States or the jurisdiction of organization of such Credit Party (or, if different, the jurisdiction of the principal place of business of such Credit Party). Notwithstanding anything to the contrary herein, such obligation to deliver Collateral Access Agreements will not apply to any inventory or assets while in transit (including such assets stored at any temporary location pending transit).

(c) Establish or maintain any bank account of any Credit Party other than the bank accounts set forth on Schedule 6.2(c) of the Disclosure Letter (which bank accounts constitute all of the deposit accounts, securities accounts or other similar accounts maintained by any Credit Party on the applicable Closing Date), unless, in the case of any bank account that is not an Excluded Account, (i) the Collateral Agent is provided at least ten (10) Business Days' written notice from such Credit Party prior to the establishment or maintenance of such account and (ii) such account is or is made subject to a Control Agreement or an applicable Collateral Document to the extent required by Section 5.5 hereof.

(d) Maintain cash in any bank account located outside of the United States or jurisdiction of the organization of such Credit Party (or, if different, its principal place of business) that, in each case would be in excess of the amount of cash that would be appropriate for (i) the continued operations in the ordinary course of business of such Credit Party or Subsidiary and (ii) such other business needs of such Person, as reasonably determined by a Responsible Officer of Borrower in good faith, consistent with prudent cash management practices and not with an intent to hinder the security interests available under the Loan Documents.

(e) Take any action or engage in any transaction (or series of actions or transactions), whether by reorganization, sale of assets, merger, dissolution, amendment of Operating Documents or otherwise, the primary purpose of which is to evade, avoid or seek to avoid the performance or observance of any of the covenants, agreements or obligations of any Credit Party under the Loan Documents (including under the Collateral Documents).

6.3 Mergers, Acquisitions, Liquidations or Dissolutions.

(a) Merge, divide itself into two (2) or more entities, consolidate, liquidate or dissolve, or permit any of its Subsidiaries to merge, divide itself into two (2) or more entities, consolidate, liquidate or dissolve with or into any other Person, except that:

(i) (x) any Subsidiary of Borrower may merge or consolidate with or into a Credit Party, provided, that, the Credit Party is the surviving entity and (y) any Subsidiary of Borrower may liquidate or dissolve, provided, that, prior to or concurrent with such liquidation or dissolution, the remaining assets of such Subsidiary shall be distributed to another Subsidiary, provided, further, that if the liquidating or dissolving Subsidiary is a Credit Party, all of the assets and business of such Subsidiary shall be distributed to an existing or newly-formed Credit Party, and if the liquidating or dissolving Subsidiary is not a Credit Party, all of the assets and business of such Subsidiary are transferred to a Credit Party or another Subsidiary;

(ii) any Subsidiary of Borrower may merge or consolidate with any other Subsidiary of Borrower, provided, that, if any party to such merger or consolidation is a Credit Party then either (x) such Credit Party is the surviving entity or (y) the surviving or resulting entity executes and delivers to the Collateral Agent a joinder to the Security Agreement in the form attached thereto, a joinder to any relevant IP Agreement, and such other Collateral Documents or other documents required under the terms of the Loan Documents or as the Collateral Agent may reasonably request, as applicable, and otherwise satisfies the requirements of Section 5.13 as promptly as practicable but in no event later than thirty (30) days (or such additional period of up to thirty (30) days as the Collateral Agent may consent in its sole discretion, so long as such Credit Party is using reasonable good faith efforts) following the completion of such merger or consolidation;

(iii) any Subsidiary of Borrower may divide itself into two (2) or more entities or be dissolved or liquidated, provided, that, if such Subsidiary is a Credit Party, the properties and assets of such Subsidiary are allocated or distributed to an existing or newly formed or newly joined Credit Party; and

(iv) any Permitted Acquisition, Permitted Transfer of Equity Interests or Permitted Investment may be structured as a merger or consolidation.

(b) Make, or permit any of its Subsidiaries to make, Acquisitions outside the ordinary course of business, including any purchase of all or substantially all of the assets of, or any division or line of business of, any other Person, other than Permitted Acquisitions or Permitted Investments.

For the avoidance of doubt, nothing in this Section 6.3 shall prohibit any Credit Party or its Subsidiaries from entering into in-licensing agreements; provided, however, that in each case no Indebtedness that is not Permitted Indebtedness hereunder is incurred or assumed in connection therewith.

6.4 Indebtedness . Directly or indirectly, create, incur, assume or guaranty or otherwise become or remain liable with respect to, any Indebtedness that is not Permitted Indebtedness hereunder; provided, however, that the accrual of interest, the accretion of accreted value and the payment of interest in the form of additional Indebtedness shall not be deemed to be an incurrence of Indebtedness for purposes of this Section 6.4.

6.5 Encumbrances. Except for Permitted Liens, (i) create, incur, allow, or suffer to exist any Lien on any Collateral, or (ii) permit (other than pursuant to the terms of the Loan Documents) any material portion of the Collateral (including, for the avoidance of doubt, any Equity Interests constituting Collateral issued by any Subsidiary which are owned or otherwise held by such Credit Party) not to be subject to the first priority security interest (subject to Permitted Liens, the limitations expressly set forth herein and the limitations expressly set forth in the other Loan Documents) granted in the Loan Documents or otherwise pursuant to the Collateral Documents, in each case of this clause (ii), other than as a direct result of any action by the Collateral Agent or any Lender or failure of the Collateral Agent or any Lender to perform an obligation thereof under the Loan Documents.

6.6 No Further Negative Pledges; Negative Pledge.

(a) Enter into any agreement, document or instrument directly or indirectly prohibiting (or having the effect of prohibiting) or limiting the ability of such Credit Party or Subsidiary to create, incur, assume or suffer to exist any Lien upon any Collateral, whether now owned or hereafter acquired, in favor of the Collateral Agent, for the benefit of Lenders and the other Secured Parties, with respect to the Obligations or under the Loan Documents, in each case of this Section 6.6, other than Permitted Negative Pledges.

(b) Notwithstanding Sections 6.1 and 6.5, no Credit Party will Transfer, or create, incur, allow or suffer to exist any Lien on, any Equity Interests owned or otherwise held by such Credit Party that is issued by any Subsidiary and owns or otherwise holds any interest in Current Company IP registered, issued or filed for, as applicable, in the Territory, except for: (i) Permitted Liens and/or Permitted Transfers that, in any case, would not interfere with or impede the ability of Borrower or any Subsidiary of Borrower to conduct the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, offer for sale, distribution or sale of the Product in the Territory or enforce its rights with respect to any of the foregoing within the Territory; and (ii) sales, assignments, transfers, exchanges or other dispositions to qualify directors if required by Requirements of Law, provided, that, such sale, assignment, transfer, exchange or other disposition shall be for the minimum number of Equity Interests as are necessary for such qualification under Requirements of Law.

6.7 Maintenance of Collateral Accounts. Maintain any Collateral Account except in accordance with the terms of Section 5.5 hereof.

6.8 Distributions; Investments.

(a) Pay any dividends or make any distribution or payment on, or redeem, retire or repurchase any of its Equity Interests (collectively, "**Restricted Payments**"), except, in each case of this Section 6.8, for Permitted Distributions, Permitted Transactions and Permitted Equity Derivatives.

(b) Directly or indirectly, make any Investment other than Permitted Acquisitions and Permitted Investments.

For the avoidance of doubt, nothing in this Section 6.8 shall prohibit any Credit Party or its Subsidiaries from entering into in-licensing agreements; provided, however, that in each case no Indebtedness that is not Permitted Indebtedness is incurred or assumed in connection therewith.

6.9 No Restrictions on Subsidiary Distributions. Enter into any agreement, document or instrument directly or indirectly prohibiting (or having the effect of prohibiting) or limiting the ability of any Subsidiary of Borrower to (a) pay dividends or make any other distributions on any of such Subsidiary's Equity Interests owned by Borrower or any of its other Subsidiaries, (b) repay or prepay any Indebtedness owed by such Subsidiary to Borrower or any of its other Subsidiaries, (c) make loans or advances to Borrower or any of its other Subsidiaries, or (d) transfer, lease or license any Collateral to Borrower or any of its other Subsidiaries, except, in each case of this Section 6.9, for Permitted Subsidiary Distribution Restrictions.

6.10 Subordinated Debt; Permitted Convertible Indebtedness. Notwithstanding anything to the contrary in this Agreement:

(a) Make or permit any voluntary or optional prepayment or repayment of the outstanding principal amount of any Subordinated Debt other than in accordance with the express terms of a subordination, intercreditor or other similar agreement relating to such Subordinated Debt, if any, that is in form and substance reasonably satisfactory to the Collateral Agent;

(b) Make or permit any payment of interest (including accrued and unpaid interest) in cash on or in respect of any Subordinated Debt at any time that a Default or Event of Default shall have occurred and be continuing other than in accordance with the express terms of a subordination, intercreditor or other similar agreement relating to such Subordinated Debt, if any, that is in form and substance reasonably satisfactory to the Collateral Agent;

(c) For the avoidance of doubt, Borrower shall not, and Borrower and each other Credit Party shall cause each of its Subsidiaries not to, directly or indirectly, create, incur, assume or guaranty, or otherwise become directly or indirectly liable with respect to, any Subordinated Debt except as expressly permitted hereunder;

(d) Amend, restate, supplement or otherwise modify any terms, conditions or other provisions of any Subordinated Debt, or any agreement, instrument or other document relating thereto, in any manner which would contravene in any respect any of the foregoing clauses of this Section 6.10 or adversely affect the payment or priority subordination thereof (as applicable) to Obligations owed to Lenders, in each case except under the terms of the subordination, intercreditor, or other similar agreement to which such Subordinated Debt, if any, is subject, without the prior written consent of the Collateral Agent (in its sole discretion);

(e) Make or permit (or exercise any option with respect thereto), directly or indirectly, any payment, prepayment, repurchase or redemption for cash of any Permitted Convertible Indebtedness unless and until all of the Obligations are paid in full, provided, however, that nothing in this Section 6.10(e) shall prohibit or otherwise restrict (i) any Permitted Transaction, (ii) cash payments in lieu of any fractional share issuable upon conversion thereof, or (iii) any ordinary course fees or other expenses in connection therewith;

6.11 Amendments or Waivers of Organizational Documents. Amend, restate, supplement or otherwise modify, or waive, any provision of its Operating Documents in a manner that would reasonably be expected to result in a Material Adverse Change.

6.12 Compliance.

(a) Become an "investment company" under the Investment Company Act of 1940, or undertake as one of its important activities extending credit to purchase or carry margin stock (as defined in Regulation U of the Board of Governors of the Federal Reserve System), or use the proceeds of any Credit Extension for that purpose;

(b) With respect to any ERISA Affiliate, cause or suffer to exist (i) any event that would result in the imposition of a Lien under ERISA on any assets or properties of any Credit Party or a Subsidiary of a Credit Party with respect to any Plan or (ii) any other ERISA Event that, in the case of sub-clauses (i) and (ii) above, could reasonably be expected to, individually or in the aggregate, result in a Material Adverse Change; or

(c) Permit the occurrence of any other event with respect to any present pension, profit sharing or deferred compensation plan which could reasonably be expected to result in a Material Adverse Change.

6.13 Compliance with Sanctions, Export and Import Laws, Anti-Corruption Laws and Anti-Money Laundering Laws.

(a) Permit any of its Subsidiaries or controlled Affiliates to, directly or indirectly, enter into any documents or contracts with any Blocked Person.

(b) Fail to notify the Collateral Agent and each Lender in writing promptly (but in any event within three (3) Business Days) upon any Responsible Officer of any Credit Party becoming aware that any Credit Party or any Subsidiary or Affiliate of any Credit Party is a Blocked Person or Credit Party or any Subsidiary or Affiliate of any Credit Party or any of their respective directors, officers or employees is (i) is convicted on, (ii) pleads *nolo contendere* to, (iii) is indicted on, or (iv) is arraigned and held over on charges involving money laundering or predicate crimes to money laundering.

(c) Permit any of its Subsidiaries or controlled Affiliates to, directly or indirectly, (i) conduct any prohibited business or engage in any prohibited investment, activity, transaction or dealing with any Blocked Person, including the making or receiving of any contribution of funds, goods or services to or for the benefit of any Blocked Person, (ii) deal in, or otherwise engage in any investment, activity, transaction or dealing relating to, any property or interests in property blocked pursuant to Sanctions, or (iii) engage in or conspire to engage in any investment, activity, transaction or dealing that evades or avoids or violates, or has the purpose of evading or avoiding, or attempts to violate, any prohibitions under Sanctions, Export and Import Laws, Anti-Corruption Laws or Anti-Money Laundering Laws.

(d) Permit any of its Subsidiaries to, directly or, to the Knowledge of Borrower, indirectly (including through an agent or any other Person), use any of the proceeds of any Credit Extension, or lend, contribute or otherwise make available such proceeds of any Credit Extension to any Subsidiary, joint venture partner or other Person, (i) for any payments to any government official or employee, political party, official of a political party, candidate for political office or anyone else, in order to obtain, retain or direct business, or to obtain any improper advantage, in violation in any respect of Anti-Corruption Laws, (ii) in violation in any respect of any Anti-Money Laundering Laws, (iii) in violation of Sanctions or (iv) in violation of Export and Import Laws.

(e) Permit any of its Subsidiaries to, directly or, to the Knowledge of Borrower, indirectly, fund all or part of any repayment of the Credit Extensions or other payments under this Agreement out of proceeds derived from criminal activity or activity or transactions in violation in any respect of Anti- Corruption Laws, Export and Import Laws, Anti-Money Laundering Laws or Sanctions, or that would otherwise cause any Person (including any Person participating in the Credit Extensions, whether as agent, lender, sponsor, underwriter, advisor, investor, or otherwise) to be in violation in any respect of Anti-Corruption Laws, Export and Import Laws or Anti-Money Laundering Laws or Sanctions.

The Collateral Agent and each Lender hereby notifies each Credit Party that pursuant to the requirements of Sanctions and Anti-Money Laundering Laws, and their respective policies and practices, the Collateral Agent and each Lender is required to obtain, verify and record certain information and documentation that identifies each Credit Party and its principals, which information includes the name and address of each Credit Party and its principals and

such other information that will allow the Collateral Agent and each Lender to identify such party in accordance with Sanctions and Anti-Money Laundering Laws.

6.14 Material Contracts.

(a) (i) Waive, amend, cancel or terminate, exercise or fail to exercise, any rights constituting or relating to any of the Material Contracts or (ii) breach, default under, or take any action or fail to take any action that, with the passage of time or the giving of notice or both, would constitute a default or event of default under any of the Material Contracts, in each case of this Section 6.14, which, individually or taken together with any other such waivers, amendments, cancellations, terminations, exercises or failures, could reasonably be expected to have a Material Adverse Change.

(b) From and after the Effective Date, enter into any Manufacturing Agreement (excluding, for the avoidance of doubt, any Manufacturing Agreement listed on Schedule 13.2 of the Disclosure Letter and all amendments, restatements, amendment and restatements, extensions, supplements or other modifications thereto) relating to components or finished products relating to the Product (i) that cannot be collaterally assigned to secure the Obligations, (ii) that cannot be assigned to a purchaser in a foreclosure sale of all or any portion of the Collateral (subject to assumption by the purchaser of all obligations under such Material Contract) in the event of any exercise of rights or remedies under the Loan Documents, or (iii) that contains provisions that restrict or penalize the granting of a security interest in or Lien on such Material Contract or the assignment of such Material Contract upon the sale or other disposition of all or a portion of a product to which such Material Contract relates, in each case without using its commercially reasonable efforts to ensure such Manufacturing Agreement does not contain the terms listed in sub-clauses (i) to (iii) above.

6.15 Minimum Liquidity. At all times, after giving effect to the transactions contemplated hereunder and without violating any other term or provision of this Agreement, permit consolidated Liquidity of Borrower and its Subsidiaries, at any time commencing with the first Business Day occurring immediately after the Tranche A Closing Date, to be less than $20,000,000.

7 EVENTS OF DEFAULT

Any one of the following shall constitute an event of default (an "**Event of Default**") under this Agreement:

7.1 Payment Default. Any Credit Party fails to (a) make any payment of any principal of the Term Loans when and as the same shall become due and payable, whether at the due date thereof (including pursuant to Section 2.2(c)) or at a date fixed for prepayment (whether voluntary or mandatory) thereof or by acceleration thereof or otherwise, or (b) within five (5) Business Days after the same becomes due and payable, any payment of interest or premium pursuant to Section 2.2, including any applicable Additional Consideration, Exit Consideration, Makewhole Amount or Prepayment Premium (which such five (5) Business Day cure period shall not apply to any such payments due on the Term Loan Maturity Date or an earlier date pursuant to Section 2.2(c) hereof or the date of acceleration pursuant to Section 8.1(a) hereof). A failure to pay any such interest, premium or Obligations pursuant to the foregoing clause (b) prior to the end of such five (5) Business Day-period shall not constitute an Event of Default (unless such payment is due on the Term Loan Maturity Date or such earlier date pursuant to Section 2.2(c) hereof or the date of acceleration pursuant to Section 8.1(a) hereof).

7.2 Covenant Default.

(a) The Credit Parties: (i) fail or neglect to perform any obligation in Sections 5.5, 5.6, 5.7, 5.10, 5.12, 5.13 or 5.14 or (ii) violate or breach any covenant or agreement in Section 6;

(b) The Credit Parties fail or neglect to perform any obligation in Section 5.2 or 5.17 and, in the case where such failure or neglect is capable of being cured such failure or neglect continues for ten (10) days after the earlier of the date on which (i) a Responsible Officer of any Credit Party becomes aware of such failure or neglect and (ii) written notice thereof shall have been delivered to Borrower by the Collateral Agent or any Lender. Cure

periods provided under this Section 7.2(b) shall not apply, among other things, to any of the covenants referenced in clause (a) above; or

(c) The Credit Parties fail or neglect to perform, keep, or observe any other term, provision, condition, covenant or agreement contained in this Agreement or any Loan Documents on its part to be performed, kept or observed and, where such failure or neglect is capable of being cured such failure or neglect continues for twenty (20) days after the earlier of the date on which (i) a Responsible Officer of any Credit Party becomes aware of such failure or neglect and (ii) written notice thereof shall have been delivered to Borrower by the Collateral Agent or any Lender. Cure periods provided under this Section 7.2(c) shall not apply, among other things, to any of the covenants referenced in clauses (a) or (b) above.

7.3 Withdrawal Event; Material Adverse Change. (a) A Withdrawal Event occurs, or (b) a Material Adverse Change occurs.

7.4 Attachment; Levy; Restraint on Business.

(a) (i) The service of process seeking to attach, by trustee or similar process, any funds of any Credit Party or of any entity under the control of any Credit Party (including a Subsidiary) in excess of $10,000,000 on deposit or otherwise maintained with the Collateral Agent, or (ii) a notice of Lien or levy is filed against any material portion of Collateral by any Governmental Authority, and the same under sub-clauses (i) or (ii) hereof are not, within thirty (30) days after the occurrence thereof, discharged or stayed (whether through the posting of a bond or otherwise); provided, however, that no Credit Extensions shall be made during any thirty (30) day cure period (unless earlier cured); or

(b) (i) Any material portion of Collateral is attached, seized, levied on, or comes into possession of a trustee or receiver, or (ii) any court order enjoins, restrains, or prevents Borrower and its Subsidiaries from conducting any material part of their business, taken as a whole.

7.5 Insolvency.

(a) An involuntary proceeding shall be commenced or an involuntary petition shall be filed in a court of competent jurisdiction seeking: (i) relief in respect of any Credit Party, or of a substantial part of the property of any Credit Party, under Title 11 of the United States Code, as now constituted or hereafter amended, or any other federal, state or foreign bankruptcy, insolvency, receivership or other similar law; (ii) the voluntary or involuntary appointment of a receiver, interim receiver, receiver and manager, administrative receiver, administrator, trustee, custodian, sequestrator, conservator or other similar official for or in respect of any Credit Party or for all or a substantial part of the property or assets or undertakings of any Credit Party; (iii) issuance of a warrant of attachment, execution, distraint or similar process against all or a substantial part of the property or assets or undertakings of any Credit Party; or (iv) the winding-up or liquidation of any Credit Party; and in each case of sub-clause (i) through (iv) above, such proceeding or petition shall continue undismissed or unstayed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered;

(b) Any Credit Party shall: (i) voluntarily commence any proceeding or file any petition seeking relief under Title 11 of the United States Code, as now constituted or hereafter amended, or any other existing or future federal, state or foreign bankruptcy, insolvency, receivership, relief of debtors or similar law; (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or the filing of any petition described in clause (a) above; (iii) apply for or consent to the appointment of a receiver, interim receiver, receiver and manager, administrative receiver, administrator, trustee, custodian, sequestrator, conservator or other similar official for or in respect of any Credit Party or for any substantial portion of the property or assets or undertakings of any Credit Party; (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding; (v) make a general assignment for the benefit of creditors, or enter into a composition, compromise, assignment or arrangement with any of its creditors (whether by way of a voluntary arrangement, schedule of arrangement, deed of compromise or otherwise); (vi) become unable to, admit in writing its inability to or fail to, generally pay its debts as they become due; (vii) take any corporate action for the purpose of effecting any of the foregoing; or (viii) wind up or liquidate (except as otherwise expressly permitted hereunder);

(c) Any Credit Party shall be insolvent (other than balance sheet insolvency in any period in respect of which a qualification as to "going concern" or "scope of audit" is permitted under Section 5.2(a)(i) above) as defined in any statute of the Bankruptcy Code or in the fraudulent conveyance or fraudulent transfer statutes of the State of Delaware or other applicable jurisdiction of organization; or

(d) An affirmative vote by the applicable Board of Directors to commence any case, proceeding or other action described in clause (a) above or any other action by any Credit Party to otherwise cause, consent to, approve or acquiesce in any of the acts described in clauses (a) through(c) above.

7.6 Other Agreements.

(a) Any Credit Party or any of its Subsidiaries fails to pay any Indebtedness (other than the Indebtedness represented by this Agreement and the other Loan Documents) within any applicable grace period after such payment is due and payable (including at final maturity) or after the acceleration of any such Indebtedness by the holder(s) thereof because of a default, in each case, if the total amount of such Indebtedness unpaid or accelerated exceeds $5,000,000;

(b) Without limiting the generality of clause (a) above, an event of default occurs under any Hedging Agreement as to which any Credit Party or any of its Subsidiaries is the defaulting party or any termination event occurs under any Hedging Agreement as to which any Credit Party or any of its Subsidiaries is a party, in either case if, in respect of such Hedging Agreement and as a result of such occurrence, the Hedge Termination Value owed by any such Credit Party or Subsidiary is greater than $1,000,000;

7.7 Judgments. One or more final, non-appealable judgments, orders, or decrees for the payment of money in an amount in excess of $5,000,000 (but excluding any final judgments, orders, or decrees for the payment of money, in each case that is covered by a policy from an independent third-party insurance carrier as to which such insurance carrier has not excluded or denied liability or by an indemnification claim against a solvent and unaffiliated Person that is not a Credit Party or a Subsidiary of a Credit Party as to which such Person has not denied liability for such claim), shall be rendered against one or more Credit Parties and the same are not, within thirty (30) days after the entry thereof, discharged or execution thereof stayed or bonded pending appeal, or such judgments are not discharged prior to the expiration of any such stay.

7.8 Misrepresentations. Any Credit Party or any Person acting for any Credit Party makes or is deemed to make any representation, warranty, or other statement now or later in this Agreement, any other Loan Document or in any writing delivered to the Collateral Agent or any Lender or to induce the Collateral Agent or any Lender to enter this Agreement or any other Loan Document, and such representation, warranty, or other statement is incorrect in any material respect (or, to the extent any such representation, warranty or other statement is qualified by materiality or Material Adverse Change, in any respect) when made or deemed to be made.

7.9 Loan Documents; Collateral. Any material provision of any Loan Document shall for any reason cease to be valid and binding on or enforceable against any Credit Party, or any Credit Party shall so state in writing or bring an action to limit its obligations or liabilities thereunder; or any Collateral Document shall for any reason (other than pursuant to the terms thereof) cease to create a valid security interest in any material portion of the Collateral purported to be covered thereby or such security interest shall for any reason (other than pursuant to the terms of the Loan Documents) cease to be a perfected and first priority security interest in any material portion of the Collateral subject thereto, subject only to Permitted Liens, in each case, other than as a direct result of any action by the Collateral Agent or any Lender or failure of the Collateral Agent or any Lender to perform an obligation thereof under the Loan Documents.

7.10 ERISA Event. An ERISA Event occurs that, individually or taken together with any other ERISA Events, results or could reasonably be expected to result in a Material Adverse Change or the imposition of a Lien under Section 303(k) of ERISA on any Collateral that, individually or taken together with any other such Liens, could reasonably be expected to result in a Material Adverse Change.

7.11 Intercreditor Agreements. (i) A default or breach on the part of a Credit Party occurs under any other subordination, intercreditor or other similar agreement with respect to any Permitted Indebtedness that constitutes Subordinated Debt or Permitted Convertible Indebtedness, or (ii) any creditor party to such an agreement with the Collateral Agent (or Lenders) and any Credit Party breaches any of the terms of such agreement, in each case of clauses (i) and (ii) to the extent such breach or default results or could reasonably be expected to result in a Material Adverse Change. For the avoidance of doubt, default or breaches by any Secured Party shall not constitute an Event of Default hereunder.

8 RIGHTS AND REMEDIES UPON AN EVENT OF DEFAULT

8.1 Rights and Remedies. While an Event of Default occurs and continues, the Collateral Agent may, or at the request of the Required Lenders, will, without notice or demand:

(a) declare all Obligations (including, for the avoidance of doubt, any and all amounts payable pursuant to Section 2.2(e), Section 2.2(f) and Section 2.7(b), as applicable) immediately due and payable (but if an Event of Default described in Section 7.5 occurs, all Obligations, including any and all amounts payable pursuant to Section 2.2(e), Section 2.2(f) and Section 2.7(b), as applicable, are automatically and immediately due and payable without any notice, demand or other action by the Collateral Agent or any Lender), whereupon all Obligations for principal, interest, premium or otherwise (including, for the avoidance of doubt, any and all amounts payable pursuant to Section 2.2(e), Section 2.2(f) and Section 2.7(b), as applicable) shall become due and payable by Borrower without presentment for payment, demand, notice of protest or other demand or notice of any kind, which are all expressly waived by the Credit Parties hereby;

(b) stop advancing money or extending credit for Borrower's benefit under this Agreement;

(c) settle or adjust disputes and claims directly with Account Debtors for amounts on terms and in any order that the Collateral Agent considers advisable, notify any Person owing Borrower money of the Collateral Agent's security interest, for the benefit of the Lenders and the other Secured Parties, in such funds, and verify the amount of the Collateral Accounts;

(d) make any payments and do any acts it considers necessary or reasonable to protect the Collateral or the Collateral Agent's security interest, for the benefit of Lenders and the other Secured Parties, in the Collateral. Borrower shall assemble the Collateral if the Collateral Agent or the Required Lenders requests and make it available as the Collateral Agent designates or the Required Lenders designate. The Collateral Agent or its agents or representatives may enter premises where the Collateral is located, take and maintain possession of any part of the Collateral, and pay, purchase, contest, or compromise any Lien that appears to be prior or superior to its security interest, for the benefit of Lenders and the other Secured Parties, and pay all expenses incurred. Borrower grants the Collateral Agent an irrevocable, royalty-free license or other right to enter, use, operate and occupy (and for its agents or representatives to enter, use, operate and occupy), without charge, any such premises to exercise any of the Collateral Agent's or any Lender's rights or remedies under this Section 8.1 (including in order to take possession of, collect, receive, assemble, process, appropriate, remove, realize upon, advertise for sale, sell, assign, license out, convey, transfer or grant options to purchase any Collateral);

(e) apply to the Obligations (i) any balances and deposits of Borrower it holds, (ii) any amount held by the Collateral Agent owing to or for the credit or the account of Borrower or (iii) any balance from any Collateral Account of any Credit Party or instruct the bank at which any such Collateral Account is maintained to pay the balance of any such Collateral Account to the Collateral Agent, for the benefit of Lenders and the other Secured Parties, or to any Lender on behalf of itself and the other Secured Parties, as the Collateral Agent shall direct;

(f) ship, reclaim, recover, store, finish, maintain, repair, prepare for sale, advertise for sale, and sell the Collateral, and with respect to any and all Intellectual Property owned or held by any Credit Party and included in Collateral, each Credit Party hereby grants to the Collateral Agent, for the benefit of Lenders and the other Secured Parties: (i) to the maximum extent permitted: an irrevocable non-exclusive, assignable, royalty-free license or other right to use (and for its agents or representatives to use), without charge, including the right to sublicense, use and practice, any and all of such Credit Party's rights to such Intellectual Property, while an Event of Default has occurred and is continuing, in order to take possession of, collect, receive, assemble, process, appropriate, remove, realize upon,

advertise for sale, sell, assign, license out, convey, transfer or grant options to purchase any Collateral, and access to all media in which any of the licensed items may be recorded or stored and to all Software and programs necessary or used for the compilation or printout thereof; and (ii) and in connection with the Collateral Agent's exercise of its rights or remedies under this Section 8.1 (including in order to take possession of, collect, receive, assemble, process, appropriate, remove, realize upon, sell, assign, license out, convey, transfer or grant options to purchase any Collateral), each Credit Party's rights under all licenses for rights to any Intellectual Property included in the Collateral will (to the maximum extent permitted) be exercisable and enforceable directly by the Collateral Agent for the benefit of all Secured Parties as if the Collateral Agent were a third-party beneficiary for such purpose under such licenses;

(g) place a "hold" on any account maintained with the Collateral Agent or deliver a notice of exclusive control, any entitlement order, or other directions or instructions pursuant to any Control Agreement or similar agreements providing control of any Collateral;

(h) demand and receive possession of the Books of any Credit Party regarding Collateral; and

(i) exercise all rights and remedies available to the Collateral Agent or any Lender under the Collateral Documents or any other Loan Documents or at law or equity, including all remedies provided under the Code (including disposal of the Collateral pursuant to the terms thereof).

Each of the Collateral Agent and Lender agrees that in connection with any foreclosure or other exercise of rights under this Agreement or any other Loan Document with respect to any Intellectual Property included in the Collateral, the rights of the licensees under any license of such Intellectual Property will not be terminated, limited or otherwise adversely affected so long as no default exists thereunder in a way that would permit the licensor to terminate such license (commonly termed a non-disturbance). Without limitation to any other provision herein or in any other Loan Document, while an Event of Default occurs and continues, at the Collateral Agent's or the Required Lenders' request, representatives from Borrower and the Collateral Agent shall promptly meet (in person or telephonically) to discuss in good faith how to collect, receive, appropriate and realize upon Borrower's rights and interests in, to and under any Company IP Agreement, including in connection with any foreclosure or other exercise of the Collateral Agent's or any Lender's rights with respect thereto. If Borrower and the Collateral Agent do not mutually agree with respect thereto within ten (10) Business Days after such request by the Collateral Agent, then the Collateral Agent may request Borrower to, and Borrower (promptly following the receipt of such request) shall, use reasonable best efforts to obtain the written consent of any counterparty to the exercise by the Collateral Agent or any Lender of any and all rights and remedies under this Agreement or any other Loan Document with respect to any Company IP Agreement, in form and substance reasonably satisfactory to the Collateral Agent.

8.2 Power of Attorney. Borrower hereby irrevocably appoints the Collateral Agent and any Related Party thereof as its lawful attorney-in-fact, exercisable solely upon the occurrence and during the continuance of an Event of Default, to: (a) endorse Borrower's name on any checks or other forms of payment or security; (b) sign Borrower's name on any invoice or bill of lading for any Account or drafts against Account Debtors; (c) settle and adjust disputes and claims about the Collateral Accounts directly with depository banks where the Collateral Accounts are maintained, for amounts and on terms the Collateral Agent determines reasonable; (d) make, settle, and adjust all claims under Borrower's products liability or general liability insurance policies maintained in any jurisdiction regarding Collateral; (e) pay, contest or settle any Lien, charge, encumbrance, security interest, and adverse claim in or to the Collateral, or any judgment based thereon, or otherwise take any action to terminate or discharge the same; and (f) transfer the Collateral into the name of the Collateral Agent or a third-party as the Code permits. Borrower hereby appoints the Collateral Agent and any Related Party thereof as its lawful attorney-in-fact solely to file or record any documents necessary to perfect or continue the perfection of the Collateral Agent's security interest, for the benefit of Lenders and the other Secured Parties, in the Collateral regardless of whether an Event of Default has occurred until all Obligations (other than contingent indemnification obligations to the extent no claim giving rise thereto has been asserted) have been satisfied in full and no Lender is under any further obligation to make Credit Extensions hereunder. The foregoing appointment of the Collateral Agent and any Related Party thereof as Borrower's attorney in fact, and all of the Collateral Agent's (or such Related Party's) rights and powers, coupled with an interest, are irrevocable until all Obligations (other than contingent indemnification obligations to the extent no claim giving rise thereto has been asserted) have been fully repaid and performed and each Lender's obligation to provide Credit Extensions terminates.

8.3 Application of Payments and Proceeds Upon Default. If an Event of Default has occurred and is continuing, the Collateral Agent shall apply any funds in its possession, whether from Borrower account balances, payments, proceeds realized as the result of any collection of Collateral Accounts or disposition of any other Collateral, or otherwise, to the Obligations in such order as the Collateral Agent shall determine in its sole discretion. Any surplus shall be paid to Borrower or other Persons legally entitled thereto; Borrower shall remain liable to Lenders for any deficiency. If the Collateral Agent or any Lender directly or indirectly enters into a deferred payment or other credit transaction with any purchaser at any sale of Collateral, the Collateral Agent or such Lender, as applicable, shall have the option, exercisable at any time, of either reducing the Obligations by the principal amount of the purchase price or deferring the reduction of the Obligations until the actual receipt by the applicable Lender(s) of cash therefor.

8.4 Collateral Agent's Liability for Collateral. So long as the Collateral Agent complies with Requirements of Law regarding the safekeeping of the Collateral in the possession or under the control of the Collateral Agent, the Collateral Agent shall not be liable or responsible for: (a) the safekeeping of the Collateral; (b) any loss or damage to the Collateral; or (c) any act or default of any other Person. In no event shall the Collateral Agent or any Lender have any liability for any diminution in the value of the Collateral for any reason. Borrower bears all risk of loss, damage or destruction of the Collateral.

8.5 No Waiver; Remedies Cumulative. The Collateral Agent's or any Lender's failure, at any time or times, to require strict performance by Borrower or any other Person of any provision of this Agreement or any other Loan Document shall not waive, affect, or diminish any right of the Collateral Agent or any Lender thereafter to demand strict performance and compliance herewith or therewith. No waiver hereunder shall be effective unless signed by the party granting the waiver and then is only effective for the specific instance and purpose for which it is given. Each of the Collateral Agent's and Lender's rights and remedies under this Agreement and the other Loan Documents are cumulative. Each of the Collateral Agent and Lenders has all rights and remedies provided under the Code, by law, or in equity. The exercise by the Collateral Agent or any Lender of one right or remedy is not an election and shall not preclude the Collateral Agent or any Lender from exercising any other remedy under this Agreement or other remedy available at law or in equity, and the waiver by the Collateral Agent or any Lender of any Event of Default is not a continuing waiver. The Collateral Agent's or any Lender's delay in exercising any remedy is not a waiver, election, or acquiescence.

8.6 Demand Waiver; Makewhole Amount; Prepayment Premium; Exit Consideration; Additional Consideration. Borrower waives demand, notice of default or dishonor, notice of payment and nonpayment, notice of any default, nonpayment at maturity, release, compromise, settlement, extension, or renewal of accounts, documents, instruments, chattel paper, and guarantees held by the Collateral Agent on which Borrower is liable. Borrower acknowledges and agrees that if the Obligations shall be or are prepaid or repaid pursuant to Section 2.2(c) or the maturity of the Obligations shall be accelerated pursuant to Section 8.1(a), each of the applicable Makewhole Amount, Prepayment Premium and Exit Consideration that is payable pursuant to Section 2.2(e), Section 2.2(f) and Section 2.7(b), as applicable, shall become due and payable by Borrower upon such prepayment or repayment, whether such prepayment or repayment is voluntary or mandatory (as provided in Section 2.2(c)) or such acceleration, whether automatic or effected by the Collateral Agent's or any Lender's declaration thereof (as provided in Section 8.1(a)), and shall also become due and payable by Borrower in the event the Obligations are satisfied or released by foreclosure (whether by power of judicial proceeding), deed in lieu of foreclosure or by any other similar means, and in all such cases Borrower shall pay each of the Makewhole Amount, Prepayment Premium and Exit Consideration that is payable pursuant to Section 2.2(e), Section 2.2(f) and Section 2.7(b), as applicable, as compensation to Lenders for the loss of its investment opportunity and not as a penalty, and Borrower waives any right to object thereto in any voluntary or involuntary bankruptcy, insolvency or similar proceeding or otherwise.

9 NOTICES

All notices, consents, requests, approvals, demands, or other communication by any party to this Agreement or any other Loan Document must be in writing and shall be deemed to have been validly served, given, or delivered: (a) upon the earlier of actual receipt and three (3) Business Days after deposit in the U.S. mail, first class, registered or certified mail return receipt requested, with proper postage prepaid; (b) upon transmission, when sent by electronic mail; (c) one (1) Business Day after deposit with a reputable overnight courier with all charges prepaid; or (d) when delivered, if hand-delivered by messenger, all of which shall be addressed to the party to be notified and sent to the

address, or email address (if any) indicated below. Any party to this Agreement may change its mailing or electronic mail address by giving all other parties hereto written notice thereof in accordance with the terms of this Section 9.

If to Borrower or any other Credit Party:

Kestra Medical Technologies, Inc.
3933 Lake Washington Blvd NE #200
Kirkland, WA 98033
Attn: Vaseem Mahboob
Email: [***]

with a copy to (which shall not constitute notice) to:

Kirkland & Ellis LLP
601 Lexington Avenue
New York, NY 10022
Attn: Yuli Wang, P.C.
Phone: [***]
Email: [***]

If to Collateral Agent:

BioPharma Credit PLC
c/o MUFG Corporate Governance Limited
51 Lime Street
19th Floor
London, United Kingdom
EC3M 7DQ
Attn: Company Secretary
Email: [***]

with a copy to (which shall not constitute notice) to:

BioPharma Credit PLC
c/o Pharmakon Advisors, LP
110 East 59th Street, # 2800
New York, NY 10022
Attn: Pedro Gonzalez de Cosio
Phone: [***]
Fax: [***]
Email: [***]

and

Akin Gump Strauss Hauer & Feld LLP
One Bryant Park
New York, NY 10036-6745
Attn: Geoffrey E. Secol
Phone: [***]
Email: [***]

If to any Lender: To the address of such Lender set forth on Exhibit D attached hereto

with a copy to (which shall not constitute notice) to:

Pharmakon Advisors, LP
110 East 59th Street, #2800
New York, NY 10022
Attn: Pedro Gonzalez de Cosio
Phone: [***]
Fax: [***]
Email: [***]

and

Akin Gump Strauss Hauer & Feld LLP
One Bryant Park
New York, NY 10036-6745
Attn: Geoffrey E. Secol
Phone: [***]
Email: [***]

10 CHOICE OF LAW, VENUE, AND JURY TRIAL WAIVER

THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS (EXCLUDING THOSE LOAN DOCUMENTS THAT BY THEIR OWN TERMS ARE EXPRESSLY GOVERNED BY THE LAWS OF ANOTHER JURISDICTION) SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, PROVIDED, HOWEVER, THAT IF THE LAWS OF ANY JURISDICTION OTHER THAN NEW YORK SHALL GOVERN IN REGARD TO THE VALIDITY, PERFECTION OR EFFECT OF PERFECTION OF ANY LIEN OR IN REGARD TO PROCEDURAL MATTERS AFFECTING THE ENFORCEMENT OF ANY LIENS IN COLLATERAL, SUCH LAWS OF SUCH OTHER JURISDICTIONS SHALL APPLY TO THAT EXTENT. Each party hereto submits to the exclusive jurisdiction of the courts of the State of New York sitting in New York County, and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, and agrees that all claims in respect of any such action, litigation or proceeding may be heard and determined in such New York State court or, to the fullest extent permitted by Requirements of Law, in such Federal court; provided, however, that nothing in this Agreement shall be deemed to operate to preclude the Collateral Agent or any Lender from bringing suit or taking other legal action in any other jurisdiction to realize on the Collateral or any other security for the Obligations, or to enforce a judgment or other court order in favor of the Collateral Agent or any Lender. Each Credit Party expressly submits and consents in advance to such jurisdiction in any action or suit commenced in any such court, and each Credit Party hereby waives any objection that it may have based upon lack of personal jurisdiction, improper venue, or *forum non conveniens* and hereby consents to the granting of such legal or equitable relief as is deemed appropriate by such court. Each Credit Party hereby waives personal service of the summons, complaints, and other process issued in such action or suit and agrees that service of such summons, complaints, and other process may be made by registered or certified mail addressed to such party at the address set forth in (or otherwise provided in accordance with the terms of) Section 9 of this Agreement and that service so made shall be deemed completed upon the earlier to occur of such party's actual receipt thereof or three (3) days after deposit in the U.S. mails, proper postage prepaid.

TO THE FULLEST EXTENT PERMITTED BY REQUIREMENTS OF LAW, EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ITS RIGHT TO A JURY TRIAL IN ANY CLAIM, SUIT, ACTION OR PROCEEDING WITH RESPECT TO, OR DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH, THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREIN AND THEREIN OR RELATED HERETO OR THERETO (WHETHER FOUNDED IN CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO OTHER PARTY AND NO RELATED PARTY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 10 AND (C) HAS REVIEWED THIS WAIVER WITH ITS COUNSEL.

11 GENERAL PROVISIONS

11.1 Successors and Assigns.

(a) This Agreement binds and is for the benefit of the parties hereto and their respective successors and permitted assigns.

(b) No Credit Party may transfer, pledge or assign this Agreement or any other Loan Document or any rights or obligations hereunder or thereunder without the prior written consent of each Lender. Subject to Section 11.1(d), any Lender may at any time sell, transfer, assign or pledge this Agreement or any other Loan Document or any of its rights or obligations hereunder or thereunder, or grant a participation in all or any part of, or any interest in, such Lender's obligations, rights or benefits under this Agreement and the other Loan Documents, including with respect to any Term Loan (or any portion thereof), to any other Lender, any Affiliate of any Lender or any third Person without Borrower's consent (any such sale, transfer, assignment, pledge or grant of a participation, a "**Lender Transfer**"), including, for the avoidance of doubt, in furtherance of, as contemplated under or otherwise in connection with any Lender's credit facility (including any exercise of rights or remedies thereunder or any actions as a result of any such exercise); provided, however, that no Lender may make a Lender Transfer to a Disqualified Assignee without Borrower's prior written consent except after the occurrence and during the continuance of an Event of Default (in which case such consent is not required).

(c) In the case of a Lender Transfer in the form of a participation granted by any Lender to any third Person, (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of its obligations hereunder, (iii) Borrower shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement and (iv) any agreement or instrument pursuant to which such Lender sells such participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, restatement, amendment and restatement, supplement or other modification hereto, in each case subject to the terms and conditions of this Agreement. Borrower agrees that each participant shall be entitled to the benefits of Sections 2.5 and 2.6 (subject to the requirements and limitations therein, including the requirements under Section 2.6(d) (it being understood that the documentation required under Section 2.6(d) shall be delivered to the applicable Lender)) to the same extent as if it were a Person that had acquired its interest by assignment pursuant to clause (b) above; provided that, with respect to any participation, such participant shall not be entitled to receive any greater payment under Sections 2.5 or 2.6 than the applicable Lender (i.e., the party that participated the interest) would have been entitled to receive, except to the extent of any entitlement to receive a greater payment resulting from a Change in Law that occurs after such participant acquired the applicable participation.

(d) Borrower shall record any Lender Transfer in the Note Register. Each Lender shall provide Borrower and the Collateral Agent with written notice of a Lender Transfer delivered no later than five (5) Business Days (or immediately if known fewer than five (5) Business Days) prior to the date on which such Lender Transfer is proposed to be consummated. If any Lender sells a participation, such Lender shall, acting solely for this purpose as a non-fiduciary agent of Borrower, maintain a register on which it enters the name and address of each participant and principal amounts (and stated interest) of each participant's interest in the Term Loans or other obligations under the Loan Documents (the "**Participant Register**"); provided, however, that such Lender shall have no obligation to disclose all or any portion of the Participant Register (including the identity of any participant or any information relating to a participant's interest in any commitments, loans or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in "registered form" within the meaning of Section 5f.103-1(c) of the United States Treasury regulations (or any amended or successor version) or Section 163(f), 871(h)(2) and 881(c)(2) of the IRC and any related regulations (and any other relevant or successor provisions of the IRC or such regulations). The entries in the Participant Register shall be conclusive absent manifest error, and the Collateral Agent and each Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For avoidance of doubt, no Lender Transfer shall be made to a Blocked Person.

(e) Any attempted transfer, pledge or assignment of this Agreement or any other Loan Document or any rights or obligations hereunder or thereunder in violation of this Section 11.1 shall be null and void.

11.2 Indemnification.

(a) Borrower agrees to indemnify and hold harmless each of the Collateral Agent, Lenders and its and their respective Affiliates (and its or their respective successors and assigns) and each manager, member, partner, controlling Person, director, officer, employee, agent or sub-agent, advisor and affiliate thereof (each such Person, an "**Indemnified Person**") from and against any and all Indemnified Liabilities; provided, however, that Borrower shall have no obligation to any Indemnified Person hereunder with respect to any Indemnified Liabilities to the extent such Indemnified Liabilities (i) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the bad faith, gross negligence or willful misconduct of such Indemnified Person (or the bad faith, gross negligence or willful misconduct of such Indemnified Person's affiliates or controlling Persons or any of their respective managers, members, partners, controlling Persons, directors, officers, employees, agents or sub-agents, advisors or affiliates), (ii) result from a claim brought by Borrower against an Indemnified Person for material breach in bad faith of any of such Indemnified Person's obligations hereunder or under any other Loan Document, if Borrower has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction, or (iii) result from a claim not involving an act or omission of Borrower or any of its Subsidiaries that is brought by an Indemnified Person against another Indemnified Person (other than against the Collateral Agent in its capacity as such); provided, further, that no Credit Party shall be liable for any settlement of any claim or proceeding effected by any Indemnified Person without the prior written consent of such Credit Party (which consent shall not be unreasonably withheld, conditioned, or delayed), but if settled with such consent or if there shall be a final judgment against an Indemnified Person, each of the Credit Parties shall, jointly and severally with each other Credit Parties, indemnify and hold harmless such Indemnified Person from and against any loss of liability by reason of such settlement or judgment in the manner set forth in this Agreement. This Section 11.2(a) shall not apply with respect to Taxes other than any Taxes that represent liabilities, obligations, losses, damages, penalties, claims, costs, expenses and disbursements arising from any non-Tax claim.

(b) Borrower agrees that neither it nor any of its Subsidiaries will settle, compromise, or consent to the entry of any judgment in any pending or threatened claim, action, or proceeding in respect of which indemnification or contribution could be sought by an Indemnified Person under Section 11.2(a) (whether or not any Indemnified Person is an actual or potential party to such claim, action, or proceeding) without the prior written consent of the applicable Indemnified Person, unless (i) such settlement, compromise, or consent includes an unconditional release of such Indemnified Person and its Subsidiaries and Affiliates from all liability arising out of such claim, action, or proceeding, which consent shall not be unreasonably withheld, conditioned or delayed, and (ii) no admission of guilt or liability by such Indemnified Person and its Subsidiaries and Affiliates with respect to any such claim, action or proceeding.

(c) To the extent permitted by Requirements of Law, no party to this Agreement shall assert, and each party to this Agreement hereby waives, any claim against any other party hereto (and its or their successors and assigns), and each manager, member, partner, controlling Person, director, officer, employee, agent or sub-agent, advisor and affiliate thereof, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) (whether or not the claim therefor is based on contract, tort or duty imposed by any applicable legal requirement) arising out of, in connection with, arising out of, as a result of, or in any way related to, this Agreement or any Loan Document or any agreement or instrument contemplated hereby or thereby or referred to herein or therein, the transactions contemplated hereby or thereby, any Credit Extension or the use of the proceeds thereof or any act or omission or event occurring in connection therewith, and each party to this Agreement hereby waives, releases and agrees not to sue upon any such claim or any such damages, whether or not accrued and whether or not known or suspected to exist in its favor.

(d) Any action taken by any Credit Party under or with respect to any Loan Document, even if required under any Loan Document, or at the request of the Collateral Agent or any Lender, shall be at the expense of such Credit Party, and neither the Collateral Agent nor any Secured Party shall be required under any Loan Document to reimburse any Credit Party or any Subsidiary of any Credit Party therefor except as expressly provided therein. In addition, and without limiting the generality of Section 2.4, Borrower agrees to pay or reimburse promptly upon demand each of the Collateral Agent and Lenders (and their respective successors and assigns) and each of their respective Related Parties, if applicable, for any and all fees, expenses and disbursements of the kind or nature described in clause (b) of the definition of "Lender Expenses" or described in the definition of "Indemnified Liabilities" incurred by it.

11.3 Severability of Provisions. In case any provision in or obligation hereunder or under any other Loan Document shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

11.4 Correction of Loan Documents. The Collateral Agent or Required Lenders may correct patent errors and fill in any blanks in the Loan Documents consistent with the agreement of the parties hereto so long as the Collateral Agent or Required Lenders, as applicable, provides the Credit Parties and the other parties hereto with written notice of such correction and allows the Credit Parties at least ten (10) days to object to such correction in writing delivered to the Collateral Agent and each Lender. In the event of such objection, such correction shall not be made except by an amendment to this Agreement in accordance with Section 11.5.

11.5 Amendments in Writing; Integration.

(a) No amendment, restatement, amendment and restatement or other modification of or supplement to any provision of this Agreement or any other Loan Document, or waiver, discharge or termination of any obligation hereunder or thereunder, no approval or consent hereunder or thereunder (including any consent to any departure by Borrower or any other Credit Party herefrom or therefrom), shall in any event be effective unless the same shall be in writing and signed by Borrower (on its own behalf and on behalf of each other Credit Party) and the Required Lenders; provided, however, that no such amendment, restatement, amendment and restatement, modification, supplement, waiver, discharge, termination, approval or consent shall, unless in writing and signed by the Collateral Agent and the Required Lenders, affect the rights or duties of, or any amounts payable to, the Collateral Agent under this Agreement or any other Loan Document. Any such waiver, approval or consent granted shall be limited to the specific circumstance expressly described in it, and shall not apply to any subsequent or other circumstance, whether similar or dissimilar, or give rise to, or evidence, any obligation or commitment to grant any further waiver, approval or consent.

(b) This Agreement and the Loan Documents represent the entire agreement about this subject matter and supersede prior negotiations or agreements. All prior agreements, understandings, representations, warranties, and negotiations among the parties hereto about the subject matter of this Agreement and the Loan Documents merge into this Agreement and the Loan Documents.

11.6 Counterparts. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, is an original, and all taken together, constitute one Agreement.

11.7 Survival; Termination. All covenants, representations and warranties made in this Agreement continue in full force until this Agreement has terminated pursuant to this Section 11.7 and all Obligations (other than contingent indemnification obligations to the extent no claim giving rise thereto has been asserted and any other obligations which, by their terms, are to survive the termination of this Agreement) have been paid in full and satisfied in accordance with the terms of this Agreement. The obligation of Borrower or any other the Credit Parties in Section 11.2 to indemnify Indemnified Persons shall survive until the statute of limitations with respect to such claim or cause of action shall have run. So long as all Obligations (other than contingent indemnification obligations to the extent no claim giving rise thereto has been asserted and any other obligations which, by their terms, are to survive the termination of this Agreement and for which no claim has been made) have been paid in full and satisfied in accordance with the terms of this Agreement, this Agreement and the other Loan Documents shall be terminated automatically upon payment in full of all Obligations.

11.8 Confidentiality. Any information regarding the Credit Parties and their Subsidiaries and their businesses provided to the Collateral Agent or any Lender by or on behalf of any Credit Party pursuant to the Loan Documents shall be deemed "Confidential Information"; provided, however, that Confidential Information does not include information that is either: (i) in the public domain or in the possession of the Collateral Agent, any Lender or any of their respective Affiliates or when disclosed to the Collateral Agent, any Lender or any of their respective Affiliates, or becomes part of the public domain after disclosure to the Collateral Agent, any Lender or any of their respective Affiliates, in each case, other than as a result of a breach by the Collateral Agent, any Lender or any of their respective Affiliates of the obligations under this Section 11.8; or (ii) disclosed to the Collateral Agent, any Lender or

any of their respective Affiliates by a third-party if the Collateral Agent, such Lender or such Affiliate, as applicable, does not know (following reasonable inquiry) that the third-party is prohibited from disclosing the information. Neither the Collateral Agent nor any Lender shall disclose any Confidential Information to a third-party or use Confidential Information for any purpose other than the administration of the Loan Documents, the exercise of its rights or remedies under the Loan Documents or the performance of its duties or obligations under the Loan Documents. The foregoing in this Section 11.8 notwithstanding, the Collateral Agent and each Lender may disclose Confidential Information: (a) to any of its Subsidiaries or Affiliates; (b) to prospective transferees, purchasers or participants of any interest in the Term Loans (including, for the avoidance of doubt, in connection with any proposed Lender Transfer), provided, that, no such disclosure to any Disqualified Assignee shall be permitted hereunder without Borrower's prior written consent (which consent shall not be required after the occurrence and during the continuance of an Event of Default); (c) as required by law, regulation, subpoena, or other order, provided, that, (x) prior to any disclosure under this clause (c), the Collateral Agent or such Lender, as applicable, agrees to endeavor to provide Borrower with prior written notice thereof, and with respect to any law, regulation, subpoena or other order, to the extent that the Collateral Agent or such Lender is permitted to provide such prior notice to Borrower pursuant to the terms hereof, and (y) any disclosure under this clause (c) shall be limited solely to that portion of the Confidential Information as may be specifically compelled by such law, regulation, subpoena or other order; (d) as the Collateral Agent or any Lender otherwise deems necessary or prudent under Sanctions, Anti-Money Laundering Laws, the Anti-Corruption Laws, or Export and Import Laws, provided, that prior to any disclosure under this clause (d), the Collateral Agent or such Lender, as applicable, agrees to endeavor to provide Borrower with prior written notice thereof to the extent practicable, and with respect to any law, regulation, subpoena or other order, to the extent that the Collateral Agent or such Lender is permitted to provide such prior notice to Borrower; (e) to the extent requested by regulators having jurisdiction over the Collateral Agent or such Lender or as otherwise required in connection with the Collateral Agent's or such Lender's examination or audit by such regulators (including any self-regulatory authority, such as the National Association of Insurance Commissioners); (f), as the Collateral Agent or such Lender considers reasonably necessary in exercising any rights or remedies under the Loan Documents or in connection with any proceeding relating to the Agreement or any other Loan Documents; (g) to any party hereto; (h) to third-party service providers of the Collateral Agent or such Lender; (i) to any of the Collateral Agent's or such Lender's Related Parties; (j) to the limited partners or investors of any Lender or any fund managed by any Lender or any of its Affiliates, to the extent reasonably necessary for such Lender's ordinary course reporting and communications with such limited partners or investors; and (k) as the Collateral Agent or any Lender (or any of its or their Affiliates) considers reasonably necessary in connection with any regulatory notification or disclosure applicable to the Collateral Agent or such Lender (or Affiliate), including any notice or disclosure under the United Kingdom's Financial Conduct Authority's Listing Rules or Disclosure Guidance and Transparency Rules (or any equivalent rules applicable in any other jurisdiction); provided, however, that the third parties to which Confidential Information is disclosed pursuant to clauses (a), (b), (h) and (i) above are bound by obligations of confidentiality and non-use that are no less restrictive than those contained herein.

The provisions of this Section 11.8 shall survive the termination of this Agreement.

11.9 Attorneys' Fees, Costs and Expenses. In any action or proceeding between, on the one hand, any Credit Party and, on the other hand, the Collateral Agent or any Lender, arising out of or relating to the Loan Documents other than in connection with the enforcement against any Credit Party of this Agreement or any other Loan Document, the prevailing party shall be entitled to recover its reasonable attorneys' fees and other costs and expenses incurred, in addition to any other relief to which it may be entitled.

11.10 Right of Setoff. In addition to any rights now or hereafter granted under Requirements of Law and not by way of limitation of any such rights, upon the occurrence of an Event of Default and at any time thereafter during the continuance of any Event of Default, each Lender is hereby authorized by each Credit Party at any time or from time to time, without prior notice to any Credit Party, any such notice being hereby expressly waived by Borrower (on its own behalf and on behalf of each other Credit Party), to set off and to appropriate and to apply any and all deposits (general or special, including Indebtedness evidenced by certificates of deposit, whether matured or unmatured, but not including trust accounts or tax accounts) and any other Indebtedness at any time held or owing by such Lender to or for the credit or the account of any Credit Party against and on account of the obligations and liabilities of any Credit Party to such Lender hereunder and under the other Loan Documents, including all claims of any nature or description arising out of or connected hereto or with any other Loan Document, irrespective of whether or not (a) the Collateral Agent or such Lender shall have made any demand hereunder or (b) the principal of or the

interest on the Term Loans or any other amounts due hereunder shall have become due and payable pursuant to Section 2 and although such obligations and liabilities, or any of them, may be contingent or unmatured. Each Lender agrees promptly to notify Borrower and the Collateral Agent after any such set off and application made by such Lender; provided, that, the failure to give such notice shall not affect the validity of such set off and application.

11.11 Marshalling; Payments Set Aside. Neither the Collateral Agent nor any Lender shall be under any obligation to marshal any assets in favor of any Credit Party or any other Person or against or in payment of any or all of the Obligations. To the extent that any Credit Party makes a payment or payments to any Lender, or the Collateral Agent or any Lender enforces any Liens or exercises its rights of setoff, and such payment or payments or the proceeds of such enforcement or setoff or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to a trustee, receiver or any other party under any bankruptcy law, any other state or federal law, common law or any equitable cause, then, to the extent of such recovery, the obligation or part thereof originally intended to be satisfied, and all Liens, rights and remedies therefor or related thereto, shall be revived and continued in full force and effect as if such payment or payments had not been made or such enforcement or setoff had not occurred.

11.12 Electronic Execution of Documents. The words "execution," "signed," "signature," and words of like import in this Agreement and the other Loan Documents shall be deemed to include electronic signatures or electronic records, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any Requirements of Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

11.13 Captions. Section headings herein are included herein for convenience of reference only and shall not constitute a part hereof for any other purpose or be given any substantive effect.

11.14 Construction of Agreement. The parties hereto mutually acknowledge that they and their respective attorneys have participated in the preparation and negotiation of this Agreement. In cases of uncertainty, this Agreement shall be construed without regard to which of the parties hereto caused the uncertainty to exist.

11.15 Third Parties. Nothing in this Agreement, whether express or implied, is intended to: (a) except as expressly provided in Section 11.2(a), confer any benefits, rights or remedies under or by reason of this Agreement on any Persons other than the express parties to it and their respective successors and permitted assigns; (b) relieve or discharge the obligation or liability of any Person not an express party to this Agreement; or (c) give any Person not an express party to this Agreement any right of subrogation or action against any party to this Agreement.

11.16 No Advisory or Fiduciary Duty. The Collateral Agent and each Lender may have economic interests that conflict with those of the Credit Parties. Each Credit Party agrees that nothing in the Loan Documents or otherwise will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between any Lender or the Collateral Agent, on the one hand, and such Credit Party, its Subsidiaries, and any of their respective stockholders or affiliates, on the other hand. Each Credit Party acknowledges and agrees that (i) the transactions contemplated by the Loan Documents are arm's-length commercial transactions between each Lender and the Collateral Agent, on the one hand, and such Credit Party, its Subsidiaries and their respective affiliates, on the other hand, (ii) in connection therewith and with the process leading to such transaction, the Collateral Agent and each Lender is acting solely as a principal and not the advisor, agent or fiduciary of such Credit Party, its Subsidiaries or their respective affiliates, management, stockholders, creditors or any other Person, (iii) neither the Collateral Agent nor any Lender has assumed an advisory or fiduciary responsibility in favor of any Credit Party, its Subsidiaries or their respective affiliates with respect to the transactions contemplated hereby or the process leading thereto (irrespective of whether the Collateral Agent or any Lender or any of their respective affiliates has advised or is currently advising such Credit Party, its Subsidiaries or their respective affiliates on other matters) or any other obligation to such Credit Party, its Subsidiaries or their respective affiliates except the obligations expressly set forth in the Loan Documents, and (iv) each Credit Party, its Subsidiaries and their respective affiliates have consulted their own legal and financial advisors to the extent each deemed appropriate. Each Credit Party further acknowledges and agrees that it is responsible for making its own independent judgment with respect to such transactions and the process leading thereto. Each Credit Party agrees that it will not claim that the Collateral Agent or any Lender has rendered

advisory services of any nature or respect or owes a fiduciary or similar duty to such Credit Party, its Subsidiaries or their respective affiliates in connection with such transaction or the process leading thereto.

11.17 Credit Parties' Agent. Each of the Credit Parties hereby irrevocably appoints Borrower, as its agent, attorney-in-fact and legal representative for all purposes, including requesting disbursement of the Term Loans and receiving account statements and other notices and communications to Credit Parties (or any of them) from the Collateral Agent or Lenders, executing amendments, waivers or other modifications of or supplements to Loan Documents and executing or designating new Loan Documents. The Collateral Agent or Lenders may rely, and shall be fully protected in relying, on any request for the Term Loans, disbursement instruction, report, information or any other notice or communication made or given by Borrower and any amendment, restatement, amendment and restatement, waiver or other modification of or supplement to a Loan Document or the execution or designation of new Loan Documents executed or made by Borrower, whether in its own name or on behalf of one or more of the other Credit Parties, and the Collateral Agent or Lenders shall not have any obligation to make any inquiry or request any confirmation from or on behalf of any other Credit Party as to the binding effect on it of any such request, instruction, report, information, other notice, communication, amendment, restatement, amendment and restatement, supplement, waiver, other modification, execution or designation, nor shall the joint and several character of the Credit Parties' obligations hereunder be affected thereby.

12 COLLATERAL AGENT

12.1 Appointment and Authority. Each of the Lenders hereby irrevocably appoints BioPharma Credit PLC to act on its behalf as the Collateral Agent hereunder and under the other Loan Documents and authorizes the Collateral Agent to take such actions on its behalf and to exercise such powers as are delegated to the Collateral Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. Except for the first two (2) sentences of Section 12.6 and the penultimate paragraph of Section 12.8, the provisions of this Section 12 are solely for the benefit of the Collateral Agent and Lenders, and neither Borrower nor any other Credit Party shall have rights as a third-party beneficiary of any of such provisions. Subject to Section 12.8 and Section 11.5, any action required or permitted to be taken by the Collateral Agent hereunder shall be taken with the prior approval of the Required Lenders.

12.2 Rights as a Lender. The Person serving as the Collateral Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Collateral Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Collateral Agent hereunder in its individual capacity. Such Person and its Affiliates may lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with Borrower or any Subsidiary or other Affiliate thereof as if such Person were not the Collateral Agent hereunder and without any duty to account therefor to any Lender.

12.3 Exculpatory Provisions.

(a) The Collateral Agent shall not have any duties or obligations to the Lenders except those expressly set forth herein and in the other Loan Documents to which it is a party. Without limiting the generality of the foregoing, with respect to the Lenders, the Collateral Agent:

(i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default or Event of Default has occurred and is continuing;

(ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents to which it is a party that the Collateral Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of Lenders as shall be expressly provided for herein or in such other Loan Documents), provided that the Collateral Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Collateral Agent to liability or that is contrary to any Loan Document or Requirements of Law; and

(iii) shall not, except as expressly set forth herein and in the other Loan Documents to which it is a party, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to any Credit Party or any of its Affiliates that is communicated to or obtained by the Person serving as the Collateral Agent or any of its Affiliates in any capacity.

(b) The Collateral Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of Lenders as shall be necessary, or as the Collateral Agent shall believe in good faith shall be necessary, under the circumstances as provided in Section 11.5) or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. The Collateral Agent shall be deemed not to have knowledge of any Default or Event of Default unless and until notice describing such Default or Event of Default is given to the Collateral Agent in writing by Borrower or a Lender.

(c) The Collateral Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default or Event of Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Section 3 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Collateral Agent.

12.4 Reliance by Collateral Agent. The Collateral Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Collateral Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person and shall not incur any liability for relying thereon. The Collateral Agent may consult with legal counsel (who may be counsel for Borrower), independent accountants, manufacturing consultants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants, consultants or experts.

12.5 Delegation of Duties. The Collateral Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Collateral Agent. The Collateral Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Section 12 shall apply to any such sub-agent and to the Related Parties of the Collateral Agent and any such sub-agent. The Collateral Agent shall not be responsible for the negligence or misconduct of any sub-agent except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that the Collateral Agent acted with gross negligence or willful misconduct in the selection of such sub-agent.

12.6 Resignation of Collateral Agent. The Collateral Agent may at any time give notice of its resignation to Lenders and Borrower. Upon the receipt of any such notice of resignation, the Required Lenders shall have the right, with the prior written consent of Borrower (not to be unreasonably delayed, withheld or conditioned) so long as no Default or Event of Default has occurred and is continuing, to appoint a successor (which shall not be a Disqualified Assignee except after the occurrence and during the continuation of an Event of Default). If no successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days after the retiring Collateral Agent gives notice of its resignation, then the retiring Collateral Agent may, on behalf of the Lenders, appoint a successor Collateral Agent; provided, that, whether or not a successor has been appointed or has accepted such appointment, such resignation shall become effective upon delivery of the notice thereof. Upon the acceptance of a successor's appointment as Collateral Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) Collateral Agent, and the retiring Collateral Agent shall be discharged from all of its duties and obligations under the Loan Documents (if not already discharged therefrom as provided above in this Section 12.6), other than, for the avoidance of doubt, is obligations under Section 11.8. After the retiring Collateral Agent's resignation, the provisions of Section 12 and Section 10 shall continue in effect for the benefit of such retiring Collateral Agent, its sub-agents and their respective Related Parties

in respect of any actions taken or omitted to be taken by any of them while the retiring Collateral Agent was acting as Collateral Agent. Upon any resignation by the Collateral Agent, all payments, communications and determinations provided to be made by, to or through the Collateral Agent shall instead be made by, to or through each Lender directly, until such time as a Person accepts an appointment as Collateral Agent in accordance with this Section 12.6.

12.7 Non-Reliance on Collateral Agent and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Collateral Agent or any other Lender or any of their respective Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement and make Credit Extensions hereunder. Each Lender also acknowledges that it will, independently and without reliance upon the Collateral Agent or any other Lender or any of their respective Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

12.8 Collateral and Guaranty Matters. Each Lender agrees that any action taken by the Collateral Agent or the Required Lenders in accordance with the provisions of this Agreement or of the other Loan Documents, and the exercise by the Collateral Agent or Required Lenders of the powers set forth herein or therein, together with such other powers as are reasonably incidental thereto, shall be authorized and binding upon all Lenders. Without limiting the generality of the foregoing, Lenders irrevocably authorize and instruct the Collateral Agent, and the Collateral Agent agrees:

(a) to release any Lien on any property granted to or held by the Collateral Agent under any Collateral Document (i) upon payment and satisfaction in full of the Obligations (other than contingent indemnification obligations to the extent no claim giving rise thereto has been asserted) in accordance with the terms of this Agreement, (ii) that is sold, transferred, disposed or to be sold, transferred, disposed as part of or in connection with any sale, transfer or other disposition (other than any sale to a Credit Party) permitted hereunder, (iii) subject to Section 11.5, if approved, authorized or ratified in writing by the Required Lenders, or (iv) to the extent such property is owned by a Guarantor upon the release of such Guarantor from its obligations under the Loan Documents pursuant to clause (c) below;

(b) to subordinate any Lien on any property granted to or held by the Collateral Agent under any Loan Document to the holder of any Lien on such property that is permitted by clauses (d), (i), (j), (m), (n) and (r) of the definition of "Permitted Liens" (solely with respect to modifications, replacements, extensions or renewals of Liens permitted under clauses (d), (i), (j), (m) and (n) of the definition of "Permitted Liens");

(c) to release any Guarantor from its obligations under the Security Agreement (and other applicable Collateral Documents) if such Person ceases to be a Subsidiary (or becomes an Excluded Subsidiary (to the extent not designated by Borrower to be a Designated Guarantor)) as a result of a transaction permitted hereunder or upon payment and satisfaction in full of the Obligations (other than inchoate indemnity obligations);

(d) to enter into non-disturbance and similar agreements in connection with the licensing of Intellectual Property permitted pursuant to the terms of this Agreement, including any agreement that makes the Lien of the Collateral Agent expressly subject to all rights of any such licensee under any such license; and

(e) to enter into a subordination, intercreditor, or other similar agreement with respect to any Indebtedness that constitutes Subordinated Debt that in each case is permitted under the definition of Permitted Indebtedness.

Upon request by the Collateral Agent at any time, the Required Lenders will confirm in writing the Collateral Agent's authority to release or subordinate its interest in particular types or items of property, or to release any Guarantor from its obligations under the Security Agreement (and other applicable Collateral Documents), pursuant to this Section 12.8.

In each case as specified in this Section 12.8, the Collateral Agent will (and each Lender irrevocably authorizes and instructs the Collateral Agent to), at Borrower's expense, (A) deliver to Borrower any Collateral that

is in the Collateral Agent's possession (if any) in connection with the release of the Collateral Agent's Lien thereon, and (B) execute and deliver to the applicable Credit Party such documents as such Credit Party may reasonably request (i) to evidence the release or subordination of such item of Collateral from the Liens and security interests granted under the Collateral Documents, (ii) to enter into non-disturbance or similar agreements in connection with the licensing of Intellectual Property, including any agreement that makes the Lien of the Collateral Agent expressly subject to all rights of any such license under any such license, (iii) to enter into a subordination, intercreditor, or other similar agreement with respect to any Indebtedness that constitutes Subordinated Debt to the extent such Subordinated Debt is permitted under the definition of Permitted Indebtedness or (iv) to evidence the release of any Guarantor from its obligations under the Security Agreement (and other applicable Collateral Documents), in each case in accordance with the terms of the Loan Documents and this Section 12.8 and in form and substance reasonably acceptable to the Collateral Agent.

Without limiting the generality of Section 12.10 below, the Collateral Agent shall deliver to Lenders notice of any action taken by it under this Section 12.8 promptly after the taking thereof; provided, that, delivery of or failure to deliver any such notice shall not affect the Collateral Agent's rights, powers, privileges and protections under this Section 12.

12.9 Reimbursement by Lenders. To the extent that Borrower for any reason fails to indefeasibly pay any amount required under Section 2.4 to be paid by it to the Collateral Agent (or any sub-agent thereof) or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Collateral Agent (or any such sub-agent) or such Related Party, as the case may be, such Lender's *pro rata* share (based upon the percentages as used in determining the Required Lenders as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount; provided that the unreimbursed expense or indemnified loss, damage, liability or related expense, as the case may be, was incurred by or asserted against the Collateral Agent (or any such sub-agent) in its capacity as such or against any Related Party of any of the foregoing acting for the Collateral Agent (or any sub-agent) in connection with such capacity.

12.10 Notices and Items to Lenders. The Collateral Agent shall deliver to Lenders each notice, report, statement, approval, direction, consent, exemption, authorization, waiver, certificate, filing or other item received by it pursuant to this Agreement or any other Loan Document (including any item received by it pursuant to Section 3 or set forth on Schedule 5.14 of the Disclosure Letter); provided, that, any delivery of or failure to deliver any such notice, report, statement, approval, direction, consent, exemption, authorization, waiver, certificate, filing or item shall not otherwise alter or effect the rights of Lenders or the Collateral Agent under this Agreement or any other Loan Document or the validity of such item. In addition, to the extent the Collateral Agent or the Required Lenders deliver any notices, approvals, authorizations, directions, consents or waivers to Borrower pursuant to this Agreement or any other Loan Document, the Collateral Agent or the Required Lenders, as applicable, will also deliver such notice, approval, authorization, direction, consent or waiver to the other Lenders on or about the same time such notice, approval, authorization, direction, consent or waiver is provided to Borrower; provided, that, the delivery of or failure to deliver such notice, approval, authorization, direction, consent or waiver to the other Lenders shall not in any way effect the obligations of Borrower, or the rights of the Collateral Agent or the Required Lenders, in respect of such notice, approval, authorization, direction, consent or waiver or the validity thereof.

13 DEFINITIONS

13.1 Definitions. For the purposes of and as used in the Loan Documents: (a) references to any Person include its successors and assigns and, in the case of any Governmental Authority, any Person succeeding to its functions and capacities; (b) except as the context otherwise requires (including to the extent otherwise expressly provided in any Loan Document), (i) references to any law, statute, treaty, order, policy, rule or regulation include any amendments, supplements and successors thereto and (ii) references to any contract, agreement, consent, waiver, instrument or other document include any amendments, restatements, amendments and restatements, supplements or other modifications thereto or thereof from time to time to the extent permitted by the provisions thereof and to the extent permitted by or otherwise not in contravention of this Agreement or any other Loan Documents; (c) the words "shall" and "will" are interchangeable and will be understood to be imperative or mandatory in nature; (d) the word "may" is permissive; (e) the word "or" has the inclusive meaning represented by the phrase "and/or"; (f) the words "include", "includes" and "including" are not limiting; (g) the singular includes the plural and the plural includes the singular; (h) numbers denoting amounts that are set off in parentheses are negative unless the context dictates

otherwise; (i) each authorization herein shall be deemed irrevocable and coupled with an interest; (j) all accounting terms shall be interpreted, and all determinations relating thereto shall be made, in accordance with GAAP; (k) references to any time of day shall be to New York time; (l) the words "herein", "hereof", "hereby", "hereto" and "hereunder" refer to this Agreement as a whole; and (m) unless otherwise expressly provided, references to specific sections, articles, clauses, sub-clauses, annexes and exhibits are to this Agreement and references to specific schedules are to the Disclosure Letter. The provisions of this Section 13.1 shall survive the termination of this Agreement. As used in this Agreement, the following capitalized terms have the following meanings:

"**Account**" means any "account" as defined in the Code with such additions to such term as may hereafter be made, and includes all accounts receivable, book debts, and other sums owing to Credit Parties.

"**Account Debtor**" means any "account debtor" as defined in the Code with such additions to such term as may hereafter be made.

"**Acquisition**" means (a) any Stock Acquisition, or (b) any Asset Acquisition.

"**Additional Consideration**" means, individually or collectively, as the context dictates, the Tranche A Additional Consideration, the Tranche B Additional Consideration, the Tranche C Additional Consideration and the Tranche D Additional Consideration.

"**Advance Request Form**" means a Loan Advance Request Form in substantially the form attached hereto as Exhibit A.

"**Adverse Proceeding**" means any action, suit, proceeding, hearing (whether administrative, judicial or otherwise), governmental investigation or arbitration (whether or not purportedly on behalf of any Credit Party or any of its Subsidiaries) at law or in equity, or before or by any Governmental Authority, domestic or foreign (including any Environmental Claims), whether pending or, to the Knowledge of such Credit Party, threatened in writing against and adversely affecting any Credit Party or any of its Subsidiaries or any property of Borrower or any of its Subsidiaries. For the avoidance of doubt, an action, suit, proceeding, hearing, or arbitration that follows or precedes an investigation shall be treated as a new and separate Adverse Proceeding from the investigation, whether or not such action, suit, proceeding, hearing, or arbitration is brought by any Governmental Authority.

"**Affiliate**" means, with respect to any Person, each other Person that owns or controls, directly or indirectly, such Person, any other Person that controls or is controlled by or is under common control with such Person, and each of that Person's senior executive officers, directors, partners and, for any Person that is a limited liability company or limited liability partnership, that Person's managers and members. As used in this definition, "control" means (a) direct or indirect beneficial ownership of at least fifty percent (50%) (or such lesser percentage which is the maximum allowed to be owned by a foreign corporation in a particular jurisdiction) of the voting share capital or other equity interest in a Person or (b) the power to direct or cause the direction of the management of such Person by contract or otherwise. In no event shall the Collateral Agent or any Lender be deemed to be an Affiliate of Parent or any of its Subsidiaries.

"**Agreement**" is defined in the preamble hereof.

"**Amortization Adjustment Trigger**" means, with respect to Borrower's right to elect to pay all outstanding principal of the Term Loans in one payment on the Term Loan Maturity Date pursuant to Section 2.2(b) (a) trailing twelve-month Net Product Revenues of any Product having equaled or exceeded $250,000,000 for the trailing twelve-month period ended prior to such election, as presented in Borrower's financial statements filed with the SEC, and (b) as certified to the Collateral Agent by a Responsible Officer of Borrower. For the avoidance of doubt, only Net Product Revenues of any Product recognized as such in Borrower's financial statements filed with the SEC shall be considered for purposes of determining whether the Amortization Adjustment Trigger has been achieved.

"**Anti-Corruption Laws**" is defined in Section 4.18(a).

"**Anti-Money Laundering Laws**" is defined in Section 4.18(b).

"**Applicable Margin**" means, for any day, as to any Term Loan, a rate *per annum* equal to five and one-half percent (5.50%).

"**Applicable Percentage**" means at any time: (a) with respect to the Tranche A Loan or the Tranche A Loan Amount, the percentage equal to a fraction, the numerator of which is (i) on or prior to the Tranche A Closing Date, the amount of such Lender's Tranche A Commitment at such time and the denominator of which is the Tranche A Loan Amount at such time or (ii) thereafter, the outstanding principal amount of such Lender's portion of the Tranche A Loan at such time, and the denominator of which is the aggregate outstanding principal amount of the Tranche A Loan at such time; (b) with respect to the Tranche B Loan or the Tranche B Loan Amount, the percentage equal to a fraction, the numerator of which is (i) on or prior to the Tranche B Closing Date, the amount of such Lender's Tranche B Commitment at such time and the denominator of which is the Tranche B Loan Amount at such time or (ii) thereafter, the outstanding principal amount of such Lender's portion of the Tranche B Loan at such time, and the denominator of which is the aggregate outstanding principal amount of the Tranche B Loan at such time; and (c) with respect to the Term Loans and the Term Loan Commitments, the percentage equal to a fraction, the numerator of which is, the sum of the amount of such Lender's outstanding Term Loan Commitments and the amount of such Lender's portion of the outstanding principal amount of the Term Loans at such time, and the denominator of which is the sum of the amount of all outstanding Term Loan Commitments and the aggregate outstanding principal amount of the Term Loans at such time.

"**ASC**" is defined in Section 1.

"**Asset Acquisition**" means, with respect to Borrower or any of its Subsidiaries, any purchase, in-license or other acquisition of properties or assets (other than properties or assets from third parties used in the ordinary course of business, including inventory, raw materials, vehicles, equipment, office supplies, software and other similar assets) of any other Person (including any purchase or other acquisition of any business unit, line of business or division of such Person). For the avoidance of doubt, "Asset Acquisition" includes any co-promotion or co-marketing arrangement pursuant to which Borrower or any Subsidiary acquires rights to promote or market the products of another Person.

"**Available Tenor**" means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (a) if the then-current Benchmark is a term rate, any tenor for such Benchmark or that is or may be used for determining the length of an Interest Period or (b) otherwise, any payment period for interest calculated with reference to such Benchmark, as applicable, pursuant to this Agreement as of such date. means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (a) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an interest period pursuant to this Agreement or (b) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark pursuant to this Agreement, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to Section 2.3(f).

"**Bankruptcy Code**" means Title 11 of the United States Code entitled "Bankruptcy," as now and hereafter in effect, or any successor statute (and any foreign equivalent).

"**Benchmark**" means, initially, the Term SOFR Reference Rate; provided that if a Benchmark Transition Event has occurred with respect to the Term SOFR Reference Rate or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.3(f).

"**Benchmark Replacement**" means, with respect to any Benchmark Transition Event, the first alternative set forth in the order below that can be determined by the Collateral Agent for the applicable Benchmark Replacement Date:

(a) Daily Simple SOFR; and

(b) the sum of: (i) the alternate benchmark rate that has been selected by the Collateral Agent and Borrower giving due consideration to (A) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (B) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for Dollar-denominated syndicated credit facilities and (ii) the related Benchmark Replacement Adjustment;

provided that, if the Benchmark Replacement as determined pursuant to clause (a) or (b) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

"**Benchmark Replacement Adjustment**" means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement (other than Daily Simple SOFR), the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Collateral Agent and Borrower giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for Dollar-denominated syndicated credit facilities at such time.

"**Benchmark Replacement Date**" means a date and time determined by the Collateral Agent in its reasonable discretion, which date shall be no later than the earliest to occur of the following events with respect to the then-current Benchmark:

(a) in the case of clause (a) or (b) of the definition of "Benchmark Transition Event," the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); and

(b) in the case of clause (c) of the definition of "Benchmark Transition Event," the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (a) or (b) above with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"**Benchmark Transition Event**" means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely; provided, that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such

Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely; provided, that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(c) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

"**Benchmark Unavailability Period**" means, the period (if any) (a) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.3(f) and (b) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.3(f).

"**Blocked Person**" means an individual or entity that is, or is fifty percent (50%) or more owned or controlled by individuals or entities that are: (a) identified on the list of Specially Designated Nationals and Blocked Persons maintained by OFAC, the Consolidated List of Financial Sanctions Targets in the UK maintained by His Majesty's Treasury, the Consolidated List of Persons, Groups, and Entities Subject to EU Financial Sanctions, or any other Person listed on any Sanctions-related list administered or maintained by the United States, the United Kingdom, the European Union or any other Sanctions authority; (b) the subject or target of blocking or asset-freezing Sanctions; or (c) located, organized or resident in a Sanctioned Country.

"**Board of Directors**" means, with respect to any Person, (i) in the case of any corporation or exempted company, the board of directors of such Person, (ii) in the case of any limited liability company, the board of managers of such Person, or if there is none, the Board of Directors of the managing member of such Person, (iii) in the case of any partnership, the Board of Directors of the general partner of such Person and (iv) in any other case, the functional equivalent of the foregoing.

"**Board of Governors**" means the Board of Governors of the United States Federal Reserve System, or any successor thereto.

"**Books**" means all books and records including ledgers, records regarding a Credit Party's assets or liabilities, the Collateral, business operations or financial condition, and all computer programs or storage or any equipment containing such information.

"**Borrower**" is defined in the preamble hereof.

"**Borrowing Resolutions**" means, with respect to any Person, those resolutions adopted by such Person's Board of Directors or other competent corporate body, as required pursuant to Requirements of Law and delivered by such Person to the Collateral Agent pursuant to Section 3.1 approving the Loan Documents to which such Person is a party and the transactions contemplated thereby (including the Term Loan).

"**Business Day**" means any day that is not a Saturday or a Sunday or a day on which banks are authorized or required to be closed in New York, New York, London, England or the Cayman Islands.

"**Capital Lease**" means, as applied to any Person, any lease of, or other arrangement conveying the right to use, any property by that Person as lessee which, in accordance with GAAP, is required to be accounted for as a finance lease (and not an operating lease) on a balance sheet of that Person (subject to Section 1 hereof).

"**Capital Lease Obligations**" means, at any time, with respect to any Capital Lease, any lease entered into as part of any sale leaseback transaction of any Person or any synthetic lease, the amount of all obligations of such Person that is (or that would be, if such synthetic lease or other lease were accounted for as a Capital Lease) capitalized on a balance sheet of such Person prepared in accordance with GAAP.

"**Cash Equivalents**" means:

(a) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality of the United States government or by the government of any other member country of the Organisation for Economic Co-operation and Development ("**OECD**") (provided that the full faith and credit of the United States or such other member country of OECD, as applicable, is pledged in support of those securities) or any agency or instrumentality of the OECD, in each case, having maturities of not more than two (2) years from the date of acquisition;

(b) certificates of deposit, time deposits with maturities of one year or less from the date of acquisition, bankers' acceptances with maturities not exceeding one year and overnight bank deposits and demand deposits, in each case, with any commercial bank having (i) capital and surplus in excess of $500,000,000 in the case of U.S. banks or (ii) capital and surplus in excess of $100,000,000 (or the U.S. dollar equivalent as of the date of determination) in the case of non-U.S. banks or a rating for its long-term unsecured and noncredit enhanced debt obligations of "A" or higher by Standard & Poor's Rating Services or Fitch Ratings Ltd or "A2" or higher by Moody's Investors Service Limited;

(c) commercial paper or marketable short-term money market or readily marketable direct obligations and similar securities having a credit rating of either A-1 or higher by Standard & Poor's Rating Service or F1 or higher by Fitch Ratings Ltd or P-1 or higher Moody's Investors Service Limited, and, in each case, maturing within two (2) years after the date of acquisition;

(d) repurchase obligations with a term of not more than seven (7) days for underlying securities of the types described in clauses (a) and (c) above entered into with any financial institution meeting the qualifications specified in clause (b) above;

(e) investment funds investing ninety-five percent (95.0%) of their assets in securities of the types described in clauses (a) through (d) above and clause (f) below;

(f) investments in money market funds which have a credit rating of either A-1 or higher by Standard & Poor's Rating Service or F1 or higher by Fitch Ratings Ltd or P-1 or higher by Moody's Investors Service Limited (or, if at any time none of Fitch Ratings Ltd, Moody's Investors Service Limited or Standard & Poor's Rating Service shall be rating such obligations, an equivalent rating from another rating agency) and that have portfolio assets of at least $1,000,000,000; and

(g) other investments in accordance with Borrower's investment policy as of the Effective Date or otherwise approved in writing by the Collateral Agent (such approval not to be unreasonably withheld, conditioned or delayed).

"**CCPA**" means the provisions of the California Consumer Privacy Act, as amended by the California Privacy Rights Act and codified at Cal. Civ. Code § 1798.100 *et seq*., together with any effective implementing regulations.

"**Change in Control**" means: (a) a transaction or series of transactions (including any merger or consolidation involving Parent or Borrower) whereby any "person" (other than any Permitted Holder) or "persons" (other than one or more Permitted Holders) constituting a "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act, but excluding any employee benefit plan of such Person or its Subsidiaries, and any Person acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) (i) is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of more than fifty percent (50.0%) of the voting power of outstanding Equity Interests of Borrower ordinarily entitled to vote in the election or appointment of directors, as applicable (or compatible voting Equity Interests), or (ii) obtains the power (whether or

not exercised) to elect or appoint a majority of directors of Parent or Borrower; (b) a sale, directly or indirectly, of all or substantially all of the consolidated assets of Parent or Borrower and their respective Subsidiaries in one transaction or a series of transactions (whether by way of merger, stock or share purchase, asset purchase or otherwise) (in each case, other than any sale to any Permitted Holder); (c) a merger or consolidation involving Parent or Borrower in which Parent or Borrower is not the surviving Person or in which Persons holding more than fifty percent (50.0%) of the power to elect a majority of directors of Parent or Borrower immediately prior to such merger or consolidation do not continue to hold at least fifty percent (50.0%) of such power immediately after such merger or consolidation (in each case, unless immediately after such merger or consolidation, the Permitted Holders have more than sixty percent (60.0%) of the power to elect a majority of directors of Parent or Borrower); or (d) Parent ceasing to own, directly or indirectly, 100% of the issued and outstanding Equity Interests of Borrower. Notwithstanding the foregoing, the consummation of any transaction or series of related transactions by or involving any Permitted Holder pursuant to which Parent or Borrower ceases to be subject to the reporting requirements of Section 13 or Section 15(d) of the Exchange Act, shall constitute a Change in Control.

"**Change in Control Notice**" is defined in Section 2.2(c)(ii).

"**Change in Law**" means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking into effect of any law, treaty, order, policy, rule or regulation, (b) any change in any law, treaty, order, policy, rule or regulation or in the administration, interpretation or application thereof by any Governmental Authority or (c) the making or issuance of any request, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the regulations promulgated under the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

"**Closing Date**" means the Tranche A Closing Date, the Tranche B Closing Date, the Tranche C Closing Date or the Tranche D Closing Date, as applicable.

"**Code**" means the Uniform Commercial Code, as the same may, from time to time, be enacted and in effect in the State of New York; provided, that, to the extent that the Code is used to define any term herein or in any Loan Document and such term is defined differently in different Articles of the Code, the definition of such term contained in Article 9 of the Code shall govern; provided, further, that in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection, or priority of, or remedies with respect to, the Collateral Agent's Lien, for the benefit of Lenders and the other Secured Parties, on any Collateral is governed by the Uniform Commercial Code in effect in a jurisdiction other than the State of New York, the term "Code" shall mean the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes of the provisions thereof relating to such attachment, perfection, priority, or remedies and for purposes of definitions relating to such provisions.

"**Collateral**" means, collectively, "Collateral", as such term is defined in the Security Agreement and any and all other assets and properties of whatever kind and nature subject or purported to be subject from time to time to a Lien under any Collateral Document, but in any event excluding all Excluded Property.

"**Collateral Access Agreement**" means an agreement, in form and substance reasonably satisfactory to the Collateral Agent and to which the Collateral Agent is a party, pursuant to which a mortgagee or lessor of real property on which Collateral is stored or otherwise located, or a warehouseman, processor or other bailee of Inventory (other than work-in-process Inventory held by a contract manufacturer for which a Credit Party may hold title) or other property owned by any Credit Party, acknowledges the Liens and security interests of the Collateral Agent, for the benefit of Lenders and the other Secured Parties, and waives (or, if approved by the Collateral Agent in its sole discretion, subordinates) any Liens or security interests held by such Person on any such Collateral, and, in the case of any such agreement with a mortgagee or lessor, permits the Collateral Agent and any Lender (and its representatives and designees) reasonable access to any Collateral stored or otherwise located thereon.

"**Collateral Account**" means any Deposit Account of a Credit Party maintained with a bank or other depository or financial institution located in the United States, and any Securities Account of a Credit Party maintained

with a securities intermediary located in the United States or any Commodity Account of a Credit Party maintained with a commodity intermediary located in the United States, in each case, other than an Excluded Account.

"**Collateral Agent**" is defined in the preamble hereof.

"**Collateral Documents**" means the Security Agreement, the Control Agreements, the IP Agreements, the Irish Debenture, the Irish Share Charge, any Mortgages and all other instruments, documents and agreements delivered by any Credit Party pursuant to or incidental to this Agreement or any of the other Loan Documents, in each case, in order to grant to the Collateral Agent, for the benefit of Lenders and the other Secured Parties, or perfect a Lien on any Collateral as security for the Obligations, and all amendments, restatements, amendments and restatements, modifications or supplements thereof or thereto.

"**Commodity Account**" means any "commodity account" as defined in the Code with such additions to such term as may hereafter be made.

"**Company IP**" means any and all of the following, as they exist in and throughout the Territory to the extent owned by or licensed to Borrower or any of its Subsidiaries: (a) Current Company IP; (b) improvements, continuations, continuations-in-part, divisions, provisionals or any substitute applications with respect to any of the Current Company IP, any patent issued with respect to any of the Current Company IP, including any patent right claiming the apparatus, system, component or composition of matter of, or the method of making or using, any Product in the Territory, any reissue, reexamination, renewal or patent term extension or adjustment (including any supplementary protection certificate) of any such patent and all foreign and international counterparts of any of the foregoing, and any confirmation patent or registration patent or patent of addition based on any such patent; (c) trade secrets or trade secret rights, including any rights to unpatented inventions, know-how, show-how, operating manuals, confidential or proprietary information, research in progress, algorithms, data, databases, data collections, designs, processes, procedures, methods, protocols, materials, formulae, drawings, schematics, blueprints, flow charts, models, strategies, prototypes, techniques, and the results of experimentation and testing, including samples, in each case, as specifically related to any research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, offer for sale, distribution or sale of any Product in the Territory; (d) to the extent not described in clauses (a), (b) or (c) above, any and all IP Ancillary Rights specifically relating to any of the foregoing (other than all income, royalties, proceeds and liabilities at any time due and payable or asserted under or with respect to any of the foregoing), including, for the avoidance of doubt, all rights to sue or recover at law or in equity for any past, present or future infringement, misappropriation, dilution, violation or other impairment thereof, and, in each case, all rights to obtain any other intellectual property right ancillary to any Copyright, Trademark, Patent, Software, trade secrets or trade secret rights; and (e) all data provided in any regulatory filings, submissions and approvals related to any research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, offer for sale, distribution or sale of any Product in the Territory.

"**Company IP Agreement**" means each contract or agreement, pursuant to which Borrower or any of its Subsidiaries has the legal right to exploit Current Company IP or other Intellectual Property that is owned by another Person and is material to any aspect of the research, development, manufacture, production, use, supply, commercialization, marketing, importing, storage, transport, offer for sale, distribution or sale of any Product in the Territory.

"**Competitor**" means, at any time of determination, any Person (and each other Person that owns or controls, directly or indirectly, such Person, or that controls or is controlled by or is under common control with such Person) that is directly and primarily engaged in the same, substantially the same, or similar line of business as Parent and its Subsidiaries, taken as a whole, as of such time. As used in this definition, "control" means (a) direct or indirect beneficial ownership of at least fifty percent (50%) (or such lesser percentage which is the maximum allowed to be owned by a foreign corporation in a particular jurisdiction) of the voting share capital or other equity interest in a Person or (b) the power to direct or cause the direction of the management of such Person by contract or otherwise.

"**Compliance Certificate**" means that certain certificate in the form attached hereto as Exhibit E.

"**Conforming Changes**" means, with respect to either the use or administration of Term SOFR or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or

operational changes (including changes to the definition of "Business Day," the definition of "U.S. Government Securities Business Day," the definition of "Interest Period" or any similar or analogous definition (or the addition of a concept of "interest period"), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods and other technical, administrative or operational matters) that the Collateral Agent decides (after consultation with Borrower) may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by the Collateral Agent in a manner substantially consistent with market practice (or, if the Collateral Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Collateral Agent determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Collateral Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

"**Connection Income Taxes**" means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

"**Contingent Obligation**" means, for any Person, (a) any direct or indirect liability, contingent or not, of that Person for any indebtedness, lease, dividend, letter of credit or other obligation of another Person directly or indirectly guaranteed, endorsed, co-made, discounted or sold with recourse by that Person, or for which that Person is directly or indirectly liable (other than by endorsements of instruments in the course of collection) and (b) any obligation of that Person to pay an earn-out payment, milestone payment or similar contingent payment or contingent compensation (including purchase price adjustments but excluding license fees, royalties payable and milestones based on net sales) to a counterparty incurred or created in connection with an Acquisition, Transfer, or Investment or otherwise in connection with any collaboration, development or similar agreement, in each instance where such contingent payment or compensation becomes due and payable upon the occurrence of an event or the performance of an act (and not solely with the passage of time). The amount of a Contingent Obligation is the stated or determined amount of the primary obligation for which the Contingent Obligation is made or, if not determinable by a Responsible Officer of such Person, the amount required to be shown as a liability on the balance sheet of such Person in accordance with GAAP (or, if not required to be so shown, the maximum reasonably anticipated amount reasonably determined by a Responsible Officer of such Person in good faith); but the amount may not exceed the maximum of the obligations under any guarantee or other support arrangement. Notwithstanding anything to the contrary in the foregoing, Permitted Equity Derivatives shall not constitute a Contingent Obligation.

"**Control Agreement**" means, with respect to any Credit Party, any control agreement entered into among such Credit Party, the Collateral Agent and, in the case of a Deposit Account, the bank or other depository or financial institution located in the United States, at which such Credit Party maintains such Deposit Account, or, in the case of a Securities Account or a Commodity Account, the securities intermediary or commodity intermediary located in the United States, at which such Credit Party maintain such Securities Account or Commodities Account, in either case pursuant to which the Collateral Agent obtains control (within the meaning of the Code) pursuant to a control agreement, or otherwise has a perfected first priority security interest (subject to any Permitted Liens), over such Collateral Account.

"**Copyrights**" means any and all copyright rights, copyright applications, copyright registrations and like protections in each work of authorship and derivative work thereof, whether published or unpublished and whether or not the same also constitutes a trade secret (and all related IP Ancillary Rights).

"**Covered Regulatory Materials**" is defined in Section 4.20(a).

"**Credit Extension**" means any Term Loan or any other extension of credit by any Lender for Borrower's benefit pursuant to this Agreement.

"**Credit Party**" means Borrower and each Guarantor (including any Designated Guarantor).

"**Current Company IP**" is defined in Section 4.6(c).

"**Daily Simple SOFR**" means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Collateral Agent in accordance with the conventions for this rate recommended by the Relevant Governmental Body for determining "Daily Simple SOFR" for bilateral business loans; provided, that, if the Collateral Agent decides that any such convention is not administratively feasible for the Collateral Agent, then the Collateral Agent may establish another convention in its reasonable discretion.

"**Data Protection Laws**" means any and all foreign or domestic (including U.S. federal, state and local), statutes, executive orders, ordinances, orders, rules, regulations, judgments, Governmental Approvals, or any other binding requirements of Governmental Authorities relating to privacy, security, notification of breaches, data transfers, or confidentiality of Personal Data or other Sensitive Information, in each case, if to the extent applicable, to any Credit Party or to any of Borrower's Subsidiaries, including, to the extent applicable, Section 5 of the FTC Act and other consumer protection laws, the FTC Health Breach Notification Rule (16 C.F.R. Part 318), HIPAA, GDPR, PIPA, state comprehensive privacy laws (including CCPA, the Connecticut Data Privacy Act (CGS 42-515 *et seq.*), and 201 CMR 17.00 *et seq.* (Standards for the protection of personal information of residents of the Commonwealth of Massachusetts)), state health information privacy laws (including the Washington My Health My Data Act (RCW 19.373.005 *et seq.*), Nevada SB 370 (NRS 603A.400 *et seq.*), and the California Confidentiality of Medical Information Act (Cal. Civ. Code pt. 2.6 § 56 *et seq.*)).

"**Default**" means any breach of or default under any term, provision, condition, covenant or agreement contained in this Agreement or any other Loan Document or any other event, in each case that, with the giving of notice or the lapse of time or both, would constitute an Event of Default.

"**Default Rate**" is defined in Section 2.3(b).

"**Deposit Account**" means any "deposit account" as defined in the Code with such additions to such term as may hereafter be made.

"**Designated Guarantor**" is defined in Section 5.13.

"**Disclosure Letter**" means the disclosure letter to this Agreement, dated the Effective Date and delivered by the Credit Parties to the Collateral Agent pursuant to Section 3.1(a) hereof, as updated on each subsequent Closing Date (if required and as expressly permitted hereunder).

"**Disqualified Assignee**" means: (a) any Competitor; or (b) any other Person listed on Schedule 13.1 of the Disclosure Letter as of the Tranche A Closing Date delivered pursuant to Section 3.1(a).

"**Disqualified Equity Interest**" means any Equity Interest that, by its terms (or by the terms of any security or other Equity Interests into which it is convertible or for which it is exchangeable) or upon the happening of any event or condition: (a) matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise (except if redeemable or convertible into other Equity Interest that would not constitute a Disqualified Equity Interest or as a result of a change of control, asset sale or similar event so long as any and all rights of the holders thereof upon the occurrence of a change of control, asset sale or similar event shall be subject to the prior repayment in full in cash of the Term Loans and the satisfaction in full of all other Obligations (other than inchoate indemnity obligations) in accordance with the terms of this Agreement); (b) is redeemable at the option of the holder thereof, in whole or in part (except if redeemable or convertible into other Equity Interest that would not constitute a Disqualified Equity Interest or as a result of a change of control, asset sale or similar event so long as any rights of the holders thereof upon the occurrence of a change of control, asset sale or similar event shall be subject to the prior repayment in full in cash of the Term Loans and the satisfaction in full of all other Obligations (other than inchoate indemnity obligations) in accordance with this Agreement); (c) provides for the scheduled payments of dividends or distributions in cash; or (d) is convertible into or exchangeable for (i) Indebtedness which is not Permitted Indebtedness or (ii) any other Equity Interest that would constitute a Disqualified Equity Interest; in each case described in clauses (a) through (d) above, prior to the date that is 180 days after the Term Loan Maturity Date; provided that, if any such Equity Interest is issued pursuant to any plan for the benefit of any employee, director, manager or consultant of Borrower or its Subsidiaries or by any such plan to such employee, director, manager or consultant, such Equity Interest shall not constitute a "Disqualified Equity Interest" solely because it may be required to be repurchased by Borrower or its Subsidiaries in

order to satisfy applicable statutory or regulatory obligations or as a result of the termination, death or disability of such employee, director, manager or consultant.

"**Distribution Agreement**" means any agreement with a wholesaler or distributor under which such wholesaler or distributor (i) purchases or has the option to purchase the Product in finished form from or at the direction of Borrower or any of its Affiliates (or its licensee), (ii) has the right, option or obligation to distribute, market and sell the Product (with or without packaging rights), and (iii) does not make any royalty, milestone, profit share, or other similar payments to Borrower or its Affiliates (or its licensee) based on such wholesaler's or distributor's sale of the Product.

"**Dollars**," "**dollars**" or use of the sign "**$**" means only lawful money of the United States and not any other currency, regardless of whether that currency uses the "$" sign to denote its currency or may be readily converted into lawful money of the United States.

"**Domestic Subsidiary**" means, with respect to any Credit Party, a Subsidiary of such Credit Party that is incorporated or organized under the laws of the United States.

"**Effective Date**" is defined in the preamble hereof.

"**Environmental Claim**" means any investigation, notice, notice of violation, claim, action, suit, proceeding, demand, abatement order or other order or directive (conditional or otherwise), by any Governmental Authority or any other Person, arising (i) pursuant to or in connection with any actual or alleged violation of any Environmental Law; (ii) in connection with any Hazardous Material or any actual or alleged Hazardous Materials Activity; or (iii) in connection with any actual or alleged damage, injury, threat or harm to health, safety, natural resources or the environment.

"**Environmental Laws**" means any and all current or future, foreign or domestic, statutes, ordinances, orders, rules, regulations, judgments, Governmental Approvals, or any other requirements of Governmental Authorities relating to (i) environmental matters, including those relating to any Hazardous Materials Activity; (ii) the generation, use, storage, transportation or disposal of Hazardous Materials; or (iii) occupational safety and health, industrial hygiene, land use or the protection of human, plant or animal health or welfare, in each case, in any manner applicable to any Credit Party or any of its Subsidiaries or any Facility.

"**Equity Interests**" means collectively, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, shares in the share capital of a company limited by shares or any and all equivalent ownership interests in such Person (other than a corporation or company limited by shares), including partnership interests and membership interests, and any and all warrants, rights or options to purchase or other arrangements or rights to acquire (by purchase, conversion, dividend, distribution or otherwise) any of the foregoing (and all other rights, powers, privileges, interests, claims and other property in any manner arising therefrom or relating thereto); provided, however, that any Permitted Convertible Indebtedness or other Indebtedness convertible into Equity Interests (or into any combination of cash and Equity Interests based on the value of such Equity Interests) shall not constitute Equity Interests unless and until (and solely to the extent) so converted into Equity Interests.

"**ERISA**" means the Employee Retirement Income Security Act of 1974, and the regulations promulgated thereunder.

"**ERISA Affiliate**" means, with respect to any Person, any trade or business (whether or not incorporated) that, together with such Person, is treated as a single employer under Section 414(b) or (c) of the IRC or, solely for purposes of Section 302 of ERISA or Section 412 of the IRC, Section 414(m) or (o) of the IRC.

"**ERISA Event**" means (a) any "reportable event," as defined in Section 4043 of ERISA or the regulations issued thereunder, with respect to a Plan (other than an event for which the 30-day notice period is waived by regulation); (b) with respect to a Plan, the failure by Borrower or its Subsidiaries or their ERISA Affiliates to satisfy the minimum funding standard of Section 412 of the IRC and Section 302 of ERISA, whether or not waived; (c) the

failure by Borrower or its Subsidiaries or their ERISA Affiliates to make by its due date a required installment under Section 430(j) of the IRC with respect to any Plan or to make any required contribution to a Multiemployer Plan; (d) the filing pursuant to Section 412(c) of the IRC or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (e) the incurrence by Borrower or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan; (f) the receipt by Borrower or its Subsidiaries or any of their respective ERISA Affiliates from the Pension Benefit Guaranty Corporation (referred to and defined in ERISA) or a plan administrator of any notice relating to the intention to terminate any Plan under Section 4041 or any Multiemployer Plan under 4041A of ERISA or to appoint a trustee to administer any Plan under Section 4042 of ERISA, or the occurrence of any event or condition which could reasonably be expected to constitute grounds under ERISA for the termination of, or the appointment of a trustee to administer, any Plan under Section 4041 Section or 4042 of ERISA; (g) the incurrence by Borrower or its Subsidiaries or any of their respective ERISA Affiliates of any liability with respect to the withdrawal from any Plan pursuant to Section 4063 of ERISA or Multiemployer Plan; (h) the receipt by Borrower or its Subsidiaries or any of their respective ERISA Affiliates of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent, within the meaning of Section 4245 of ERISA; (i) the "substantial cessation of operations" by Borrower or its Subsidiaries or their ERISA Affiliates within the meaning of Section 4062(e) of ERISA with respect to a Plan; or (j) the occurrence of a nonexempt prohibited transaction (within the meaning of Section 4975 of the IRC or Section 406 of ERISA) with respect to a Plan which could reasonably be expected to result in a material liability to Borrower or its Subsidiaries.

"**EU Laws**" means all applicable statutes, rules and regulations implemented administered or enforced by the European Commission (solely with respect to Health Care Laws), the European Medicines Agency ("**EMA**") or the competent authorities of the EU Member States, including the EU Regulation on medical devices (Regulation 2017/745), the Clinical Trials Regulation (Regulation (EU) No 536/2014), and related implementing legislation of individual EU Member States and related guidance at EU level and national level in individual EU Member States.

"**EU Member State**" means a country that is (a) included in the Territory and (b) a member state of the European Union.

"**European Union**" means, collectively, the individual Member States of the European Union.

"**Event of Default**" is defined in Section 7.

"**Exchange Act**" means the Securities Exchange Act of 1934.

"**Exchange Act Documents**" means any and all documents filed by Parent with the SEC pursuant to the Exchange Act.

"**Excluded Accounts**" is defined in Section 5.5.

"**Excluded Equity Interests**" means, collectively: (i) any Equity Interests in any Subsidiary with respect to which the grant to the Collateral Agent, for the benefit of Lenders and the other Secured Parties, of a security interest in and Lien upon, and the pledge to the Collateral Agent, for the benefit of Lenders and the other Secured Parties, of, such Equity Interests, to secure the Obligations (and any guaranty thereof) are validly prohibited by Requirements of Law; (ii) any Equity Interests in any Subsidiary with respect to which the grant to the Collateral Agent, for the benefit of Lenders and the other Secured Parties, of a security interest in and Lien upon, and the pledge to the Collateral Agent, for the benefit of Lenders and the other Secured Parties, of, such Equity Interests, to secure the Obligations (and any guaranty thereof) require the consent, approval or waiver of any Governmental Authority or other third-party and such consent, approval or waiver has not been obtained by Borrower following Borrower's commercially reasonable efforts to obtain the same; (iii) any Equity Interests in any Subsidiary that is a non-Wholly-Owned Subsidiary that the grant to the Collateral Agent, for the benefit of Lenders and the other Secured Parties, of a security interest in and Lien upon, and the pledge to the Collateral Agent, for the benefit of Lenders and the other Secured Parties, of, such Equity Interests, to secure the Obligations (and any guaranty thereof) are validly prohibited by, or would give any third-party (other than Borrower or an Affiliate of Borrower) the right to terminate its obligations under, the Operating Documents or the joint venture agreement or shareholder agreement with respect to, or any other contract with such third-party relating to such non-Wholly-Owned Subsidiary, including any contract evidencing

Indebtedness of such non-Wholly-Owned Subsidiary (other than customary non-assignment provisions which are ineffective under Article 9 of the Code or other Requirements of Law), but only, in each case, to the extent, and for so long as such Operating Document, joint venture agreement, shareholder agreement or other contract is in effect; (iv) all or a portion of the Equity Interests in any Foreign Subsidiary or FSHCO, the pledge of which would, in the reasonable determination of a Responsible Officer of Borrower in good faith, reasonably be expected to result in a tax liability for Borrower or its Subsidiaries under Section 956 of the IRC (or a successor or similar provision) or Treasury Regulations promulgated thereunder as a result of a change in Requirements of Law occurring after the date hereof that causes a material adverse tax consequence to Borrower or its Subsidiaries; (v) any Equity Interests in any Excluded Subsidiary; and (vi) any Equity Interests in any other Subsidiary with respect to which, Borrower and the Collateral Agent reasonably determine by mutual agreement that the cost (including material adverse tax consequences) of granting the Collateral Agent, for the benefit of Lenders and the other Secured Parties, a security interest in and Lien upon, and pledging to the Collateral Agent, for the benefit of Lenders and the other Secured Parties, such Equity Interests, to secure the Obligations (and any guaranty thereof) are excessive, relative to the value to be afforded to the Secured Parties thereby. For the avoidance of doubt, if any Subsidiary ceases to constitute an Excluded Subsidiary, the Equity Interests in such Subsidiary shall cease to constitute Excluded Equity Interests.

"**Excluded License**" means any license or sublicense by a Credit Party to a Person other than Borrower or any Subsidiary of Parent, of any Intellectual Property (a) covering any Product that is tantamount to a sale of substantially all rights to the Intellectual Property covering such Product because it conveys to the licensee or sublicensee exclusive or non-exclusive rights to practice all or substantially all rights to such Intellectual Property anywhere in the Territory for consideration that is not based upon (i) the future development or commercialization of such Product in the Territory (e.g., pursuant to so-called earn-out payments or royalties based on net sales), or (ii) the performance of services by the licensee or sublicensee (other than transition services) with no anticipated subsequent payments or only *de minimis* subsequent payments to Parent or any of its Subsidiaries; provided, that, no Distribution Agreement, Manufacturing Agreement, Logistics Agreement, or similar agreement with a contractor, shall constitute an Excluded License, (b) except as expressly permitted hereunder, within the Territory covering any Product that could reasonably be expected to interfere with or impede the ability of Borrower or any Subsidiary of Borrower to conduct the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, offer for sale, distribution or sale of any Product in the Territory or to enforce its rights with respect to any of the foregoing within the Territory, or (c) except as expressly permitted hereunder, that requires any Credit Party or any Subsidiary of a Credit Party to pay to the licensee any royalties, milestones or similar payments that are based on the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, offer for sale, distribution or sale of any Product in the Territory.

"**Excluded Property**" has the meaning set forth for such term in the Security Agreement.

"**Excluded Subsidiaries**" means, collectively: (i) any Subsidiary with respect to which the grant to the Collateral Agent, for the benefit of Lenders and the other Secured Parties, of a security interest in and Lien upon, and the pledge to the Collateral Agent, for the benefit of Lenders and the other Secured Parties, of, such Subsidiary's properties and assets subject or purported to be subject from time to time to a Lien under any Collateral Document and the Equity Interests in such Subsidiary to secure the Obligations (and any guaranty thereof) are validly prohibited by Requirements of Law; (ii) any Subsidiary with respect to which the grant to the Collateral Agent, for the benefit of Lenders and the other Secured Parties, of a security interest in and Lien upon, and the pledge to the Collateral Agent, for the benefit of Lenders and the other Secured Parties, of, such Subsidiary's properties and assets subject or purported to be subject from time to time to a Lien under any Collateral Document and the Equity Interests in such Subsidiary to secure the Obligations (and any guaranty thereof) require the consent, approval or waiver of any Governmental Authority or other third-party (other than Borrower or an Affiliate of Borrower) and any such consent, approval or waiver has not been obtained, directly or indirectly, by Borrower following Borrower's direct and indirect commercially reasonable efforts to obtain the same; (iii) any Subsidiary that is a non-Wholly Owned Subsidiary, with respect to which, the grant to the Collateral Agent, for the benefit of Lenders and the other Secured Parties, of a security interest in and Lien upon, and the pledge to the Collateral Agent, for the benefit of Lenders and the other Secured Parties, of, the properties and assets of such non-Wholly Owned Subsidiary, to secure the Obligations (and any guaranty thereof) are validly prohibited by, or would give any third-party (other than Borrower or an Affiliate of Borrower) the right to terminate its obligations under, such non-Wholly Owned Subsidiary's Operating Documents or the joint venture agreement or shareholder agreement with respect thereto or any other contract with such third-party relating to such non-Wholly Owned Subsidiary, including any contract evidencing Indebtedness of such

non-Wholly Owned Subsidiary (other than customary non-assignment provisions which are ineffective under Article 9 of the Code or other Requirements of Law), but only, in each case, to the extent, and for so long as such Operating Document, joint venture agreement, shareholder agreement or other contract is in effect; (iv) each of West Affum Intermediate Holdings Corp. and West Affum Holdings Corp.; (v) any other Foreign Subsidiary that owns properties and assets with an aggregate fair market value (as reasonably determined in good faith by a Responsible Officer of Borrower), individually and when aggregated together with all other Subsidiaries excluded solely under this sub-clause (v), of less than $1,000,000; and (vi) any other Subsidiary with respect to which, Borrower and the Collateral Agent reasonably determine by mutual agreement that the cost (including adverse tax consequences) of granting the Collateral Agent, for the benefit of Lenders and the other Secured Parties, a security interest in and Lien upon, and pledging to the Collateral Agent, for the benefit of Lenders and the other Secured Parties, such Subsidiary's properties and assets subject or purported to be subject from time to time to a Lien under any Collateral Document and the Equity Interests of such Subsidiary to secure the Obligations (and any guaranty thereof) are excessive relative to the value to be afforded to the Secured Parties thereby. Notwithstanding the foregoing or any other provision of this Agreement, the parties hereto agree that without the prior written consent of the Collateral Agent or the Required Lenders, (x) no Subsidiary existing as of the Effective Date or organized, formed or acquired, directly or indirectly, by any Credit Party from and after the Effective Date, that at any time (A) owns or co-owns any material Company IP or that holds rights in or to any Covered Regulatory Materials, (B) is party to any Company IP Agreement, (C) enters into any Material Contract or otherwise becomes a party thereto or bound thereby or (D) except as otherwise excluded pursuant to clause (v) above, engages in any business operations material to any aspect of the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, packaging, labelling, promotion, advertising, offer or sale, distribution or sale of the Product in the Territory and owns properties and assets with an aggregate fair market value (as reasonably determined in good faith by a Responsible Officer of Borrower) equal to or greater than $1,000,000, individually and when aggregated together with all other Subsidiaries excluded under sub-clause (v) above, and (y) neither West Affum Intermediate Holdings Corp. nor West Affum Holdings Corp, if such entity has not been wound-up and dissolved as of September 30, 2026 shall, in any such case, be (or be deemed to be) an Excluded Subsidiary for any purpose under the Loan Documents and, therefore, such Subsidiary shall constitute a Credit Party for all purposes under the Loan Documents, as of the date of such ownership, co-ownership, maintenance, license, entry or becoming so bound or engagement, and, additionally, in each case, Borrower shall cause such entity, within the time periods required by Section 5.12, 5.13, or 5.14, as and to the extent applicable, to become a Guarantor in accordance therewith. For the avoidance of doubt, any Subsidiary that ceases to constitute an "Excluded Subsidiary" shall automatically be deemed a Credit Party for all purposes of this Agreement and the other Loan Documents.

"**Excluded Taxes**" means any of the following Taxes imposed on or with respect to Lender or required to be withheld or deducted from a payment to Lender, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed by the United States or as a result of Lender being organized under the laws of, or having its principal office or its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) U.S. federal withholding Taxes imposed on amounts payable to or for the account of Lender with respect to any Obligation pursuant to a law in effect on the date on which (i) Lender acquires such interest in any Obligation or (ii) Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.6, amounts with respect to such Taxes were payable either to Lender's assignor immediately before Lender became a party hereto or to Lender immediately before it changed its lending office, (c) Taxes attributable to Lender's failure to comply with Section 2.6(d) and (d) any U.S. federal withholding Taxes imposed under FATCA.

"**Existing Credit Agreement**" means that certain Credit Agreement and Guaranty, dated as of September 29, 2023 (as amended by that certain Consent and First Amendment to Credit Agreement and Guaranty, dated as of July 12, 2024), by and among Perceptive Credit Holdings IV, LP, as administrative agent and as a lender, the other lenders party thereto, West Affum Holdings and Kestra Medical Technologies, Inc., as borrowers, and the guarantors party thereto, as amended by the Second Amendment to Credit Agreement and Guaranty, dated February 25, 2025 (and as may be further amended, restated, amended and restated, supplemented and modified from time to time).

"**Exit Consideration**" means, individually or collectively, as the context dictates, the Tranche A Exit Consideration, the Tranche B Exit Consideration, the Tranche C Exit Consideration and the Tranche D Exit Consideration.

"**Export and Import Laws**" means any applicable law, regulation, order or directive that applies to the import, export, re-export, transfer, disclosure or provision of goods, software, technology or technical assistance including restrictions or controls administered pursuant to the U.S. Export Administration Regulations, 15 C.F.R. Parts 730-774, administered by the U.S. Department of Commerce, Bureau of Industry and Security; U.S. Customs regulations; and similar import and export laws, regulations, orders and directives of other jurisdictions to the extent applicable.

"**Facility**" means, with respect to any Credit Party, any real property (including all buildings, fixtures or other improvements located thereon) now, hereafter or heretofore owned, leased, operated or used by such Credit Party or any of its Subsidiaries or any of their respective predecessors or Affiliates.

"**FATCA**" means Sections 1471 through 1474 of the IRC, as of the date of this Agreement (including, for the avoidance of doubt, any agreements between the governments of the United States and the jurisdiction in which the applicable Lender is resident implementing such provisions), or any amended or successor version that is substantively comparable and not materially more onerous to comply with, and any current or future regulations promulgated thereunder or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the IRC, any intergovernmental agreement entered into in connection with the implementation of the foregoing sections of the IRC and any fiscal or regulatory legislation, regulations, rules or practices adopted pursuant to, or official interpretations implementing such Sections of the IRC or intergovernmental agreements.

"**FCPA**" is defined in Section 4.18(a).

"**FDA**" means the United States Food and Drug Administration (and any United States state and foreign equivalents, including the European Commission, European Medicines Agency, and the competent authorities of the Member States of the European Economic Area).

"**FDA Good Clinical Practices**" means the standards set forth in 21 C.F.R. Parts 50, 56, and 812 and 45 C.F.R. Part 46 (and any foreign equivalents), and as interpreted through FDA's guidance documents (and foreign equivalents).

"**FDA Good Laboratory Practices**" means the standards set forth in 21 C.F.R. Part 58 (and any foreign equivalent), and as interpreted through implementing guidance documents by FDA (and foreign equivalents).

"**FDA Good Manufacturing Practices**" means the standards set forth in 21 C.F.R. Part 820 (and any foreign equivalents), and as interpreted through implementing guidance documents by FDA (and foreign equivalents).

"**FDA Laws**" means all applicable statutes (including the Food, Drug, and Cosmetic Act (21 U.S.C. § 301 et seq.) and the Public Health Service Act (42 U.S.C. § 262 through § 263)), rules and regulations implemented, administered, or enforced by the FDA and any United States state and foreign equivalents, and as interpreted through implementing guidance documents by the FDA, and all applicable International Organization for Standardization ("**ISO**") standards.

"**Federal Reserve Board**" means the Board of Governors of the Federal Reserve System.

"**Fiscal Quarter**" means a fiscal quarter of any Fiscal Year, ending July 31, October 31, January 31 or April 30, as applicable, of each calendar year.

"**Fiscal Year**" means the fiscal year of Borrower and its Subsidiaries ending on April 30 of each calendar year.

"**Floor**" means a rate of interest equal to three and one-quarter percent (3.25%) *per annum*.

"**Foreign Lender**" means a Lender that is not a "United States person" as defined in Section 7701(a)(30) of the IRC.

"**Foreign Subsidiary**" means, with respect to any Credit Party, any Subsidiary of such Credit Party that is not a Domestic Subsidiary.

"**FSHCO**" means any Subsidiary that has no material assets other than equity (or debt treated for U.S. federal income tax purposes as equity) of one or more Foreign Subsidiaries or other FSHCOs.

"**GAAP**" means with respect to Borrower and its Subsidiaries, generally accepted accounting principles in the United States as set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other Person as may be approved by a significant segment of the accounting profession, which are applicable to the circumstances as of the date of determination, consistently applied.

"**GDPR**" means, as amended and restated from time to time, collectively, (i) Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (the "**EU GDPR**") and (ii) the UK Data Protection Act 2018 and the EU GDPR as it forms part of the laws of the United Kingdom by virtue of section 3 of the European Union (Withdrawal) Act 2018 and as amended by the Data Protection, Privacy and Electronic Communications (Amendments etc.) (EU Exit) Regulations 2019 (the "**UK GDPR**").

"**Governmental Approval**" means any consent, authorization, approval, licensure, clearance, order, license, franchise, permit, certificate, accreditation, registration, filing or notice, of, issued by, from or to, or other act by or in respect of, any Governmental Authority.

"**Governmental Authority**" means any nation, territory or government, any supranational organization, any state or other political subdivision thereof, any agency (including Regulatory Agencies, data protection authorities, and agencies acting as supervisory governmental organizations on issues of privacy protection), government department (including the U.S. Department of Justice), authority (including state attorneys general), instrumentality, regulatory body, ministry, board, commission, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government, any securities exchange and any self-regulatory organization.

"**Governmental Payor Programs**" means any and all governmental third-party payor programs in which any Credit Party or its Subsidiaries participates, including Medicare, Medicaid, TRICARE, or any other U.S. federal or state health care programs.

"**Guarantor**" means, at any time, any Person that is, pursuant to the terms of any Loan Document, a guarantor of any of the Obligations at that time, including any Designated Guarantor.

"**Hazardous Materials**" means any chemical, material or substance, exposure to which is prohibited, limited or regulated by any Governmental Authority or which may or could pose a hazard to the health and safety of the owners, occupants or any Persons in the vicinity of any Facility or to the indoor or outdoor environment.

"**Hazardous Materials Activity**" means any past, current, proposed or threatened activity, event or occurrence involving any Hazardous Materials, including the use, manufacture, possession, storage, holding, presence, existence, location, Release, threatened Release, discharge, placement, generation, transportation, processing, construction, treatment, abatement, removal, remediation, disposal, disposition or handling of any Hazardous Materials, and any corrective action or response action with respect to any of the foregoing.

"**Health Care Laws**" means, collectively, and to the extent applicable: (a) applicable federal, state or local laws, rules, regulations, orders, ordinances, codes, statutes, standards, and requirements issued under or in connection with Medicare, Medicaid or any other Governmental Payor Program or with Private Third Party Payor Programs; (b) applicable federal and state laws and regulations governing the privacy, security, confidentiality, or notification of beaches regarding health information, including HIPAA; (c) applicable federal, state and local fraud and abuse laws of any Governmental Authority, including the federal Anti-Kickback Statute (42 U.S.C. § 1320a-7(b)), the Stark law

(42 U.S.C. § 1395nn and 1396b(s)), the civil False Claims Act (31 U.S.C. § 3729 et seq.), Sections 1320a-7 and 1320a-7a of Title 42 of the United States Code and the regulations promulgated pursuant to such statutes, and also any other U.S. or foreign laws or regulations that are applicable to health care fraud, abuse, corruption, waste, bribery, inducements, false statements, or false claims; (d) the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Pub. L. No. 108-173) and the regulations promulgated thereunder and any other federal, state or local laws or regulations (or foreign equivalents thereof) governing the disclosure of payments or providing other items of value or remuneration or drug product samples to health care professionals, to the extent applicable; (e) the Physician Payment Sunshine Act (42 U.S.C. § 1320a-7h); (f) all applicable reporting and disclosure requirements, including any arising under Medicare Part B; (g) federal and state accreditation, licensing, and permitting requirements applicable to durable medical equipment ("**DME**") providers and suppliers (and foreign equivalents), including requirements to maintain permits or licenses to distribute DME and meet supplier standards of Medicare, Medicaid and other Governmental Payor Programs; (h) applicable federal, state or local laws, rules, regulations, ordinances, statutes and requirements relating to (*i*) the regulation of managed care, third party payors and Persons bearing the financial risk for the provision or arrangement of health care services, (*ii*) billings to insurance companies, health maintenance organizations and other Managed Care Plans or otherwise relating to insurance fraud and (*iii*) any insurance, health maintenance organization or managed care Requirements of Law; (i) regulations for the protection of human research subjects (including 45 C.F.R. Part 46, and any foreign or United States state equivalents); (j) requirements for licensure or permitting of personnel who are engaged in marketing, sales or medical activities (including the provision of clinical care to patients) under federal, state, or local laws (or foreign equivalents); (k) requirements concerning disclosure of pricing information and other company information to the public, customers, prescribers or to state and local agencies under federal, state, or local laws (or foreign equivalents); (l) laws and regulations requiring the adoption of compliance codes or policies; (m) the interoperability, information blocking, and health information technology certification program regulations promulgated under the 21st Century Cures Act, the underlying provisions of the 21st Century Cures Act (42 U.S.C. § 300jj et seq.) and regulations implementing information blocking penalties promulgated under the 21st Century Cures Act, as applicable, and (n) any other applicable Requirements of Law (including any applicable EU Laws or other foreign equivalents) relating to research, development, testing, approval, exclusivity, licensure, clearance, authorization, designation, post-approval (or post-licensure, post-clearance, or post-approval, as applicable) monitoring or commitments, reporting, manufacture, production, packaging, labeling, use, commercialization, marketing, promotion, advertising, importing, exporting, storage, transport, distribution, sale or offer for sale or lease, or payment of or for the Product.

"**Hedge Termination Value**" means, with respect to any Hedging Agreement, after taking into account the effect of any legally enforceable netting agreement relating to such Hedging Agreement (if any), (a) for any date occurring on or after the date such Hedging Agreement has been closed out and termination value determined in accordance therewith, such termination value, and (b) for any date occurring prior to the date referenced in cause (a) above, the amount determine as the mark-to-market value for such Hedging Agreement, as determined based upon one or more mid-market or other readily available quotation(s) provided by any recognized dealer in such Hedging Agreement (which may include a Lender or any Affiliate of a Lender).

"**Hedging Agreement**" means any interest rate, currency, commodity or equity swap, collar, cap, floor or forward rate agreement, or other agreement or arrangement designed to protect a Person against fluctuations in interest rates, currency exchange rates or commodity or equity prices or values (including any option with respect to any of the foregoing and any combination of the foregoing agreements or arrangements), and any confirmation execution in connection with any such agreement or arrangement. Notwithstanding anything to the contrary in the foregoing, any Permitted Equity Derivative shall not constitute a Hedging Agreement.

"**HIPAA**" means the Health Insurance Portability and Accountability Act of 1996, as amended and supplemented by the Health Information Technology for Economic and Clinical Health (HITECH) Act of 2009, any and all rules or regulations promulgated from time to time thereunder (including the regulations codified in 45 C.F.R. Parts 160, 162, and 164).

"**IFRS**" means international accounting standards within the meaning of IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements.

"**Indebtedness**" means, with respect to any Person, without duplication: (a) all indebtedness for advanced or borrowed money of, or credit extended to, such Person; (b) all obligations issued, undertaken or assumed by such

Person as the deferred purchase price of assets, properties, services or rights (other than (i) accrued expenses and trade payables entered into in the ordinary course of business that are not more than one hundred and eighty (180) days past due or subject to a bona fide dispute, (ii) obligations to pay for services provided by employees and individual independent contractors in the ordinary course of business which are not more than one hundred twenty (120) days past due or subject to a bona fide dispute, (iii) liabilities associated with customer prepayments and deposits and (iv) prepaid or deferred revenue arising in the ordinary course of business), including (A) any obligation or liability to pay deferred purchase price or other similar deferred consideration for such assets, properties, services or rights where such deferred purchase price or consideration becomes due and payable solely upon the passage of time, and (B) any obligation described in clause (b) of the definition of Contingent Obligation that becomes due and payable (or that becomes due and payable) solely with the passage of time (and not the occurrence of an event or the performance of an act); (c) the face amount of all letters of credit issued for the account of such Person and, without duplication, all drafts drawn thereunder and all reimbursement or payment obligations with respect to letters of credit, surety bonds, performance bonds and other similar instruments issued by such Person; (d) all obligations of such Person evidenced by notes, bonds, debentures or other debt securities or similar instruments (including debt securities convertible into Equity Interests (including Permitted Convertible Indebtedness)), including obligations so evidenced incurred in connection with the acquisition of properties, assets or businesses; (e) all indebtedness of such Person created or arising under any conditional sale or other title retention agreement or incurred as financing, in either case with respect to property acquired by such Person (even though the rights and remedies of the seller or bank under such agreement in the event of default are limited to repossession or sale of such property); (f) all Capital Lease Obligations of such Person; (g) the principal balance outstanding under any synthetic lease, off-balance sheet loan or similar off balance sheet financing product by such Person; (h) Disqualified Equity Interests; (i) all indebtedness referred to in clauses (a) through (h) above of other Persons secured by (or for which the holder of such indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien upon or in assets or properties (including accounts and contracts rights) owned by such Person, even though such Person has not assumed or become liable for the payment of such indebtedness of such other Persons (limited to the fair market value of the assets subject to such Lien); and (j) any obligation of such Person described in clause (a) of the definition of Contingent Obligation. For the avoidance of doubt, "Indebtedness" shall include Permitted Convertible Indebtedness but shall not include any Permitted Equity Derivatives.

"**Indemnified Liabilities**" means, collectively, any and all liabilities, obligations, losses, damages (including natural resource damages), penalties, claims, actions, judgments, suits, costs, reasonable and documented out-of-pocket fees, expenses and disbursements of any kind or nature whatsoever (including the reasonable and documented fees and disbursements of one primary legal counsel for Indemnified Persons plus, as applicable, one local legal counsel in each relevant material jurisdiction and one intellectual property legal counsel, and in the case of an actual or perceived conflict of interest, one additional legal counsel for such affected Indemnified Persons), incurred by any Indemnified Person or asserted against any Indemnified Person by any Person (including Borrower or any other Credit Party) relating to or arising out of or in connection with, or as a result of, this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby (including any Lender's agreement to make Credit Extensions or the use or intended use of the proceeds thereof, or any enforcement of any of the Loan Documents (including any sale of, collection from, or other realization upon any of the Collateral or the enforcement of any guaranty of the Obligations)), including (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, (ii) any Term Loan or the use or proposed use of the proceeds therefrom, (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by Borrower or any of its Subsidiaries, or any liability relating to any Environmental Law, any Release of Hazardous Materials or any Hazardous Materials Activity, (iv) any actual or prospective claim, suit, litigation, investigation, hearing or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by, commenced or threatened in writing by any Person (including Borrower or any of its affiliates), and regardless of whether any Indemnified Person is or is designated as a party or a potential party thereto, and (v) the enforcement of the indemnity hereunder, in each case whether direct, indirect or consequential and whether based on any federal, state or foreign laws, statutes, rules or regulations, on common law or equitable cause or on contract or otherwise, that may be imposed on, incurred by, or asserted against any such Indemnified Person, in any manner.

"**Indemnified Person**" is defined in Section 11.2(a).

"**Indemnified Taxes**" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Credit Party under any Loan Document and (b) to the extent not otherwise described in clause (a) above, Other Taxes.

"**Initial Payment Date**" means, subject to Sections 2.2(b)(i) and 3.4(f), the last Business Day of October 2030.

"**Insolvency Proceeding**" means, with respect to any Person, any proceeding by or against such Person under the Bankruptcy Code, or any other domestic or foreign bankruptcy or insolvency law, including assignments for the benefit of creditors, compositions, extensions generally with its creditors, or proceedings seeking reorganization, arrangement, rescue process or other relief; provided, however, that, solely with respect to any Person incorporated, organized or formed in any jurisdiction other than the United States, "Insolvency Proceeding" shall not include any winding-up petition against such Credit Party which is frivolous or vexatious and is discharged or dismissed within thirty (30) days of the commencement thereof or any step or procedure in connection with any transaction otherwise permitted under this Agreement.

"**Intellectual Property**" means all:

(a) Copyrights, Trademarks, and Patents;

(b) trade secrets and trade secret rights, including any rights to unpatented inventions, know-how, show-how and operating manuals;

(c) rights in (i) all computer programs, including source code and object code versions, (ii) all data, databases and compilations of data, whether machine readable or otherwise, and (iii) all documentation, training materials and configurations related to any of the foregoing (collectively, "**Software**");

(d) all right, title and interest arising under any contract or Requirements of Law in or relating to Internet Domain Names;

(e) design rights;

(f) IP Ancillary Rights (including all IP Ancillary Rights related to any of the foregoing); and

(g) any similar or equivalent rights to any of the foregoing anywhere in the world.

"**Interest Date**" means the last day of each Fiscal Quarter, commencing with the last Business Day occurring in the first full Fiscal Quarter after the Tranche A Closing Date occurs.

"**Interest Period**" means, as to each Term Loan: (a)(i) with respect to the Tranche A Loan, the period commencing on (and including) the Tranche A Closing Date and ending on (and including) the first Interest Date following the Tranche A Closing Date, (ii) with respect to the Tranche B Loan, the period commencing on (and including) the Tranche B Closing Date and ending on (and including) the first Interest Date following the Tranche B Closing Date; (iii) with respect to the Tranche C Loan, the period commencing on (and including) the Tranche C Closing Date and ending on (and including) the first Interest Date following the Tranche C Closing Date; (iv) with respect to the Tranche D Loan, the period commencing on (and including) the Tranche D Closing Date and ending on (and including) the first Interest Date following the Tranche D Closing Date; and (b) thereafter, with respect to each Term Loan, each period beginning on (and including) the first day following the end of the preceding Interest Period and ending on the earlier of (and including) (x) the next Interest Date and (y) the Term Loan Maturity Date.

"**Internet Domain Name**" means all right, title and interest (and all related IP Ancillary Rights) arising under any contract or Requirements of Law in or relating to Internet domain names.

"**Inventory**" means all "inventory" as defined in the Code in effect on the date hereof with such additions to such term as may hereafter be made, and includes all merchandise (including inventory of the Product), materials

(including raw materials), parts, components (including component materials and component raw materials), supplies, packing and shipping materials, work in process and finished products, technology (including software, systems, and solutions), and all elements needed to fulfill obligations related to the Product under any Manufacturing Agreements including such inventory as is temporarily out of a Credit Party's or Subsidiary's custody or possession or in transit (prior to title having transferred) and including any returned goods and any documents of title representing any of the above.

"**Investment**" means (a) any beneficial ownership interest in any Person (including Equity Interests), (b) any Acquisition or (c) the making of any advance, loan, extension of credit or capital contribution in or to, any Person. The amount of an Investment shall be the amount actually invested (which, in the case of any Investment by a Credit Party or any of its Subsidiaries constituting the contribution of an asset or property, shall be based on the good faith estimate of the fair market value of such asset or property at the time such Investment is made as reasonably determined in good faith by a Responsible Officer of such Credit Party), less the amount of cash received or returned for such Investment, without adjustment for subsequent increases or decreases in the value of such Investment or write-ups, write-downs or write-offs with respect thereto; provided that in no event shall such amount be less than zero.

"**IP Agreements**" means, collectively, (a) those certain IP Security Agreement(s) entered into by and between Borrower or another Credit Party, on the one hand, and the Collateral Agent, on the other hand, dated as of the Tranche A Closing Date, and (b) any IP Security Agreement entered into by and between any relevant Credit Party and the Collateral Agent after the Tranche A Closing Date in accordance with the Loan Documents.

"**IP Ancillary Rights**" means, with respect to any Copyright, Trademark, Patent, Software, trade secrets or trade secret rights, including any rights to unpatented inventions, know-how, show-how and operating manuals, all income, royalties, proceeds and liabilities at any time due or payable or asserted under or with respect to any of the foregoing or otherwise with respect thereto, including all rights to sue or recover at law or in equity for any past, present or future infringement, misappropriation, dilution, violation or other impairment thereof, and, in each case, all rights to obtain any other intellectual property right ancillary to any Copyright, Trademark, Patent, Software, trade secrets or trade secret rights.

"**IP Security Agreement**" means "IP Security Agreement", as such term is defined in the Security Agreement.

"**IRC**" means the Internal Revenue Code of 1986, as amended, or any successor statute.

"**IRS**" means the United States Internal Revenue Service or any successor agency.

"**Knowledge**" means, with respect to any Person, the actual knowledge, after reasonable investigation, of the Responsible Officers of such Person; provided, that, with respect to Borrower, reasonable investigation means that Borrower has also affirmatively sought out information from its Subsidiaries.

"**Lender**" means each Person signatory hereto as a "Lender" and its successors and assigns.

"**Lender Expenses**" means, collectively (without duplication):

(a) all reasonable and documented out-of-pocket fees and expenses of the Collateral Agent and, as applicable, each Lender (and their respective successors and assigns) and their respective Related Parties (including the reasonable and documented out-of-pocket fees, expenses and disbursements of any legal counsel or other professional advisors (it being agreed that such legal counsel fees, expenses and disbursements shall be limited to one primary legal counsel, one local legal counsel in each applicable jurisdiction and one intellectual property legal counsel (as and to the extent applicable) for the Collateral Agent, Lenders and Related Parties, taken as a whole and in the case of an actual or perceived conflict of interest, one additional legal counsel for such affected Indemnified Person)), manufacturing consultants, safety consultants or intellectual property experts (it being agreed that such consultant or expert fees, expenses and disbursements shall be limited to one of each such consultant and one such expert for the Collateral Agent, Lenders and such Related Parties, taken as a whole) therefor, (i) incurred in connection with developing, preparing, negotiating, syndicating, executing and delivering, and interpreting, investigating and

administering, the Loan Documents (or any term or provision thereof), any commitment, proposal letter, letter of intent or term sheet therefor or any other document prepared in connection therewith, (ii) incurred in connection with the consummation and administration of any transaction contemplated therein, (iii) incurred in connection with the performance of any obligation or agreement contemplated therein, (iv) incurred in connection with any modification or amendment or restatement of any term or provision of, or any supplement to, or the termination (in whole or in part) of, any Loan Document, (v) incurred in connection with internal audit reviews and Collateral audits, or (vi) otherwise incurred with respect to the Credit Parties in connection with the Loan Documents, including any filing or recording fees and expenses; and

(b) all reasonable and documented out-of-pocket costs and expenses incurred by the Collateral Agent and each Lender (and their respective successors and assigns) and their respective Related Parties (limited to the reasonable and documented out-of-pocket fees, expenses and disbursements of any legal counsel, each local legal counsel to each applicable jurisdiction and one intellectual property legal counsel (as of and to the extent applicable) therefor for the Collateral Agent, Lenders and such Related Parties taken as a whole and in the case of an actual or perceived conflict of interest, one additional legal counsel for such affected Indemnified Person) in connection with (i) any refinancing or restructuring of the credit arrangements provided hereunder in the nature of a "work-out," (ii) the enforcement or protection or preservation of any right or remedy under any Loan Document, any Obligation, with respect to any of the Collateral or any other related right or remedy, or (iii) the commencement, defense, conduct of, intervention in, or the taking of any other action with respect to, any proceeding (including any Insolvency Proceeding) related to any Credit Party or any Subsidiary of any Credit Party in respect of any Loan Document or Obligation, or otherwise in connection with any Loan Document or Obligation (or the response to and preparation for any subpoena or request for document production relating thereto).

"**Lender Transfer**" is defined in Section 11.1(b).

"**Lien**" means a claim, mortgage, deed of trust, levy, charge, pledge, security interest or other encumbrance of any kind or assignment for security purposes, whether voluntarily incurred or arising by operation of law or otherwise against any property or assets.

"**Liquidity**" means, at any time of determination, an amount equal to the sum of unrestricted cash and Cash Equivalents (including the proceeds of the Term Loans) that, from and after the date Control Agreements are required to be obtained, are maintained by the Credit Parties in accounts which have been granted as security in favor of the Collateral Agent pursuant to Collateral Documents.

"**Loan Documents**" means, collectively, this Agreement, the Disclosure Letter, the Term Loan Notes, the Security Agreement, the IP Agreements, the Perfection Certificate, any Control Agreement, any Collateral Access Agreement, any other Collateral Document, any guaranties executed by a Guarantor in favor of the Collateral Agent for the benefit of Lenders and the other Secured Parties in connection with this Agreement, and any other present or future agreement between or among a Credit Party, the Collateral Agent and any Lender in connection with this Agreement, including in each case, for the avoidance of doubt, any annexes, exhibits or schedules thereto, and any related ancillary documents, accessions, agreements, waivers or consents.

"**Logistics Agreement**" means any agreement between Borrower or its Subsidiaries, on the one hand, and a Person acting solely as a Logistics Provider, on the other hand, including agreements with specialty pharmacies and specialty distributors, in each case (x) entered into in the ordinary course of business and (y) that does not substantively constitute an out-licensing or sale transaction with respect to the Product.

"**Logistics Provider**" means a Person that has the right, option or obligation to distribute, transport, warehouse, package, import, or provide similar logistics services with respect to the Product pursuant to a Logistics Agreement.

"**Makewhole Amount**" means the Tranche A Makewhole Amount, the Tranche B Makewhole Amount, the Tranche C Makewhole Amount or the Tranche D Makewhole Amount (as applicable) or any combination thereof, as the context dictates.

"**Managed Care Plans**" means all health maintenance organizations, preferred provider organizations, individual practice associations, competitive medical plans and similar arrangements.

"**Manufacturing Agreement**" means (a) any manufacturing or supply contract or agreement entered into by any Credit Party or any of its Subsidiaries with third parties for (i) the clinical or commercial supply in the Territory of any Product for any indication or (ii) the commercial manufacture or in-bound supply of any raw materials or component(s) (including component raw materials and other component materials) incorporated into any Product (with the Manufacturing Agreements in effect as of the Effective Date being set forth in Schedule 13.2 of the Disclosure Letter), and (b) any future contract or agreement entered into after the Effective Date by any Credit Party or any of its Subsidiaries with third parties for (i) the clinical or commercial manufacture or in-bound supply in the Territory of any Product for any indication or (ii) the commercial manufacture or in-bound supply of any raw materials or component(s) (including component raw materials and other component materials) incorporated into any Product which such raw materials or component(s) are not readily replaceable. Notwithstanding the foregoing, agreements or contracts entered into by any Credit Party or any of its Subsidiaries with third parties for the performance of services relating to the manufacture or supply of the Product for any indication or the commercial manufacture or in-bound supply of any raw materials or component(s) (including component raw materials and other component materials) incorporated into any Product are not Manufacturing Agreements hereunder.

"**Margin Stock**" means "margin stock" within the meaning of Regulations U and X of the Federal Reserve Board as now and from time-to-time hereafter in effect.

"**Material Adverse Change**" means any material adverse change in or material adverse effect on: (a) the business, financial condition, properties or assets (including all or any material portion of the Collateral), liabilities (actual or contingent), operations or performance of the Credit Parties, taken as a whole, since December 31, 2024; (b) without limiting the generality of clause (a) above, (i) any of the rights or remedies of the Credit Parties, taken as a whole, in or related to the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, offer for sale, distribution or sale of the Product in the U.S., or (ii) the period of regulatory exclusivity granted by the applicable Regulatory Agency for the Product in the Territory; (c) any ability of the Credit Parties, taken as a whole, to fulfill the payment or performance obligations under the Loan Agreement or any other Loan Document; (d) the binding nature or validity of, or the ability of the Collateral Agent or any Lender to enforce, any of the Loan Documents or any of its material rights or remedies under any of the Loan Documents; or (e) the validity, perfection (except to the extent expressly permitted under the Loan Documents) or priority of Liens in favor of the Collateral Agent, for the benefit of the Lenders and the other Secured Parties. Notwithstanding the foregoing, none of the following events shall, in and of itself, constitute a Material Adverse Change solely with respect to any Product described in clause (b) of the definition thereof: (x) adverse results or delays in any nonclinical or clinical trial; (y) the denial, delay or limitation of approval of, or taking of any other regulatory action by, the FDA or any other Governmental Authority; or (c) a change in or discontinuation of a strategic partnership or other collaboration or license arrangement.

"**Material Contract**" means any contract or other arrangement to which any Credit Party or any of its Subsidiaries is a party (other than the Loan Documents) or by which any of its assets or properties are bound, in each case, relating to any aspect of the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, offer for sale, distribution or sale of the Product in the Territory, for which the breach of, default or nonperformance under, cancellation or termination of or the failure to renew could reasonably be expected to result in a Material Adverse Change. For the avoidance of doubt, (i) each Manufacturing Agreement, (ii) each Company IP Agreement, and (iii) each Distribution Agreement is in all cases deemed to be a Material Contract for all purposes hereunder. Notwithstanding the foregoing, the following agreements are not Material Contracts: (a) any customer contracts, (b) any purchase orders or statements of work entered into from time to time in the ordinary course of business pursuant to Manufacturing Agreements, except, in each case if any such order or statement is in the form of an amendment to or otherwise amends any material terms of any Manufacturing Agreement, (c) agreements or other contractual arrangements in connection with capital expenditures in the ordinary course of business, and (d) agreements or other contractual arrangements entered into in the ordinary course of business in connection with the purchase of materials or the sale of third-party products for further distribution.

"**Medicaid**" means the health care assistance program established by Title XIX of the SSA (42 U.S.C. § 1396 et seq.).

"**Medicare**" means the health insurance program for the aged and disabled established by Title XVIII of the SSA (42 U.S.C. 1395 et seq.).

"**Mortgage**" means any deed of trust, leasehold deed of trust, mortgage, leasehold mortgage, deed to secure debt, leasehold deed to secure debt or other document creating a Lien on real estate or any interest in real estate.

"**Multiemployer Plan**" means a multiemployer plan within the meaning of Section 4001(a)(3) or Section 3(37) of ERISA(a) to which Borrower or its Subsidiaries or their respective ERISA Affiliates is then making or accruing an obligation to make contributions; (b) to which Borrower or its Subsidiaries or their respective ERISA Affiliates has within the preceding five (5) plan years made contributions; or (c) with respect to which Borrower or its Subsidiaries could incur material liability.

"**Net Product Revenues**" means, for any period, all payments, revenues and proceeds from global net sales, rental, and lease-based revenues or proceeds of the Product and recurring royalty revenues of the Product occurring during such period, as presented in Borrower's financial statements filed with the SEC; provided, however, that Net Product Revenues shall exclude any milestone payments, any non-recurring payments and any non-sales based revenues or proceeds, or any payments, revenues or proceeds from products which are not the Product.

"**Note Register**" is defined in Section 2.8(a).

"**Obligations**" means, collectively, the Credit Parties' obligations to pay when due any and all debts, principal, interest, Lender Expenses, the Additional Consideration, the Exit Consideration, the Makewhole Amount, the Prepayment Premium and any other fees, expenses, indemnities and amounts any Credit Party owes any Lender or the Collateral Agent now or later, under this Agreement or any other Loan Document, including interest accruing after Insolvency Proceedings begin (whether or not allowed), and to perform Borrower's duties under the Loan Documents.

"**OFAC**" is defined in Section 4.18(c).

"**Operating Documents**" means, collectively with respect to any Person, such Person's formation and constitutional documents and, (a) if such Person is a corporation, its bylaws (or similar organizational regulations), (b) if such Person is an exempted company or a company limited by shares, its certificate of incorporation, memorandum of association and articles of association or bye-laws (or similar organizational regulations), (c) if such Person is a limited liability company, its limited liability company agreement (or similar agreement), and (d) if such Person is a partnership, its partnership agreement (or similar agreement), in each case including all amendments, restatements, amendment and restatements, supplements and other modifications thereto.

"**ordinary course of business**" means, in respect of any transaction involving any Person, the ordinary course of such Person's business, undertaken by such Person in good faith and not for purposes of evading any covenant, prepayment obligation or restriction in any Loan Document.

"**Other Connection Taxes**" means, with respect to any Lender, Taxes imposed as a result of a present or former connection (including present or former connection of its agents) between such Lender and the jurisdiction imposing such Tax (other than connections arising solely from such Lender having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Term Loan or Loan Document).

"**Other Taxes**" means all present or future stamp, court or documentary, intangible, recording, excise, filing, value added Taxes, mortgage or property Taxes, charges or similar levies or similar Taxes that arise from any payment made hereunder, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to a Lender Transfer.

"**Parent**" is defined in the recitals.

"**Participant Register**" is defined in Section 11.1(d).

"**Patents**" means all patents and patent applications (including any improvements, continuations, continuations-in-part, divisions, provisionals or any substitute applications), any patent issued with respect to any of the foregoing patent applications, any reissue, reexamination, renewal or patent term extension or adjustment (including any supplementary protection certificate) of any such patent, and any confirmation patent or registration patent or patent of addition based on any such patent, and all foreign and international counterparts of any of the foregoing. For the avoidance of doubt, patents and patent applications under this definition include individual patent claims and include all those filed with the U.S. Patent and Trademark Office or which could be nationalized in the United States.

"**Patriot Act**" is defined in Section 3.1(h).

"**Payment Date**" means the last Business Day of each July, October, January and April of each year, commencing on the Initial Payment Date and continuing quarterly through and including the Term Loan Maturity Date.

"**PCI Cap**" means, as of the date of the pricing of any issuance or incurrence of Permitted Convertible Indebtedness, an amount not to exceed, in the aggregate, (a) prior to achieving the Amortization Adjustment Trigger, zero, and from and after achieving the Amortization Adjustment Trigger, $150,000,000.

"**Perfection Certificate**" is defined in Section 4.6.

"**Periodic Term SOFR Determination Day**" has the meaning specified in the definition of "Term SOFR".

"**Permitted Acquisition**" means any Acquisition, so long as:

(a) no Default or Event of Default shall have occurred and be continuing as of, or could reasonably be expected to result from, the consummation of such Acquisition;

(b) the properties or assets being acquired or licensed, or the Person whose Equity Interests are being acquired, are useful in or engaged in, as applicable, (i) the same, similar or a related line of business as that then-conducted by Parent and Borrower or their Subsidiaries, or (ii) a line of business that is ancillary to and in furtherance of a line of business as that then-conducted by Parent and Borrower or their Subsidiaries;

(c) in the case of an Asset Acquisition, the subject assets are being acquired or licensed by a Credit Party, and within the timeframes expressly set forth in Section 5.12 with respect to all assets constituting Collateral, such Credit Party shall have executed and delivered or authorized, as applicable, any and all security agreements, financing statements and any other documentation required by Section 5.12 or reasonably requested by the Collateral Agent, in order to include the newly acquired or licensed assets within the Collateral, as applicable, to the extent required by Section 5.12;

(d) in the case of a Stock Acquisition, the subject Equity Interests are being acquired in such Acquisition directly or indirectly by a Credit Party, and such Credit Party shall have complied with its obligations under Section 5.13; and

(e) any Indebtedness or Liens assumed in connection with such Acquisition are otherwise permitted under Section 6.4 or 6.5, respectively.

"**Permitted Convertible Indebtedness**" means Indebtedness of Borrower or any Subsidiary of Borrower that is a Credit Party having a feature which entitles the holder thereof in certain circumstances to convert or exchange all or a portion of such Indebtedness into Equity Interests in Borrower or such Subsidiary (or other securities or property following a merger event or other change of the common stock or shares in the share capital of Borrower or such Subsidiary), cash or any combination of cash and such Equity Interests (or such other securities or property) based on the market price of such Equity Interests (or such other securities or property); provided, however, that (a)

such Indebtedness shall be unsecured, (b) such Indebtedness shall not be guaranteed by any Subsidiary of Borrower, (c) such Indebtedness shall bear interest at a rate per annum not to exceed the greater of five percent (5.0%) and such rate as is customary in the market at such time, as determined in the reasonable commercial judgement of a Responsible Officer of Borrower in good faith, (d) such Indebtedness shall not include covenants and defaults (other than covenants and defaults customary for convertible indebtedness but not customary for loans, as determined by Borrower in its good faith judgment) that are, taken as a whole, more restrictive on the Credit Parties than the provisions of this Agreement (as determined by Borrower in its good faith judgment), (e) immediately prior to and after giving effect to the incurrence or issuance of such Indebtedness, no Default or Event of Default shall have occurred and be continuing or could reasonably be expected to occur as a result therefrom (after giving effect to this Agreement), (f) such Indebtedness shall not (i) mature or be mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, (ii) be redeemable at the option of the holder thereof, in whole or in part, (iii) provide for scheduled cash interest payments or (iv) provide for the scheduled payment of dividends or distributions (other than scheduled cash interest payments)in cash, in each case of the foregoing sub-clauses (i), (ii) and (iii), earlier than six (6) months after the Term Loan Maturity Date (it being understood, for the avoidance of doubt, that (w) a redemption right of Borrower or such Subsidiary in respect of such Indebtedness, (x) conversion rights of holders in respect of such Indebtedness, (y) acceleration rights of holders of such Indebtedness upon the occurrence of an event of default specified in the agreement governing such Indebtedness and (z) the obligation to pay customary amounts to holders of such Indebtedness in connection with a "change of control" or "fundamental change", in each case, shall not be considered in connection with the determination of scheduled maturity date for purposes of this clause (f)); (g) immediately after giving effect to the incurrence of such Indebtedness (and any prepayment, repurchase or redemption of any existing Permitted Convertible Indebtedness using cash proceeds of the issuance of such Indebtedness (and any cash proceeds received pursuant to the exercise, early unwind or termination of any Permitted Equity Derivatives in connection with such prepayment, repurchase or redemption)), the amount of all Permitted Convertible Indebtedness permitted hereunder (together with any Indebtedness incurred to refinance Permitted Convertible Indebtedness pursuant to clause (w) of the definition of Permitted Indebtedness) and then outstanding shall not exceed the PCI Cap; (h) the Amortization Adjustment Trigger shall have been achieved prior to the date of the pricing of any issuance or incurrence of such Indebtedness; and (i) Borrower shall have delivered to the Collateral Agent a certificate of a Responsible Officer of Borrower certifying as to the foregoing clauses (a) through (h) with respect to any such Indebtedness.

"**Permitted Distributions**" means, in each case subject to Section 6.8 if applicable:

(a) dividends, distributions or other payments by any Wholly Owned Subsidiary of Parent on its Equity Interests to, or the redemption, retirement or purchase by any Wholly Owned Subsidiary of Parent of its Equity Interests from, Parent or any other Wholly Owned Subsidiary of Parent;

(b) dividends, distributions or other payments by any non-Wholly Owned Subsidiary on its Equity Interests to, or the redemption, retirement or purchase by any non-Wholly Owned Subsidiary of its Equity Interests from, Parent or any other Subsidiary or each other owner of such non-Wholly Owned Subsidiary's Equity Interests based on their relative ownership interests of the relevant class of such Equity Interests;

(c) exchanges, redemptions or conversions by Parent in whole or in part any of its Equity Interests for or into another class of its Equity Interests or rights to acquire its Equity Interests or with proceeds from substantially concurrent equity contributions or issuances of new Equity Interests;

(d) any such payments arising from (i) a Permitted Acquisition or (ii) other Permitted Investment, in each case of this clause (d) by Parent or any of its Subsidiaries;

(e) the payment of dividends by Borrower solely in non-cash pay and non-redeemable capital stock or shares in the share capital (including, for the avoidance of doubt, dividends and distributions payable solely in Equity Interests);

(f) cash payments in lieu of the issuance of fractional shares arising out of stock or share dividends, splits or combinations or in connection with the exercise of warrants, options or other securities convertible into or exchangeable for Equity Interests, including Permitted Convertible Indebtedness;

(g) in connection with any Acquisition or other Investment by Parent or any of its Subsidiaries, (i) the receipt or acceptance of the return to Parent or any of its Subsidiaries of Equity Interests of Parent constituting a portion of the purchase price consideration in settlement of indemnification claims, or as a result of a purchase price adjustment (including earn-outs or similar obligations) and (ii) payments or distributions to equity holders pursuant to appraisal rights required under Requirements of Law;

(h) the distribution of rights pursuant to any shareholder rights plan or the redemption of such rights for nominal consideration in accordance with the terms of any shareholder rights plan;

(i) dividends, distributions or payments on its Equity Interests by any Subsidiary to any Credit Party;

(j) dividends, distributions or payments on its Equity Interests by any Subsidiary that is not a Credit Party to any other Subsidiary that is not a Credit Party;

(k) purchases of Equity Interests of Parent or its Subsidiaries in connection with net settlements, the exercise of stock or share options by way of cashless exercise, or in connection with the satisfaction of withholding tax obligations;

(l) issuance to directors, officers, employees or contractors of Borrower or its Subsidiaries of awards of common stock or shares of Parent pursuant to awards, of restricted stock or shares, restricted stock units, or other rights to acquire common stock or shares of Parent, in each case pursuant to plans or agreements approved by Borrower's Board of Directors (or committee thereof) or members;

(m) the repurchase, retirement or other acquisition or retirement for value of Equity Interests of Parent or any of its Subsidiaries held by any future, present or former employee, consultant, officer or director (or spouse, ex-spouse or estate of any of the foregoing or trust for the benefit of any of the foregoing or any lineal descendants thereof) of Parent or any of its Subsidiaries pursuant to any management equity plan or stock or share option plan or any other management or employee benefit plan or agreement, or any stock or share subscription or shareholder agreement or employment agreement; provided, however, that the aggregate payments made under this clause (m) do not exceed in any calendar year the sum of (i) $3,000,000 *plus* (ii) the amount of any payments received in such calendar year under key-man life insurance policies;

(n) dividends or distributions on its Equity Interests by Parent or any of its Subsidiaries payable solely in additional shares of its common stock or share capital;

(o) Tax Distributions;

(p) additional Restricted Payments in an aggregate amount not to exceed $5,000,000 in the aggregate; and

(q) solely in connection with Permitted Convertible Indebtedness, the Credit Parties or its Subsidiaries may enter into Permitted Equity Derivatives (and may settle, terminate or unwind any such Permitted Equity Derivatives in connection with any refinancing, repurchase, redemption, early conversion or maturity of such Permitted Convertible Indebtedness).

"**Permitted Equity Derivative**" means any call or capped call option (or substantively equivalent equity derivative transaction) or "call spread" transaction (which consists of separate call option and warrant transactions) relating to the Equity Interests of Parent or any other Credit Party purchased by Parent or such Credit Party in connection with the issuance or incurrence of Permitted Convertible Indebtedness by Parent or such other Credit Party, provided, that, the purchase price for such call or capped call option or such other transaction (net of any proceeds received from the issuance of any related warrant transactions) does not exceed the net cash proceeds received by Parent or such other Credit Party from the issuance or incurrence of such Permitted Convertible Indebtedness.

"**Permitted Holders**" means each of (i) Bain Capital Private Equity, LP and its Affiliates (other than any portfolio operating companies) and (ii) any current or former director, officer, employee or member of management of Parent or any of its Subsidiaries who is an equityholder of Borrower or any direct or indirect parent thereof.

"**Permitted Indebtedness**" means:

(a) Indebtedness of the Credit Parties to Secured Parties under this Agreement and the other Loan Documents;

(b) Indebtedness existing on the Effective Date (x) under the Existing Credit Agreement (which shall be repaid in full pursuant to Section 5.10(a)) or (y) and set forth on Schedule 13.3 of the Disclosure Letter; provided, however, that no Indebtedness of any Credit Party or any Subsidiary under the Existing Credit Agreement existing on the Tranche A Closing Date or any time thereafter, which shall be repaid in full pursuant to Section 5.10(a), shall be "Permitted Indebtedness" for purposed of Section 6.4 or any other purposes under this Agreement (other than for purposes of the representations and warranties in Section 4) or the other Loan Documents;

(c) (i) Indebtedness incurred to finance the purchase, construction, repair, or improvement of fixed assets and (ii) Capital Lease Obligations; provided, however, that all such Indebtedness and Capital Lease Obligations (other than that which directly relates to the purchase, construction, repair, leasing or improvement of manufacturing facilities) shall not exceed $1,000,000 in the aggregate at any time outstanding;

(d) Indebtedness in connection with trade credit, corporate credit cards, purchasing cards or bank card products, provided, that, any such Indebtedness that is secured shall not exceed $1,000,000 in the aggregate at any time outstanding;

(e) guarantees of Permitted Indebtedness;

(f) Indebtedness assumed in connection with any Permitted Acquisition or Permitted Investment, so long as (i) such Indebtedness was not incurred in connection with, or in anticipation of, such Acquisition or Investment and (ii) such Indebtedness is at all times Subordinated Debt or Capital Lease Obligations;

(g) Indebtedness of Parent or any of its Subsidiaries with respect to letters of credit, bank guarantees, bankers' acceptances, warehouse receipts or similar instruments outstanding and to the extent secured, secured solely by cash or Cash Equivalents, in each case entered into in the ordinary course of business;

(h) Indebtedness owed: (i) by a Credit Party to another Credit Party; (ii) by a Subsidiary of Parent that is not a Credit Party to another Subsidiary of Parent that is not a Credit Party; (iii) by a Credit Party to a Subsidiary of Parent that is not a Credit Party; or (iv) by a Subsidiary of Parent that is not a Credit Party to a Credit Party, not to exceed $5,000,000 in the aggregate at any time outstanding;

(i) Indebtedness consisting of Contingent Obligations described in clause (a) of the definition thereof: (i) of a Credit Party of Permitted Indebtedness of another Credit Party (or obligations that do not constitute Indebtedness hereunder and are not prohibited hereunder); (ii) of a Subsidiary of Parent which is not a Credit Party of Permitted Indebtedness (or obligations that do not constitute Indebtedness hereunder and are not prohibited hereunder) of another Subsidiary of Parent which is not a Credit Party; (iii) of a Subsidiary of Parent which is not a Credit Party of Permitted Indebtedness (or obligations that do not constitute Indebtedness hereunder and are not prohibited hereunder) of a Credit Party; or (iv) of a Credit Party of Permitted Indebtedness (or obligations that do not constitute Indebtedness hereunder and are not prohibited hereunder) of a Subsidiary of Borrower which is not a Credit Party not to exceed $5,000,000 in the aggregate at any time outstanding;

(j) Indebtedness consisting of Contingent Obligations described in clause (b) of the definition thereof, incurred in connection with any Permitted Acquisition, Permitted Transfer, Permitted Investment or any in-licensing or any collaboration, co-promotion or co-marketing arrangement; provided such Indebtedness is due and payable upon the occurrence of an event or the performance of an act (and not solely with the passage of time);

(k) Indebtedness of any Person that becomes a (direct or indirect) Subsidiary of Parent (or of any Person not previously a Subsidiary that is merged or consolidated with or into a Subsidiary of Parent in a transaction permitted hereunder after the Effective Date); provided, that, all such Indebtedness was not made in contemplation of or in connection with such Person becoming a (direct or indirect) Subsidiary of Parent (or merging or consolidating with or into a Subsidiary of Borrower) or the Permitted Acquisition of any related assets;

(l) (i) Indebtedness with respect to workers' compensation claims, payment obligations in connection with health, disability or other types of social security benefits, unemployment or other insurance obligations, reclamation and statutory obligations or (ii) Indebtedness related to employee benefit plans, including annual employee bonuses, accrued wage increases and 401(k) plan matching obligations; in each case, incurred in the ordinary course of business;

(m) Indebtedness in respect of performance bonds, bid bonds, appeal bonds, surety bonds and completion guarantees and similar obligations arising in the ordinary course of business;

(n) Indebtedness in respect of netting services, overdraft protection and other cash management services, in each case in the ordinary course of business;

(o) Indebtedness consisting of the financing of insurance premiums in the ordinary course of business;

(p) Indebtedness consisting of guarantees resulting from endorsement of negotiable instruments for collection by any Credit Party in the ordinary course of business;

(q) unsecured Indebtedness incurred in connection with any items of Permitted Distributions in clause (m) of the definition of Permitted Distributions;

(r) Indebtedness under any (i) unsecured Hedging Agreements entered into for hedging and not speculative purposes, and (ii) Hedging Agreements with respect to interest rates that are secured only by cash or Cash Equivalents and entered into for hedging and not speculative purposes;

(s) Permitted Convertible Indebtedness (for the avoidance of doubt, in an aggregate principal amount not to exceed the PCI Cap at the time of any issuance or incurrence thereof);

(t) to the extent constituting Indebtedness, Permitted Equity Derivatives;

(u) other unsecured Indebtedness in an aggregate principal amount not to exceed $5,000,000 at any time outstanding, and

(v) subject to the proviso immediately below, extensions, refinancings, renewals, modifications, amendments, restatements and, in the case of any items of Permitted Indebtedness in clause (b) of the definition thereof or Permitted Indebtedness constituting notes governed by an indenture, exchanges, of any items of Permitted Indebtedness in clauses (a) through (t) above, provided, that, in the case of clause (b) above, the principal amount thereof is not increased (other than by any reasonable amount of premium (if any), interest (including post-petition interest), fees, expenses, charges or additional or contingent interest reasonably incurred in connection with the same and the terms thereof); provided, further, that in the case of any Indebtedness permitted under clause (s) above, (w) the maturity thereof is not shortened to a date that is less than six (6) months after the Term Loan Maturity Date, (x) the amount of all Permitted Convertible Indebtedness permitted hereunder and then outstanding does not exceed the PCI Cap, (y) there is no change to or addition of any direct or indirect obligor with respect thereto unless such new obligor thereto is or shall become a Guarantor hereunder, and (z) such extension, refinancing, renewal, modification, amendment, restatement or exchange is not otherwise prohibited under this Agreement.

Notwithstanding the foregoing or anything in this Agreement to the contrary, (x) no direct or indirect synthetic royalty or similar financing transaction involving the sale of revenues or royalties, in each case, based on net sales of any product (including the Product) in the Territory entered into after the Tranche A Closing Date (including, for the avoidance of doubt, any Indebtedness constituting such synthetic royalty or other similar payment),

and (y) except to the extent incurred in connection with any Permitted Acquisitions, Permitted Investments, Permitted Licenses, in-licensing agreements or any collaboration, co-promotion or co-marketing arrangements, no Indebtedness constituting royalty payments or milestone payments based on net sales or similar payments, in each case based on the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, offer for sale, distribution or sale of any product (including the Product) in the Territory, that is, directly or indirectly, created, incurred, assumed or guaranteed after the Tranche A Closing Date, in each case of sub-clause (x) or (y) above, by a Credit Party or any of its Subsidiaries, shall in any instance be permitted under this Agreement without the prior written consent of the Collateral Agent or the Required Lenders.

"**Permitted Investments**" means:

(a) Investments (including Investments in Borrower and Subsidiaries) existing on the Effective Date and shown on Schedule 13.4 of the Disclosure Letter, and any extensions, renewals or reinvestments thereof;

(b) Investments consisting of cash and Cash Equivalents;

(c) Investments consisting of the endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of business;

(d) Investments consisting of deposit accounts or securities accounts;

(e) Investments in connection with Permitted Transfers;

(f) Investments consisting of (i) travel advances and employee relocation loans and other employee advances in the ordinary course of business, and (ii) loans to employees, officers or directors relating to the purchase of equity securities of Borrower pursuant to employee stock or share purchase plans or agreements approved by Borrower's Board of Directors (or committee thereof);

(g) Investments (including debt obligations) received in connection with the bankruptcy or reorganization of customers or suppliers and in settlement of delinquent obligations of, and other disputes with, customers or suppliers arising in the ordinary course of business;

(h) Investments consisting of accounts or notes receivable of, or prepaid royalties and other credit extensions, to customers, suppliers and manufacturers who are not Affiliates, in the ordinary course of business; provided that this clause (h) shall not apply to Investments of any Credit Party in any of its Subsidiaries;

(i) Investments (i) required in connection with a Permitted Acquisition (including the formation of any Subsidiary for the purpose of effectuating such Permitted Acquisition, the capitalization of such Subsidiary whether by capital contribution or intercompany loans, in each case, to the extent otherwise permitted by the terms of this Agreement, related Investments in Subsidiaries necessary to consummate such Permitted Acquisition, and the receipt of any non-cash consideration in a Permitted Acquisition), and (ii) consisting of earnest money deposits required in connection with a Permitted Acquisition or other acquisition of properties or assets not otherwise prohibited hereunder;

(j) Investments constituting the formation of any Subsidiary for the purpose of consummating a merger or acquisition transaction permitted by Section 6.3(a)(i) through (iii) hereof, which such transaction is otherwise a Permitted Investment;

(k) Investments of any Person that (i) becomes a Subsidiary of Parent (or of any Person not previously a Subsidiary of Parent that is merged or consolidated with or into a Subsidiary of Parent in a transaction permitted hereunder) after the Effective Date, or (ii) are assumed after the Effective Date by any Subsidiary of Parent in connection with an acquisition of assets from such Person by such Subsidiary, in either case, in a Permitted Acquisition; provided, that, in each case any such Investment (w) does not constitute Indebtedness of such Person, (x) exists at the time such Person becomes a Subsidiary of Parent (or is merged or consolidated with or into a Subsidiary of Parent) or such assets are acquired, (y) was not made in contemplation of or in connection with such Person

becoming a Subsidiary of Parent (or merging or consolidating with or into a Subsidiary of Parent) or such acquisition of assets, and (z) could not reasonably be expected to result in a Default or an Event of Default;

(l) Investments arising as a result of the licensing of Intellectual Property in the ordinary course of business and not otherwise prohibited hereunder;

(m) Investments by: (i) any Credit Party in any other Credit Party; (ii) any Subsidiary of Parent which is not a Credit Party in another Subsidiary of Parent which is not a Credit Party; (iii) any Subsidiary of Parent which is not a Credit Party in any Credit Party; (iv)(A) any Credit Party or a Subsidiary of Parent which is not a Credit Party as of the Effective Date and shown on Schedule 13.4 of the Disclosure Letter in (B) any Credit Party in a Subsidiary of Parent which is not a Credit Party not to exceed $5,000,000 in the aggregate outstanding at any time; and (v) Parent and its Subsidiaries consisting solely of Equity Interests in their respective Subsidiaries existing on the Tranche A Closing Date.

(n) repurchases of capital stock or shares in the share capital of Parent or any of its Subsidiaries deemed to occur upon the exercise of options, warrants or other rights to acquire capital stock or shares in the share capital of Parent or such Subsidiary solely to the extent that shares of such capital stock or share capital represent a portion of the exercise price of such options, warrants or such rights;

(o) Investments consisting of non-cash consideration received for any Permitted Transfer;

(p) Investments consisting of acquisitions of assets from third parties used in the ordinary course of business, including inventory, raw materials, vehicles, equipment, office supplies, software and other similar assets;

(q) Investments consisting of in-licensing agreements, provided, that, no Indebtedness that is not Permitted Indebtedness is incurred or assumed in connection therewith;

(r) to the extent constituting an Investment, any Permitted License;

(s) (i) unsecured Hedging Agreements entered into for hedging and not speculative purposes, and (ii) Hedging Agreements with respect to interest rates that are secured only by cash or Cash Equivalents and entered into for hedging and not speculative purposes;

(t) to the extent constituting an Investment, any Permitted Equity Derivative, including the payment of premiums in connection therewith; and

(u) other Investments, not to exceed $5,000,000 in the aggregate;

provided, however, that, none of the foregoing Investments shall be a "Permitted Investment" if any Indebtedness or Liens assumed in connection with such Investment are not otherwise permitted under Section 6.4 or 6.5, respectively.

"**Permitted Licenses**" means, collectively:

(a) licenses pursuant to any Manufacturing Agreement or otherwise with a contract manufacturer, in each case solely with respect to the services provided under such agreement;

(b) any non-exclusive licenses (i) with respect to any research and development or (ii) for the distribution of any Product solely outside the U.S. or (iii) entered into by Borrower or any other Credit Party in the ordinary course of business consistent with such Person's past practice;

(c) any intercompany license or other similar arrangement among Credit Parties; and

(d) any exclusive license, non-exclusive license or covenant not to sue existing as of the Effective Date and listed on Schedule 13.5 of the Disclosure Letter, and any amendment, extension or replacement thereof.

Notwithstanding the foregoing (or any other provision of this Agreement), (x) no Excluded License with respect to any Product entered into after the Effective Date shall be a Permitted License hereunder without the prior written consent of the Collateral Agent or the Required Lenders and (y) subject to the proviso immediately below, Permitted Licenses shall include for purposes of this Agreement any extension, replacement (including with a new counterparty), modification, amendment or restatement of any of the licenses, covenants, agreements or other arrangements in clauses (a) through (d) above, provided, that, as a result of such extension, replacement, modification, amendment or restatement, such license, covenant, agreement or arrangement continues to meet the requirements of, and criteria for, Permitted Licenses set forth above and is not otherwise prohibited by, or would contravene in any respect, any of the terms or conditions set forth in this Agreement.

"**Permitted Liens**" means:

(a) Liens in favor and for the benefit of any Lender and the other Secured Parties securing the Obligations pursuant to any Loan Document;

(b) Liens existing on the Effective Date and set forth on Schedule 13.6 of the Disclosure Letter;

(c) Liens for Taxes, assessments or governmental charges which (i) are not yet due and payable or (ii) if due and payable, are being contested in good faith and by appropriate proceedings; provided that, in each case, adequate reserves therefor have been set aside on the books of the applicable Person and maintained in conformity with GAAP;

(d) (i) pledges or deposits made in the ordinary course of business (other than Liens imposed by ERISA) in connection with workers' compensation, payroll taxes, employment insurance, unemployment insurance, old-age pensions, or other similar social security legislation, (ii) pledges or deposits made in the ordinary course of business consistent with past practices securing liability for reimbursement or indemnification obligations of (including obligations in respect of letters of credit or bank guarantees for the benefit of) insurance carriers providing property, casualty or liability insurance to Parent or any of its Subsidiaries, (iii) subject to Section 6.2(b), statutory or common law Liens of landlords, (iv) pledges or deposits to secure performance of tenders, bids, leases, statutory or regulatory obligations, surety and appeal bonds, government contracts, performance and return-of-money bonds and other obligations of like nature, in each case other than for borrowed money and entered into in the ordinary course of business consistent with past practices, (v) Liens otherwise arising by operation of law in favor of the owner or sublessor of leased premises and confined to the property rented, (vi) Liens that are restrictions on transfer of securities imposed by applicable securities laws, and (vii) Liens resulting from a filing by a lessor as a precautionary filing for a true lease;

(e) Liens arising from attachments or judgments, orders, or decrees in circumstances not constituting an Event of Default under either Section 7.4 or Section 7.7;

(f) Liens (including the right of setoff) in favor of banks or other financial institutions incurred on deposits made in accounts held at such institutions in the ordinary course of business; provided that such Liens (i) are not given in connection with the incurrence of any Indebtedness, (ii) relate solely to obligations for administrative and other banking fees and expenses incurred in the ordinary course of business in connection with the establishment or maintenance of such accounts and (iii) are within the general parameters customary in the banking industry;

(g) Liens that are contractual rights of setoff (i) relating to pooled deposit or sweep accounts of Parent or any of its Subsidiaries to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business or (ii) relating to purchase orders and other agreements entered into with customers of Parent or any of its Subsidiaries in the ordinary course of business, including vendors' liens to secure payment arising under Article 2 of the Code or similar provisions of Requirements of Law in the ordinary course of business, covering only the goods sold and securing only the unpaid purchase price for such goods and related expenses;

(h) Liens solely on any cash earnest money deposits made by Parent or any of its Subsidiaries in connection with any Permitted Acquisition, Permitted Investment or other acquisition of assets or properties not otherwise prohibited under this Agreement;

(i) Liens existing on assets or properties at the time of its acquisition or existing on the assets or properties of any Person at the time such Person becomes a Subsidiary of Parent, in each case after the Effective Date; provided that (i) neither such Lien was created nor the Indebtedness secured thereby was incurred in contemplation of such acquisition or such Person becoming a Subsidiary of Parent, (ii) such Lien does not extend to or cover any other assets or properties (other than the proceeds or products thereof and other than after-acquired assets or properties subject to a Lien securing Indebtedness and other obligations incurred prior to such time and which Indebtedness and other obligations are permitted hereunder that requires, pursuant to its terms and conditions in effect at such time, a pledge of after-acquired assets or properties, it being understood that such requirement shall not be permitted to apply to any assets or properties to which such requirement would not have applied but for such acquisition), (iii) the Indebtedness and other obligations secured thereby is permitted under Section 6.4 hereof and (iv) such Liens are of the type otherwise permitted under Section 6.5 hereof;

(j) Liens securing Indebtedness permitted under clause (c) of the definition of "Permitted Indebtedness" (including any extensions, refinancings, modifications, amendments or restatements of such Indebtedness permitted under clause (t) of the definition of Permitted Indebtedness); provided, that, such Lien does not extend to or cover any assets or properties other than those described in clause (c) of the definition of Permitted Indebtedness;

(k) servitudes, easements, rights-of-way, restrictions and other similar encumbrances on real property imposed by Requirements of Law and encumbrances consisting of zoning or building restrictions, easements, licenses, restrictions on the use of property or minor defects or other irregularities in title which, in the aggregate, are not material, and which do not in any case materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the business of any Credit Party or any Subsidiary of any Credit Party;

(l) to the extent constituting a Lien, escrow arrangements securing purchase price adjustments, holdback amounts or indemnification obligations associated with any Permitted Acquisition or Permitted Investment;

(m) (i) leases or subleases of real property granted in the ordinary course of business (including, if referring to a Person other than a Credit Party or a Subsidiary, in the ordinary course of such Person's business), (ii) licenses, sublicenses, leases or subleases of personal property (other than Intellectual Property) granted to third parties in the ordinary course of business, in each case which do not interfere in any material respect with the operations of the business of any Credit Party or any of its Subsidiaries and do not prohibit granting the Collateral Agent a security interest in any Credit Party's personal property held at such location for the benefit of the Lenders and other Secured Parties, (iii) Permitted Licenses, and (iv) retained interests of lessors or licensors or similar parties under any in-licenses;

(n) Liens on cash or other current assets pledged to secure: (i) Indebtedness in respect of corporate credit cards, purchasing cards or bank card products, provided, that, the portion of such Indebtedness secured pursuant to this clause (n) shall not exceed $1,000,000 in the aggregate at any time outstanding; or (ii) Indebtedness in the form of letters of credit or bank guarantees entered into in the ordinary course of business, provided, that, any such Indebtedness is secured solely by cash or Cash Equivalents;

(o) Liens on any properties or assets of Parent or any of its Subsidiaries which do not constitute Collateral under the Loan Documents, other than (i) Liens on Equity Interests of any Subsidiary that does not constitute Collateral under the Loan Documents, or (ii) Liens that interfere with or impede the ability of Parent or any Subsidiary of Parent to conduct the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, offer for sale, distribution or sale of any Product in the Territory or enforce its rights with respect to any of the foregoing within the Territory;

(p) Liens on any properties or assets of Parent or any of its Subsidiaries imposed by law or regulation which were incurred in the ordinary course of business, including landlords', carriers', warehousemen's, mechanics', materialmen's, contractors', suppliers of materials', architects' and repairmen's Liens, and other similar Liens arising in the ordinary course of business; provided that such Liens (i) do not materially detract from the value of such properties or assets subject thereto or materially impair the use of such properties or assets subject thereto in the operations of the business of Parent or such Subsidiary or (ii) are being contested in good faith by appropriate proceedings, which conclusively operate to stay the sale or forfeiture of any portion of such properties or assets subject

thereto and for which adequate reserves have been set aside on the books of the applicable Person and maintained in conformity with GAAP, if required;

(q) Liens in favor of customs and revenue authorities arising as a Requirement of Law which were incurred in the ordinary course of business, to secure payment of customs duties in connection with the importation of goods in the ordinary course of business;

(r) Liens on any goods sold to Parent or any of its Subsidiaries in the ordinary course of business in favor of the seller thereof, but only to the extent securing the unpaid purchase price for such goods and any related expenses;

(s) Liens securing Permitted Indebtedness of a Credit Party in favor of any other Credit Party;

(t) Liens securing Indebtedness owed by a Subsidiary of Borrower that is not a Credit Party permitted under clause (i) of the definition of Permitted Indebtedness, in favor of a Credit Party or another Subsidiary of Borrower that is not a Credit Party;

(u) Liens on insurance policies and the proceeds thereof; provided, that, such Liens are not given in connection with the incurrence of any Indebtedness, secure only the financing of the insurance premiums with respect thereto, and are within the general parameters customary in the insurance industry;

(v) Liens solely on cash and Cash Equivalents in each case securing Hedging Agreements with respect to interest rates that are entered into for hedging and not speculative purposes;

(w) additional Liens on assets or properties, in each case so long as the aggregate principal amount of the Indebtedness and other obligations secured thereby do not exceed $2,500,000 in the aggregate for all such Liens at any time outstanding; and

(x) subject to the provisos immediately below, the modification, replacement, extension or renewal of the Liens described in clauses (a) through (v) above; provided, however, that any such modification, replacement, extension or renewal must (i) be limited to the assets or properties encumbered by the existing Lien (and any additions, accessions, parts, improvements and attachments thereto and the proceeds thereof) and (ii) not increase the principal amount of any Indebtedness secured by the existing Lien (other than by any reasonable premium or other reasonable amount paid and fees and expenses reasonably incurred in connection therewith); provided, further, that to the extent any of the Liens described in clauses (a) through (v) above secure Indebtedness of a Credit Party, such Liens, and any such modification, replacement, extension or renewal thereof, shall constitute Permitted Liens if and only to the extent that such Indebtedness is permitted under Section 6.4 hereof.

"**Permitted Negative Pledges**" means:

(a) prohibitions or limitations with regard to specific properties or assets encumbered by Permitted Liens, if and only to the extent each such prohibition or limitation applies only to such properties or assets;

(b) prohibitions or limitations set forth in any lease, license or other similar agreement entered into in the ordinary course of business and not prohibited hereunder;

(c) prohibitions or limitations relating to Permitted Indebtedness, in each case if and only to the extent such prohibitions or limitations, taken as a whole, are not materially more restrictive than the prohibitions and limitations set forth in this Agreement and the other Loan Documents, taken as a whole (as reasonably determined by a Responsible Officer of Borrower in good faith);

(d) customary provisions restricting assignments, subletting, sublicensing or other transfer of properties or assets subject thereto set forth in leases, subleases, licenses (including Permitted Licenses) and other similar agreements that are not otherwise prohibited under this Agreement or any other Loan Document, if and only to the extent each such restriction applies only to the properties or assets subject to such leases, subleases, licenses or

agreements, and customary provisions restricting assignment, pledges or transfer of any agreement entered into in the ordinary course of business consistent with past practices;

(e) prohibitions or limitations imposed by Requirements of Law;

(f) prohibitions or limitations that exist as of the Effective Date under Indebtedness existing on the Effective Date;

(g) customary prohibitions or limitations arising in connection with any Permitted Transfer or contained in any agreement relating to any Permitted Transfer pending the consummation of such Permitted Transfer;

(h) customary provisions in shareholders' agreements, joint venture agreements, organizational documents or similar binding agreements relating to, or any agreement evidencing Indebtedness of, any joint venture entity or non-Wholly Owned Subsidiary and applicable solely to such joint venture entity or non-Wholly Owned Subsidiary and the Equity Interests issued thereby;

(i) customary net worth provisions set forth in real property leases entered into by Subsidiaries of Borrower, so long as such net worth provisions could not reasonably be expected to impair the ability of Borrower or its Subsidiaries to meet their ongoing obligations (as reasonably determined by a Responsible Officer of Borrower in good faith);

(j) customary net worth provisions set forth in customer agreements entered into in the ordinary course of business consistent with past practices that are not otherwise prohibited under this Agreement or any other Loan Document, so long as such net worth provisions could not reasonably be expected to impair the ability of Borrower or its Subsidiaries to meet their ongoing obligations (as reasonably determined by a Responsible Officer of Borrower in good faith);

(k) restrictions on cash or other deposits (including escrowed funds) imposed by agreements entered into in the ordinary course of business consistent with past practices that are not otherwise prohibited under this Agreement or any other Loan Document;

(l) prohibitions or limitations set forth in any agreement in effect at the time any Person becomes a Subsidiary (but not any amendment, modification, restatement, renewal, extension, supplement or replacement expanding the scope of any such restriction or condition); provided that such agreement was not entered into in contemplation of such Person becoming a Subsidiary and each such prohibition or limitation does not apply to Borrower or any other Subsidiary (other than such Person and any other Person that is a Subsidiary of such first Person at the time such first Person becomes a Subsidiary);

(m) prohibitions or limitations imposed by any Loan Document entered into after the Tranche A Closing Date consistent with past practices;

(n) customary provisions set forth in joint venture agreements or agreements governing minority investments that are not otherwise prohibited under this Agreement or any other Loan Document, if and only to the extent each such prohibition or limitation applies only to the joint venture entity or minority investment that is the subject of such agreement;

(o) limitations imposed with respect to any license acquired in a Permitted Acquisition;

(p) customary provisions restricting assignments or other transfer of properties or assets subject thereto set forth in any agreement entered into in the ordinary course of business consistent with past practices, if and only to the extent each such restriction applies only to the properties or assets subject to such agreement;

(q) prohibitions or limitations imposed by any agreement evidencing any Permitted Indebtedness of the type described in clause (c) of the definition of Permitted Indebtedness; and

(r) prohibitions or limitations imposed by any amendments, modifications, restatements, renewals, extensions, supplements or replacements of any of the agreements referred to in clauses (a) through (q) above, except to the extent that any such amendment, modification, restatement, renewal, extension, supplement or replacement expands the scope of any such prohibition or limitation.

"**Permitted Subsidiary Distribution Restrictions**" means, in each case notwithstanding Section 6.8:

(a) prohibitions or limitations with regard to specific properties or assets encumbered by Permitted Liens, if and only to the extent each such prohibition or limitation applies only to such properties or assets;

(b) prohibitions or limitations set forth in any lease, license or other similar agreement entered into in the ordinary course of business;

(c) prohibitions or limitations relating to Permitted Indebtedness, in each case if and only to the extent such prohibitions or limitations, taken as a whole, are not materially more restrictive than the prohibitions and limitations set forth in this Agreement and the other Loan Documents, taken as a whole (as reasonably determined by a Responsible Officer of Borrower in good faith);

(d) customary provisions restricting assignments, subletting, sublicensing or other transfer of properties or assets subject thereto set forth in leases, subleases, licenses (including Permitted Licenses) and other similar agreements that are not otherwise prohibited under this Agreement or any other Loan Document, if and only to the extent each such restriction applies only to the properties or assets subject to such leases, subleases, licenses or agreements, and customary provisions restricting assignment, pledges or transfer of any agreement entered into in the ordinary course of business consistent with past practice;

(e) prohibitions or limitations on the transfer or assignment of any properties, assets or Equity Interests set forth in any agreement entered into in the ordinary course of business consistent with past practice that is not otherwise prohibited under this Agreement or any other Loan Document, if and only to the extent each such prohibition or limitation applies only to such properties, assets or Equity Interests;

(f) prohibitions or limitations imposed by Requirements of Law;

(g) prohibitions or limitations that exist as of the Effective Date under Indebtedness existing on the Effective Date;

(h) customary prohibitions or limitations arising in connection with any Permitted Transfer or contained in any agreement relating to any Permitted Transfer pending the consummation of such Permitted Transfer;

(i) customary provisions in shareholders' agreements, joint venture agreements, organizational documents or similar binding agreements relating to, or any agreement evidencing Indebtedness of, any joint venture entity or non-Wholly Owned Subsidiary and applicable solely to such joint venture entity or non-Wholly Owned Subsidiary and the Equity Interests issued thereby;

(j) customary net worth provisions set forth in real property leases entered into by Subsidiaries of Borrower, so long as such net worth provisions could not reasonably be expected to impair the ability of Borrower or its Subsidiaries to meet their ongoing obligations (as reasonably determined by a Responsible Officer of Borrower in good faith);

(k) customary net worth provisions set forth in customer agreements entered into in the ordinary course of business consistent with past practice that are not otherwise prohibited under this Agreement or any other Loan Document, so long as such net worth provisions could not reasonably be expected to impair the ability of Borrower or its Subsidiaries to meet their ongoing obligations (as reasonably determined by a Responsible Officer of Borrower in good faith);

(l) restrictions on cash or other deposits (including escrowed funds) imposed by agreements entered into in the ordinary course of business consistent with past practice that are not otherwise prohibited under this Agreement or any other Loan Document;

(m) prohibitions or limitations set forth in any agreement in effect at the time any Person becomes a Subsidiary (but not any amendment, modification, restatement, renewal, extension, supplement or replacement expanding the scope of any such restriction or condition); provided that such agreement was not entered into in contemplation of such Person becoming a Subsidiary and each such prohibition or limitation does not apply to Borrower or any other Subsidiary (other than such Person and any other Person that is a Subsidiary of such first Person at the time such first Person becomes a Subsidiary);

(n) prohibitions or limitations imposed by any Loan Document entered into after the Tranche A Closing Date;

(o) customary provisions set forth in joint venture agreements or agreements governing minority investments that are not otherwise prohibited under this Agreement or any other Loan Document, if and only to the extent each such prohibition or limitation applies only to the joint venture entity or minority investment that is the subject of such agreement;

(p) customary provisions restricting assignments or other transfer of properties or assets subject thereto set forth in any agreement entered into in the ordinary course of business consistent with past practice, if and only to the extent each such restriction applies only to the properties or assets subject to such agreement;

(q) prohibitions or limitations imposed by any agreement evidencing any Permitted Indebtedness of the type described in clause (c) of the definition of Permitted Indebtedness; and

(r) prohibitions or limitations imposed by any amendments, modifications, restatements, renewals, extensions, supplements or replacements of any of the agreements referred to in clauses (a) through (r) above, except to the extent that any such amendment, modification, restatement, renewal, extension, supplement or replacement expands the scope of any such prohibition or limitation.

"**Permitted Transaction**" is defined in Section 2.2(c)(iii).

"**Permitted Transfers**" means:

(a) Transfers of any properties or assets that do not constitute Collateral under the Loan Documents, other than any Company IP that does not constitute Collateral under the Loan Documents but is necessary and material to any aspect of the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, offer for sale, distribution or sale of the Product in the Territory;

(b) Transfers of Inventory in the ordinary course of business;

(c) Transfers of surplus, damaged, worn out or obsolete equipment or immaterial property or assets that are, in the reasonable judgment of a Responsible Officer of Borrower exercised in good faith, no longer economically practicable to maintain or useful in the ordinary course of business, and Transfers of other properties or assets in lieu of any pending or threatened institution of any proceedings for the condemnation or seizure of such properties or assets or for the exercise of any right of eminent domain;

(d) Transfers made in connection with, or constituting, Permitted Liens, Permitted Acquisitions or Permitted Investments;

(e) Transfers of cash and Cash Equivalents in the ordinary course of business for equivalent value and in a manner that is not prohibited under this Agreement or the other Loan Documents;

(f) Transfers: (i) between or among Credit Parties, provided that, with respect to any properties or assets constituting Collateral under the Loan Documents, any and all steps as may be required to be taken in order to create and maintain a first priority security interest in and Lien upon such properties and assets in favor of the Collateral Agent for the benefit of Lenders and the other Secured Parties, including as required pursuant to Section 5.12, are taken contemporaneously with the completion of any such Transfer; (ii) between or among non-Credit Parties; or (iii) to a non-Credit Party, so long as such Transfer (x) is on arm's length terms, (y) constitutes an Investment or Transfer that is otherwise permitted hereunder and (z) does not include or otherwise involve the transfer of any Current Company IP;

(g) the sale or issuance of Equity Interests of any Subsidiary of Parent to any Credit Party or Subsidiary, provided, that, any such sale or issuance by a Credit Party shall be to another Credit Party;

(h) the discount without recourse or sale or other disposition of unpaid and overdue accounts receivable arising in the ordinary course of business in connection with the compromise, collection or settlement thereof and not part of a financing transaction;

(i) Transfers by Parent or any of its Subsidiaries pursuant to any Permitted License;

(j) (A) intercompany licenses or grants of rights of distribution, co-promotion or similar commercial rights: (i) between or among the Credit Parties; (ii) between or among the Credit Parties and Subsidiaries that are not Credit Parties and, in the case of any such licenses or grant of rights that relates to any aspect of the research, development, manufacture, production, use, commercialization, marketing, importing, storage, transport, packaging, labeling, promotion, advertising, offer for sale, distribution or sale of any Product within the Territory entered into prior to the Effective Date, listed on Schedule 13.7 of the Disclosure Letter; and (iii) between or among Subsidiaries that are not Credit Parties, and (B) Distribution Agreements between or among Borrower and any of its Subsidiaries, in each case together with renewals, replacements and extensions thereof (including additional licenses or grants in relation to new territories) on comparable terms in the ordinary course of business;

(k) any involuntary loss, damage or destruction of property or any involuntary condemnation, seizure or taking, by exercise of the power of eminent domain or otherwise, or confiscation or requisition of use of property;

(l) licenses, sublicenses, leases or subleases, in each case other than relating to any Company IP, granted to third parties in the ordinary course of business;

(m) the abandonment disclaimer, forfeiture, dedication to the public, or other disposition of any Intellectual Property (including, for clarity, any Company IP) that is, in the reasonable judgment of a Responsible Officer of Borrower exercised in good faith, (i) not material to any aspect of the research, development, manufacture, production, use (by any Credit Party or its Subsidiaries), commercialization, marketing, importing, storage, transport, packaging, labelling, promotion, advertising, offer for sale, distribution or sale of any Product in the Territory, (ii) expiring in accordance with its statutory term or (iii) no longer economically practicable or commercially desirable to maintain, or used or useful in any material respect in any Product line of business of Parent and its Subsidiaries, in each case, could not reasonably be expected to be adverse to the rights, remedies and benefits available to, or conferred upon, the Collateral Agent or any Lender under any Loan Document in any material respect;

(n) any involuntary disposition or any sale, lease, license or other disposition of property (other than, for the avoidance of doubt, any Company IP or Covered Regulatory Materials) in settlement of, or to make payment in satisfaction of, any property or casualty insurance;

(o) sales, leases, licenses, transfers or other dispositions of property to the extent that (i) such property is exchanged for credit against the purchase price of similar replacement property or (ii) the proceeds of such sale, lease, license, transfer or other disposition are promptly applied to the purchase price of similar replacement property;

(p) other Transfers on commercially reasonable arm's length terms (i) made in the ordinary course of business or (ii) that otherwise do not interfere with or impede the ability of Borrower or any Subsidiary of Borrower to conduct the research, development, manufacture, production, use, commercialization, marketing, importing,

storage, transport, offer for sale, distribution or sale of any Product in the Territory or enforce its rights with respect to any of the foregoing within the Territory on commercially reasonable arm's length terms;

(q) any early unwind, settlement or termination of any Permitted Equity Derivative in connection with a Permitted Transaction;

(r) other Transfers of properties or assets, in each case so long as (i) the fair market value of such properties or assets (as reasonably determined in good faith by a Responsible Officer of Borrower) does not exceed, individually or together with any other such Transfers under this clause (r), $5,000,000 at any time and (ii) such Transfer is not otherwise prohibited hereunder;

(s) Transfers by Borrower or any of its Subsidiaries of any of its priority review vouchers; and

(t) subject to clause (a) above, other Transfers of properties or assets not constituting Collateral (including, for clarity, Intellectual Property or Equity Interests which do not constitute Collateral) made on arms' length terms.

"**Person**" means any individual, sole proprietorship, partnership, limited liability company, joint venture, company, trust, unincorporated organization, association, corporation, exempted company, institution, public benefit corporation, firm, joint stock company, estate, entity or government agency.

"**Personal Data**" means information protected under applicable Data Protection Laws as "personal data," "personal information," "personally identifiable information," "protected health information," "medical information," "health information," "sensitive information," "individually identifiable health information," "identifiable private information," "bulk sensitive personal data," "United States government-related data," or any similar terms under applicable Data Protection Laws, including customer, consumer, patient, clinical trial participant and employee information collected, created, received, maintained, stored, transmitted, or otherwise processed by or for Borrower or any of its Subsidiaries.

"**Personal Data Breach**" is defined in Section 4.22(b).

"**PIPA**" means the Personal Information Protection Act 2016 of Bermuda, as amended by the Personal Information Protection Amendment Act 2023, and any regulations or guidance documents promulgated thereunder, as amended from time to time.

"**Plan**" means any employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the IRC or Section 302 of ERISA which is maintained or contributed to by Borrower or its Subsidiaries or their respective ERISA Affiliates or with respect to which Borrower or its Subsidiaries have any liability (including under Section 4069 of ERISA).

"**Prepayment Premium**" means the Tranche A Prepayment Premium or the Tranche B Prepayment Premium (as applicable) or the combination thereof, as the context dictates.

"**Private Third Party Payor Programs**" means all U.S. third party payor programs in which any Credit Party or its Subsidiaries participates, including Managed Care Plans, or any other private insurance programs, and foreign equivalents, but excluding all Governmental Payor Programs.

"**Product**" means, collectively: (a)(i) the ASSURE® WCD (wearable cardioverter defibrillator) (and foreign-named equivalents), including the product approved by FDA under PMA P200037 and all supplements thereto, and any predecessor thereto; and (ii) any other medical device or associated platform, whether in development or approved (including any instruments, devices, tests, components, software, programs, systems and platforms or companion diagnostics), such as the Cardiac Recovery System platform, and any predecessor thereto owned, controlled, acquired, researched, tested, developed, manufactured, produced, commercialized, marketed, offered for sale or lease, distributed, sold, leased, or out-licensed by any Credit Party or any of its Subsidiaries that comprises or contains the Assure® system, components thereof (including the SensorFit Garment, monitor, battery, therapy cable

(including therapy pads, hub, alert button, and cable), charger, or carry pack), associated integrated digital solutions and services (including the ASSURE patient application, Kestra CareStation remote patient data platform, Heart Alert services, ASSURE Assist services, and the ASSURE wearable ECG) or other ancillary products, in any form, configuration, model, or version, for any indication (collectively, the "**Assure System**"); and (iii) any successor product(s) of the foregoing sub-clause (i) and (ii), in any form, configuration, model, or version, under development or hereinafter developed, including in conjunction with out-licensing partners, and owned, controlled, acquired, researched, tested, developed, manufactured, produced, commercialized, marketed, offered for sale or lease, distributed, sold, leased, or out-licensed by any Credit Party or any of its Subsidiaries, for use in one or more of the same indications for which the Assure System is in development or has been developed or approved (collectively, an "**Assure System Successor Product**"); in each case of sub-clauses (i)-(iii) above, whether alone or in combination with another product and in any therapeutic system or treatment regimen, and in any physical state, technical method, target area, product code, or device class; (b) any product (including any instruments, devices, tests, components, software, programs, systems and platforms, and companion diagnostics), whether or not regulated under FDA Laws, made available by any Credit Party or any of its Subsidiaries for use with any product described under clause (a) above; and (c) any current or future device or system subject to any product development and commercialization activities by any Credit Party or any of its Subsidiaries.

"**Registered Organization**" means any "registered organization" as defined in the Code with such additions to such term as may hereafter be made.

"**Regulatory Agency**" means a U.S. or foreign Governmental Authority with responsibility for the approval of the marketing and sale or lease of medical devices or other regulation of medical devices, or otherwise having authority to regulate any Product.

"**Regulatory Approvals or Licensures**" means all U.S., EU, and any other foreign approvals, authorizations, designations, licensures or clearances and any product or establishment licenses, registrations or authorizations of any Regulatory Agency necessary for the manufacture, use, storage, import, export, transport, offer for sale or lease, or distribution (including for investigational use) or sale or lease of any Product.

"**Regulatory Submission Material**" means all regulatory filings, submissions, approvals, licensures, and authorizations related to any research, development, manufacture, production, use, commercialization, post-approval (or post-licensure, post-authorization, or post-clearance, as applicable) monitoring and reporting (including post-marketing safety reports), marketing, importing, storage, transport, offer for sale or lease, distribution (including for investigational use) or sale or lease of the Product in the Territory, including all data and information provided in, and used to develop, any of the foregoing.

"**Related Parties**" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's Affiliates.

"**Release**" means any release, spill, emission, leaking, pumping, pouring, injection, escaping, deposit, disposal, discharge, dispersal, dumping, leaching or migration of any Hazardous Material into the indoor or outdoor environment (including the abandonment or disposal of any barrels, containers or other closed receptacles containing any Hazardous Material), including the movement of any Hazardous Material through the air, soil, surface water or groundwater.

"**Relevant Governmental Body**" means the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto.

"**Required Lenders**" means Lenders representing greater than fifty percent (50%) of the principal amount of the Term Loans outstanding as of such date.

"**Requirements of Law**" means, as to any Person, the organizational or governing documents of such Person, and any law (statutory or common, foreign or domestic), treaty, order, policy, rule or regulation or determination of

an arbitrator or a court or other Governmental Authority (including Environmental Laws, Health Care Laws, Data Protection Laws, FDA Laws, EU Laws, and all other applicable statutes, rules, regulations, standards, guidelines, policies and orders administered or issued by any foreign Governmental Authority), in each case, applicable to and binding upon such Person or any of its assets or properties or to which such Person or any of its assets or properties are subject, including, with respect to Borrower, the rules or requirements of any applicable U.S. national securities exchange applicable to Borrower or any of its Equity Interests.

"**Responsible Officers**" means, with respect to any Credit Party or any of its Subsidiaries, collectively, each of the President and Chief Executive Officer, Chief Administrative Officer and General Counsel, Chief Financial Officer, Chief Commercial Officer, Chief Business Officer, Senior Vice President, Operations, Chief Information Officer, Vice President, Quality Assurance and Regulatory Affairs, Vice President, Revenue Cycle, Vice President, Finance, Vice President, Financial Planning and Analysis, Securities Counsel, Director and any other duly appointed officer of such Credit Party or, in each case, if none, of Parent. For the avoidance of doubt, "Responsible Officers" also includes all individuals serving as the security official or privacy official required to be designated under HIPAA, with respect to any Credit Party or any of its Subsidiaries, as applicable.

"**Restricted License**" means any material license or other material agreement of the kind or nature subject or purported to be subject from time to time to a Lien under any Collateral Document, with respect to which a Credit Party is the licensee and pursuant to which such Credit Party in-licenses any of the Company IP that is necessary or otherwise material for any aspect of the research, development, manufacture, production, use, commercialization, marketing, importing, storage transport, packaging, labeling, promotion, advertising, offer for sale, distribution or sale of the Product in the Territory, (a) that prohibits or otherwise restricts such Credit Party from granting a security interest in its interest therein to the Collateral Agent, for the benefit of Lenders and the other Secured Parties (other than as a result of customary anti-assignment provisions) in a manner enforceable under Requirements of Law, or (b) for which a breach of or default thereunder remains uncured and could reasonably be expected to materially interfere with the Collateral Agent's or any Lender's right to sell or otherwise dispose of any Collateral (other than the license or agreement itself). For the avoidance of doubt, software, open source code, application programming interfaces or trademarks, copyrights or patents of others that are commercially available to the public under the shrinkwrap licenses, clickwrap licenses, online terms of service or other terms of use or similar agreements and intellectual property rights of customers used by Borrower in the course of providing service to third parties in the ordinary course of business shall not constitute a Restricted License.

"**Restricted Payments**" is defined in Section 6.8(a).

"**Sanctioned Country**" means, at any time, a country or territory which is itself the subject or target of comprehensive Sanctions (including Cuba, Iran, North Korea, Crimea, the so-called Donetsk People's Republic and so-called Luhansk People's Republic, Kherson, Zaporizhzhia and other regions of Ukraine that are the subject or target of comprehensive Sanctions).

"**Sanctions**" is defined in Section 4.18(c).

"**SEC**" means the Securities and Exchange Commission and any analogous Governmental Authority.

"**Secretary's Certificate**" means, with respect to any Person, a certificate of such Person executed by its Secretary, authorized signatory or director certifying as to the various matters set forth therein.

"**Section 5 of the FTC Act**" means the Section 5(a) of the U.S. Federal Trade Commission Act (15 U.S.C. § 45), which prohibits unfair and deceptive acts or practices in or affecting commerce and serves as the primary basis for U.S. Federal Trade Commission authority on privacy and security.

"**Secured Parties**" means each Lender, each other Indemnified Person and each other holder of any Obligation of a Credit Party.

"**Securities Account**" means any "securities account" as defined in the Code with such additions to such term as may hereafter be made.

"**Security Agreement**" means the Guaranty and Security Agreement, dated as of the Tranche A Closing Date, by and among the Credit Parties and the Collateral Agent, in form and substance substantially similar to Exhibit C attached hereto or in such form or substance as the Credit Parties and the Collateral Agent may otherwise agree.

"**Security Incidents**" is defined in Section 4.22(b).

"**Security Program**" is defined in Section 4.22(b).

"**Sensitive Information**" means, collectively, (a) any Personal Data that is subject to any Data Protection Law(s), (b) any confidential or proprietary information in which Parent or any of its Subsidiaries have IP Ancillary Rights or any other Intellectual Property rights (including Company IP), (c) any information with respect to which Parent or any of its Subsidiaries have contractual non-disclosure obligations, and (d) Regulatory Submission Materials.

"**SOFR**" means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

"**SOFR Administrator**" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"**Software**" is defined in the definition of "Intellectual Property".

"**Solvent**" means as of any date of determination, that, as of such date, (a) the value of the assets (including goodwill minus disposition costs) of such Person (both at fair value and present fair saleable value), on a going concern basis, is greater than the total amount of liabilities (including contingent and unliquidated liabilities) of such Person, (b) such Person is able to generally pay all liabilities (including trade debt) of such Person as such liabilities become absolute and mature in the ordinary course of business consistent with past practice and (c) such Person does not have unreasonably small capital after giving due consideration to the prevailing practice in the industry in which it is engaged or will be engaged. In computing the amount of contingent or unliquidated liabilities at any time, such liabilities shall be computed at the amount that, in light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

"**SSA**" means the Social Security Act of 1935, codified at Title 42, Chapter 7, of the United States Code.

"**Stock Acquisition**" means the purchase or other acquisition by Borrower or any of its Subsidiaries of (or resulting in the ownership of) any Equity Interests (by merger, stock or share purchase or otherwise) in any other Person.

"**Subordinated Debt**" means any Indebtedness in the form of or otherwise constituting term debt incurred by any Credit Party or any Subsidiary thereof (including any Indebtedness incurred in connection with any Acquisition or other Investment) that: (a) is subordinated in right of payment to the Obligations at all times until all of the Obligations have been paid, performed or discharged in full and Borrower has no further right to obtain any Credit Extension hereunder, pursuant to a subordination, intercreditor or other similar agreement that is in form and substance reasonably satisfactory to the Collateral Agent (which agreement shall include turnover provisions that are reasonably satisfactory to the Collateral Agent); (b) except as permitted by clause (d) below, is not subject to scheduled amortization, redemption (mandatory), sinking fund or similar payment and does not have a final maturity, in each case, before a date that is at least 180 days following the Term Loan Maturity Date; (c) does not include covenants (including financial covenants) and agreements (excluding agreements with respect to maturity, amortization, pricing and other economic terms) that, taken as a whole, are more restrictive or onerous on the Credit Parties in any material respect than the comparable covenants and agreements, taken as a whole, in the Loan Documents (as reasonably determined by a Responsible Officer of such Credit Party in good faith); (d) is not subject to repayment or prepayment, including pursuant to a put option exercisable by the holder of any such Indebtedness, prior to a date that is at least 180 days following the final maturity thereof except in the case of an event of default, change of control or asset sale (or, in each case, the equivalent thereof, however described); and (e) does not provide or otherwise include provisions having the effect of providing that a default or event of default (or the equivalent thereof, however described) under or in respect of such Indebtedness shall exist, or such Indebtedness shall otherwise become due prior to its scheduled

maturity or the holder or holders thereof or any trustee or agent on its or their behalf shall be permitted (with or without the giving of notice, the lapse of time or both) to cause any such Indebtedness to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity, in any such case upon the occurrence of a Default or Event of Default hereunder unless and until the Obligations have been declared, or have otherwise automatically become, immediately due and payable pursuant to Section 8.1(a). Notwithstanding the foregoing, Permitted Convertible Indebtedness entered into after the Tranche A Closing Date shall not constitute Subordinated Debt.

"**Subsidiary**" means a corporation, partnership, limited liability company or other entity of which more than fifty percent (50.0%) of whose shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the Board of Directors (or similar body) of such corporation, partnership or other entity are at the time owned, directly or indirectly through one or more intermediaries, or both, by such Person. Unless the context otherwise requires, each reference to a Subsidiary herein shall be a reference to a Subsidiary of a Credit Party.

"**Systems**" is defined in Section 4.22(a).

"**Tax**" means any present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"**Tax Distributions**" means, for any taxable period in which any Borrower or any of such Borrower's respective Subsidiaries are members of a consolidated, combined or similar income tax group for federal and/or applicable state or local income tax purposes or are entities treated as disregarded from any such members for U.S. federal income tax purposes (a "**Tax Group**") of which Borrower (or any direct or indirect parent company of Borrower) is the common parent, payments, directly or indirectly, to Borrower (or any direct or indirect parent company of Borrower) to permit Borrower (or any direct or indirect parent company thereof) to pay any consolidated, combined or similar income Taxes of such Tax Group that are due and payable by Borrower (or such direct or indirect parent company) for such taxable period in an amount not to exceed the amount of any U.S. federal, state or local income taxes that Borrower and/or its Subsidiaries, as applicable, would have paid for such taxable period had Borrower and/or its Subsidiaries, as applicable, been a stand-alone corporate taxpayer or a stand-alone corporate group.

"**Term Loan**" means each of the Tranche A Loan, the Tranche B Loan, the Tranche C Loan or the Tranche D Loan, as applicable, and "**Term Loans**" means, collectively, the Tranche A Loan, and, to the extent funded, the Tranche B Loan, the Tranche C Loan and the Tranche D Loan.

"**Term Loan Commitment**" means, each of the Tranche A Commitment, the Tranche B Commitment, the Tranche C Commitment or the Tranche D Commitment, as applicable, and "**Term Loan Commitments**" means, collectively, the Tranche A Commitment, the Tranche B Commitment, the Tranche C Commitment and the Tranche D Commitment.

"**Term Loan Maturity Date**" means the 5th-year anniversary of the Tranche A Closing Date.

"**Term Loan Note**" means each Tranche A Note, the Tranche B Note, Tranche C Note or Tranche D Note, as applicable, and "**Term Loan Notes**" means collectively, the Tranche A Notes, the Tranche B Notes, the Tranche C Notes and the Tranche D Notes.

"**Term Loan Rate**" is defined in Section 2.3(a)(i).

"**Term SOFR**" means, for any day in any calendar month, the Term SOFR Reference Rate for a tenor of three (3) months to the applicable Interest Period on the day (such day, the "**Periodic Term SOFR Determination Day**") that is two (2) U.S. Government Securities Business Days' prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been

published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day; provided, further, that if Term SOFR determined as provided above (including pursuant to the proviso above) shall ever be less than the Floor, then Term SOFR shall be deemed to be the Floor.

"**Term SOFR Administrator**" means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Collateral Agent in its reasonable discretion).

"**Term SOFR Reference Rate**" means the forward-looking term rate based on SOFR.

"**Territory**" means the United States and the European Union.

"**Third-Party IP**" is defined in Section 4.6(l).

"**Third-Party Regulatory Materials**" is defined in Section 4.20(a)(iii).

"**Trademarks**" means (a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, service marks, elements of package or trade dress of goods or services, logos and other source or business identifiers, together with the goodwill associated therewith, including all registrations and recordings thereof, and all applications in connection therewith, in the United States Patent and Trademark Office or in any similar office or agency of the United States or any state thereof or in any similar office or agency anywhere in the world in which foreign counterparts are registered or issued, and (b) all renewals thereof.

"**Tranche A Additional Consideration**" is defined in Section 2.7(a)(i).

"**Tranche A Closing Date**" means the date on which the Tranche A Loan is advanced by Lenders, which, as indicated in the completed Advance Request Form in the form of Exhibit A hereto for the Tranche A Loan delivered (or deemed to have been delivered) by Borrower to the Collateral Agent and subject to the satisfaction of the conditions precedent to the Tranche A Loan set forth in Section 3.1, Section 3.5, Section 3.6 and Section 3.7, shall be the Effective Date.

"**Tranche A Commitment**" means, with respect to any Lender, the commitment of such Lender to make the Credit Extensions relating to the Tranche A Loan on the Tranche A Closing Date in the aggregate principal amount set forth opposite such Lender's name on Exhibit D attached hereto.

"**Tranche A Exit Consideration**" means, with respect to any prepayment or repayment of the Tranche A Loan by Borrower pursuant to Section 2.2(c) or as a result of the acceleration of the maturity of the Tranche A Loan pursuant to Section 8.1(a), or any repayment of the Tranche A Loan by Borrower pursuant to Section 2.2(b) or otherwise (excluding, for the avoidance of doubt, any repayment of the Term Loans by Borrower pursuant to Section 2.2(b) other than on the Term Loan Maturity Date), an amount equal to the product of (a) the amount of principal so prepaid or repaid (including for the avoidance of doubt, any principal previously repaid through amortization payments under Section 2.2(b)) and payable in a single lump sum payment, *multiplied* by (b) 0.0275.

"**Tranche A Loan**" is defined in Section 2.2(a)(i). For the avoidance of doubt, the Tranche A Loan includes the original principal amount thereof.

"**Tranche A Loan Amount**" means an original principal amount equal to Seventy-Five Million Dollars ($75,000,000.00).

"**Tranche A Makewhole Amount**" means, as of the date of any prepayment of the Tranche A Loan occurring prior to the 2nd-year anniversary of the Tranche A Closing Date, pursuant to Section 2.2(c) or as a result of the acceleration of the maturity of the Term Loans pursuant to Section 8.1(a), an amount equal to the sum of all interest that would have accrued and been payable from such date of prepayment through the 2nd-year anniversary of the Tranche A Closing Date on the amount of principal prepaid. For purposes of calculating the Tranche A Makewhole Amount: (a) the date of determination shall be such date of prepayment, using the interest rate as in effect on such date, provided, that, for purposes of any such prepayment pursuant to Section 2.2(c)(ii), the date of determination shall be the date on which the Change in Control is consummated; and (b) the Default Rate shall not apply to any interest that would have accrued and been payable from and after such date of determination.

"**Tranche A Note**" means a promissory note in substantially the form attached hereto as Exhibit B-1, as it may be amended, restated, supplemented or otherwise modified from time to time.

"**Tranche A Prepayment Premium**" means, with respect to any prepayment of the Tranche A Loan by Borrower pursuant to Section 2.2(c), or as a result of the acceleration of the maturity of the Term Loans pursuant to Section 8.1(a), an amount equal to the product of the amount of any principal so prepaid, *multiplied by*:

(a) if such prepayment occurs prior to the 3rd-year anniversary of the Tranche A Closing Date, 0.03;

(b) if such prepayment occurs on or after the 3rd-year anniversary of the Tranche A Closing Date but prior to the 4th-year anniversary of the Tranche A Closing Date, 0.02; and

(c) if such prepayment occurs on or after the 4th-year anniversary of the Tranche A Closing Date but prior to the Term Loan Maturity Date, 0.01.

For the avoidance of doubt, no Tranche A Prepayment Premium shall be due and owing for any payment of principal of the Tranche A Loan made on the Term Loan Maturity Date.

"**Tranche B Additional Consideration**" is defined in Section 2.7(a)(ii).

"**Tranche B Closing Date**" means the date on which the Tranche B Loan is advanced by Lenders, which, subject to the satisfaction (or waiver) of the conditions precedent to the Tranche B Loan set forth in Section 3.2, Section 3.5, Section 3.6 and Section 3.7, shall be (x) no earlier than sixty (60) days following the delivery to the Collateral Agent and Lenders of the Advance Request Form in the form of Exhibit A hereto and (y) no later than September 29, 2027.

"**Tranche B Commitment**" means, with respect to any Lender, the commitment of such Lender to make the Credit Extensions relating to the Tranche B Loan on the Tranche B Closing Date in the aggregate principal amount set forth opposite such Lender's name on Exhibit D attached hereto; provided, however, that the parties hereto agree that such commitment, and any obligations of such Lender hereunder with respect thereto, shall terminate automatically without any further action by any party hereto and be of no further force and effect if the Tranche B Closing Date does not occur on or before September 29, 2027 (in which case, from and after such time for purposes of this Agreement, such Lender's Tranche B Commitment equals zero).

"**Tranche B Exit Consideration**" means, with respect to any prepayment or repayment of the Tranche B Loan by Borrower pursuant to Section 2.2(c) or as a result of the acceleration of the maturity of the Tranche B Loan pursuant to Section 8.1(a), or any repayment of the Tranche B Loan by Borrower pursuant to Section 2.2(b) or otherwise (excluding, for the avoidance of doubt, any repayment of the Term Loans by Borrower pursuant to Section 2.2(b) other than on the Term Loan Maturity Date), an amount equal to the product of (a) the amount of principal so prepaid or repaid (including for the avoidance of doubt, any principal previously repaid through amortization payments under Section 2.2(b)) and payable in a single lump sum payment, *multiplied* by (b) 0.0275.

"**Tranche B Loan**" is defined in Section 2.2(a)(ii). For the avoidance of doubt, the Tranche B Loan includes the original principal amount thereof.

"**Tranche B Loan Amount**" means an original principal amount equal to Twenty-Five Million Dollars ($25,000,000.00); provided, however, that if the Tranche B Closing Date does not occur on or before the date September 29, 2027, then the Tranche B Loan Amount, from and after such time for purposes of this Agreement, equals zero.

"**Tranche B Makewhole Amount**" means, as of the date of any prepayment of the Tranche B Loan occurring prior to the 2nd-year anniversary of the Tranche B Closing Date pursuant to Section 2.2(c) or as a result of the acceleration of the maturity of the Term Loans pursuant to Section 8.1(a), an amount equal to the sum of all interest that would have accrued and been payable from such date of prepayment through the 2nd-year anniversary of the Tranche B Closing Date on the amount of principal prepaid. For purposes of calculating the Tranche B Makewhole Amount: (a) the date of determination shall be such date of prepayment, using the interest rate as in effect on such date, provided, that, for purposes of any such prepayment pursuant to Section 2.2(c)(ii), the date of determination shall be the date on which the Change in Control is consummated; and (b) the Default Rate shall not apply to any interest that would have accrued and been payable from and after such date of determination.

"**Tranche B Note**" means a promissory note in substantially the form attached hereto as Exhibit B-2, as it may be amended, restated, supplemented or otherwise modified from time to time.

"**Tranche B Prepayment Premium**" means, with respect to any prepayment of the Tranche B Loan by Borrower pursuant to Section 2.2(c) or as a result of the acceleration of the maturity of the Term Loans pursuant to Section 8.1(a), an amount equal to the product of the amount of any principal so prepaid*, multiplied by*:

(a) if such prepayment occurs prior to the 3rd-year anniversary of the Tranche B Closing Date, 0.03;

(b) if such prepayment occurs on or after the 3rd-year anniversary of the Tranche B Closing Date but prior to the 4th-year anniversary of the Tranche B Closing Date, 0.02; and

(c) if such prepayment occurs on or after the 4th-year anniversary of the Tranche B Closing Date but prior to the Term Loan Maturity Date, 0.01.

For the avoidance of doubt, no Tranche B Prepayment Premium shall be due and owing for any payment of principal of the Tranche B Loan made on the Term Loan Maturity Date.

"**Tranche C Additional Consideration**" is defined in Section 2.7(a)(iii).

"**Tranche C Closing Date**" means the date on which the Tranche C Loan is advanced by Lenders, which, as indicated in the Advance Request Form in the form of Exhibit A hereto for the Tranche C Loan and subject to the satisfaction of the conditions precedent to the Tranche C Loan set forth in Section 3.3, Section 3.5, Section 3.6 and Section 3.7, shall be (x) no earlier than sixty (60) days following the delivery by Borrower to the Collateral Agent of the completed Advance Request Form for the Tranche C Loan and (y) in no event later than August 29, 2028.

"**Tranche C Commitment**" means, with respect to any Lender, the commitment of such Lender to make the Credit Extensions relating to the Tranche C Loan on the Tranche C Closing Date in the aggregate principal amount set forth opposite such Lender's name on Exhibit D attached hereto; provided, however, that the parties hereto agree that such commitment, and any obligations of such Lender hereunder with respect thereto, shall terminate automatically without any further action by any party hereto and be of no further force and effect if the Tranche C Closing Date does not occur on or before August 29, 2028 (in which case, from and after such time for purposes of this Agreement, such Lender's Tranche C Commitment equals zero).

"**Tranche C Exit Consideration**" means, with respect to any prepayment or repayment of the Tranche C Loan by Borrower pursuant to Section 2.2(c) or as a result of the acceleration of the maturity of the Tranche C Loan pursuant to Section 8.1(a), or any repayment of the Tranche C Loan by Borrower pursuant to Section 2.2(b) or otherwise (excluding, for the avoidance of doubt, any repayment of the Term Loans by Borrower pursuant to Section 2.2(b) other than on the Term Loan Maturity Date), an amount equal to the product of (a) the amount of principal so

prepaid or repaid (including for the avoidance of doubt, any principal previously repaid through amortization payments under Section 2.2(b)) and payable in a single lump sum payment, *multiplied* by (b) 0.0275.

"**Tranche C Loan**" is defined in Section 2.2(a)(iii). For the avoidance of doubt, the Tranche C Loan includes the original principal amount thereof.

"**Tranche C Loan Amount**" means an original principal amount equal to Fifty Million Dollars ($50,000,000.00); provided, however, that if the Tranche C Closing Date does not occur on or before August 29, 2028, then the Tranche C Loan Amount, from and after such time for purposes of this Agreement, equals zero.

"**Tranche C Makewhole Amount**" means, as of the date of any prepayment of the Tranche C Loan occurring prior to the 1st-year anniversary of the Tranche C Closing Date pursuant to Section 2.2(c) or as a result of the acceleration of the maturity of the Term Loans pursuant to Section 8.1(a), an amount equal to the sum of all interest that would have accrued and been payable from such date of prepayment through the 1st-year anniversary of the Tranche C Closing Date on the amount of principal prepaid. For purposes of calculating the Tranche C Makewhole Amount: (a) the date of determination shall be such date of prepayment, using the interest rate as in effect on such date, provided, that, for purposes of any such prepayment pursuant to Section 2.2(c)(ii), the date of determination shall be the date on which the Change in Control is consummated; and (b) the Default Rate shall not apply to any interest that would have accrued and been payable from and after such date of determination.

"**Tranche C Net Product Revenues Trigger**" means, with respect to the delivery of a completed Advance Request Form in the form of Exhibit A hereto for the Tranche C Loan, trailing twelve-month Net Product Revenues (with such Net Product Revenues for purposes of this definition being limited to Net Product Revenues recognized by Borrower in its financial statements as set forth herein), having equaled or exceeded $150,000,000 for the Fiscal Quarter ended immediately prior to the date of such Advance Request Form for the Tranche C Loan (and in no event later than August 29, 2028) presented in Borrower's financial statements for such Fiscal Quarter as set forth in the financial statements filed with the SEC for such Fiscal Quarter, and as certified to the Collateral Agent and Lenders by such Responsible Officer (including with respect to any portion of such Fiscal Quarter covered by financial statements filed with the SEC (if any)).

"**Tranche C Note**" means a promissory note in substantially the form attached hereto as Exhibit B-3, as it may be amended, restated, supplemented or otherwise modified from time to time.

"**Tranche C Prepayment Premium**" means, with respect to any prepayment of the Tranche C Loan by Borrower pursuant to Section 2.2(c) or as a result of the acceleration of the maturity of the Term Loans pursuant to Section 8.1(a), an amount equal to the product of the amount of any principal so prepaid*, multiplied by*:

(a) if such prepayment occurs prior to the 3rd-year anniversary of the Tranche C Closing Date, 0.03;

(b) if such prepayment occurs on or after the 3rd-year anniversary of the Tranche C Closing Date but prior to the 4th-year anniversary of the Tranche C Closing Date, 0.02; and

(c) if such prepayment occurs on or after the 4th-year anniversary of the Tranche C Closing Date but prior to the Term Loan Maturity Date, 0.01.

For the avoidance of doubt, no Tranche C Prepayment Premium shall be due and owing for any payment of principal of the Tranche C Loan made on the Term Loan Maturity Date.

"**Tranche D Additional Consideration**" is defined in Section 2.7(a)(iv).

"**Tranche D Closing Date**" means the date on which the Tranche D Loan is advanced by Lenders, which, as indicated in the Advance Request Form in the form of Exhibit A hereto for the Tranche D Loan and subject to the satisfaction of the conditions precedent to the Tranche D Loan set forth in Section 3.4, Section 3.5, Section 3.6 and Section 3.7, shall be no earlier than the date that is sixty (60) days following the delivery by Borrower to the Collateral Agent of the completed Advance Request Form for the Tranche D Loan; provided, that, the parties hereto agree that

each Lender's commitment and obligation to advance its Applicable Percentage of the Tranche D Loan Amount to Borrower on the Tranche D Closing Date and Borrower's requirement to deliver the Advance Request Form for the Tranche D Loan hereunder shall be subject to such additional terms and conditions with respect to the Tranche D Loan as are required by the Required Lenders, including any adjustments under Section 2.2(b), as applicable, in accordance with Section 3.4(f).

"**Tranche D Commitment**" means, with respect to any Lender, the commitment of such Lender to make the Credit Extensions relating to the Tranche D Loan on the Tranche D Closing Date in the aggregate principal amount set forth opposite such Lender's name on Exhibit D attached hereto; provided, however, that the parties hereto acknowledge and agree that such commitment, and any obligations of such Lender hereunder to advance its Applicable Percentage of the Tranche D Loan Amount to Borrower on the Tranche D Closing Date hereunder, shall be subject to such additional terms and conditions with respect to the Tranche D Loan as are required by the Required Lenders, including any adjustments under Section 2.2(b), as applicable, in accordance with Section 3.4(f); provided, further, that if the Required Lenders and Borrower are unable to mutually agree to any and all such additional terms and conditions, then no Lender shall be required to advance its Applicable Percentage of the Tranche D Loan Amount to Borrower pursuant to Section 3.7 or otherwise, and such commitment, and any obligations of such Lender to advance its Applicable Percentage of the Tranche D Loan Amount to Borrower, shall terminate automatically without any further action by any party hereto and be of no further force and effect (in which case, from and after such time, for purposes of this Agreement, such Lender's Tranche D Commitment equals zero).

"**Tranche D Exit Consideration**" means, with respect to any prepayment or repayment of the Tranche A Loan by Borrower pursuant to Section 2.2(c) or as a result of the acceleration of the maturity of the Tranche A Loan pursuant to Section 8.1(a), or any repayment of the Tranche A Loan by Borrower pursuant to Section 2.2(b) or otherwise (excluding, for the avoidance of doubt, any repayment of the Term Loans by Borrower pursuant to Section 2.2(b) other than on the Term Loan Maturity Date), an amount equal to the product of (a) the amount of principal so prepaid or repaid (including for the avoidance of doubt, any principal previously repaid through amortization payments under Section 2.2(b)) and payable in a single lump sum payment, *multiplied* by (b) 0.0275.

"**Tranche D Loan**" is defined in Section 2.2(a)(iv). For the avoidance of doubt, the Tranche D Loan includes the original principal amount thereof.

"**Tranche D Loan Amount**" means an original principal amount equal to up to Fifty Million Dollars ($50,000,000.00); provided, that, the parties hereto acknowledge and agree that each Lender's commitment and obligation to advance its Applicable Percentage of the Tranche D Loan Amount to Borrower on the Tranche D Closing Date hereunder shall be subject to such additional terms and conditions as are required by the Required Lenders, including any adjustments under Section 2.2(b), as applicable, in accordance with Section 3.4(f); provided, further, that if the Required Lenders and Borrower are unable to mutually agree to any and all such additional terms and conditions, then no Lender shall be required to advance its Applicable Percentage of the Tranche D Loan Amount to Borrower pursuant to Section 3.7 or otherwise, and such obligations of such Lender hereunder with respect thereto (including such Lender's Tranche D Commitment) shall terminate automatically without any further action by any party hereto and be of no further force and effect (in which case, from and after such time for purposes of this Agreement, the Tranche D Loan Amount equals zero).

"**Tranche D Makewhole Amount**" means, as of the date of any prepayment of the Tranche D Loan occurring prior to a date (if any) as mutually agreed between Borrower and Lenders, pursuant to Section 2.2(c)(iv) or as a result of the acceleration of the maturity of the Term Loans pursuant to Section 8.1(a), equal to an amount mutually agreed between Borrower and Lenders. For purposes of calculating the Tranche D Makewhole Amount: (a) the date of determination shall be such date of prepayment, using the interest rate as in effect on such date, provided, that, for purposes of any such prepayment pursuant to Section 2.2(c)(ii), the date of determination shall be the date on which the Change in Control is consummated; and (b) the Default Rate shall not apply to any interest that would have accrued and been payable from and after such date of determination.

"**Tranche D Note**" means a promissory note in substantially the form attached hereto as Exhibit B-4, as it may be amended, restated, supplemented or otherwise modified from time to time.

"**Tranche D Prepayment Premium**" means, with respect to any prepayment of the Tranche D Loan by Borrower pursuant to Section 2.2(c) or as a result of the acceleration of the maturity of the Term Loans pursuant to Section 8.1(a), an amount equal to the product of the amount of any principal so prepaid*, multiplied by*:

(a) if such prepayment occurs prior to the 3rd-year anniversary of the Tranche D Closing Date, 0.03;

(b) if such prepayment occurs on or after the 3rd-year anniversary of the Tranche D Closing Date but prior to the 4th-year anniversary of the Tranche D Closing Date, 0.02; and

(c) if such prepayment occurs on or after the 4th-year anniversary of the Tranche D Closing Date but prior to the Term Loan Maturity Date, 0.01.

For the avoidance of doubt, no Tranche D Prepayment Premium shall be due and owing for any payment of principal of the Tranche D Loan made on the Term Loan Maturity Date.

"**Transfer**" is defined in Section 6.1.

"**Treasury Regulations**" mean those regulations promulgated pursuant to the IRC.

"**TRICARE**" means, collectively, a program of medical benefits covering former and active members of the uniformed services and certain of their dependents, financed and administered by the United States Departments of Defense, Health and Human Services and Transportation, and all laws applicable to such programs.

"**Unadjusted Benchmark Replacement**" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"**United States**" or "**U.S.**" means the United States of America, its fifty (50) states, the District of Columbia, Puerto Rico and any other jurisdiction within the United States of America.

"**U.S. Government Securities Business Day**" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"**Wholly Owned Subsidiary**" means, with respect to any Person, a Subsidiary of such Person, all of the Equity Interests of which (other than directors' qualifying shares or nominee or other similar shares required pursuant to Requirements of Law) are owned by such Person or another Wholly Owned Subsidiary of such Person. Unless the context otherwise requires, each reference to a Wholly Owned Subsidiary herein shall be a reference to a Wholly Owned Subsidiary of a Credit Party.

"**Withdrawal Event**" means, as applicable, (a) any voluntary withdrawal or removal of the Product in the Territory by any Credit Party or any of its Subsidiaries, (b) the loss of marketing authorization for the Product in the Territory, (c) the receipt by any Credit Party or any of its Subsidiaries of any written notice from the FDA or any other Regulatory Agency of pending recommendation to withdraw marketing authorization for the Product in the Territory that has not been rescinded or otherwise withdrawn within sixty (60) days of the receipt thereof, or (d) the receipt by any Credit Party or any of its Subsidiaries of any written notice from the FDA or any other Regulatory Agency of final decision to withdraw marketing authorization for the Product in the Territory.

"**Withdrawal Liability**" means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

"**Withholding Agent**" is defined in Section 2.6(b).

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date.

KESTRA MEDICAL TECHNOLOGIES, INC.,
as Borrower and a Credit Party

By: /s/ Brian D. Webster
Name: Brian D. Webster
Title: President and Chief Executive Officer

KESTRA MEDICAL TECHNOLOGIES, LTD.,
as Parent

By: /s/ Brian D. Webster
Name: Brian D. Webster
Title: President and Chief Executive Officer

KESTRA MEDICAL TECHNOLOGIES SERVICES, INC.,
as a Credit Party

By: /s/ Brian D. Webster
Name: Brian D. Webster
Title: President and Chief Executive Officer

WEST AFFUM HOLDINGS DESIGNATED ACTIVITY COMPANY,
as a Credit Party

By: /s/ Brian D. Webster
Name: Brian D. Webster
Title: President and Chief Executive Officer

BIOPHARMA CREDIT PLC,
as Collateral Agent

By: Pharmakon Advisors, LP,
its Investment Manager

By: Pharmakon Management I, LLC,
its General Partner

By: /s/ Pedro Gonzalez de Cosio
Name: Pedro Gonzalez de Cosio
Title: Managing Member

BPCR LIMITED PARTNERSHIP,
as a Lender

By: Pharmakon Advisors, LP,
its Investment Manager

By: Pharmakon Management I, LLC,
its General Partner

By: /s/ Pedro Gonzalez de Cosio
Name: Pedro Gonzalez de Cosio
Title: Managing Member

BIOPHARMA CREDIT INVESTMENTS V (MASTER) LP,
as Lender

By: BioPharma Credit Investments V GP LLC,
its General Partner

By: Pharmakon Advisors, LP,
its Investment Manager

By: /s/ Pedro Gonzalez de Cosio
Name: Pedro Gonzalez de Cosio
Title: Managing Member

Exhibit 10.14

KESTRA MEDICAL TECHNOLOGIES, LTD.
DIRECTOR COMPENSATION POLICY

This Director Compensation Policy (this "Policy") of Kestra Medical Technologies, Ltd. (the "Company"), as adopted by the Board of Directors of the Company (the "Board"), effective as of March 6, 2025 (the "Effective Date"), sets forth the compensation payable to each member of the Board who is not an employee of the Company or any of its subsidiaries (each, a "Non-Employee Director") and each member of the Board who is an employee of the Company or any of its subsidiaries (each, an "Executive Director" and together with the Non-Employee Directors, the "Directors") as consideration solely for service on the Board. For the avoidance of doubt, nothing in this Policy will prohibit the Company from compensating any Director for services provided to the Company outside of such Director's service on the Board. This Policy shall become effective on the Effective Date and shall remain in effect until it is revised or rescinded by the Board in its sole discretion at any time and from time to time.

1. **General**. This Policy shall be followed in connection with all compensation paid by the Company to Directors. The terms and conditions of this Policy shall supersede any prior cash and/or equity compensation arrangements for service as a member of the Board between the Company and any of its Directors and between any subsidiary of the Company and any of its directors.

2. **Cash Compensation**.

(a) *Executive Director Annual Stipend.* Each Executive Director serving as a member of the Board shall receive an annual cash stipend of $50,000 (the "Annual Stipend") for service on the Board. Executive Directors shall not be entitled to any other cash, equity or other compensation under this Policy.

(b) *Non-Employee Director Annual Retainer.* Each Non-Employee Director serving as a member of the Board shall receive an annual cash retainer of $60,000 for service on the Board, and (ii) the non-executive chair, if any, shall receive an additional annual cash retainer of $60,000 ((i) and (ii), as applicable, the "Annual Retainer").

(c) *Committee Chair Compensation.* A Non-Employee Director shall receive the following additional annual retainers for serving as a committee chair (the "Committee Chair Compensation"):

(i) The chair of the Audit Committee shall receive an additional annual retainer of $25,000 for such service.

(ii) The chair of the Compensation Committee shall receive an additional annual retainer of $18,000 for such service.

(iii) The chair of the Governance Committee shall receive an additional annual retainer of $12,000 for such service.

(d) *Committee Member Compensation*. A Non-Employee Director, excluding the chair of the applicable committee, shall receive the following additional annual retainers for serving as a committee member (the "Committee Member Compensation"):

(i) Each member of the Audit Committee shall receive an additional annual retainer of $12,000 for such service.

(ii) Each member of the Compensation Committee shall receive an additional annual retainer of $9,000 for such service.

(iii) Each member of the Governance Committee shall receive an additional annual retainer of $6,000 for such service.

(e) *Payment Schedule and Prorated Compensation for the Annual Stipend, Annual Retainers, Committee Chair Compensation and Committee Member Compensation*. The Annual Stipend, Annual Retainer, Committee Chair Compensation and Committee Member Compensation (collectively, "Cash Compensation") for each Director shall be paid by the Company in quarterly installments in arrears within 60 days following the completion of each quarter. Such amounts shall be paid in the calendar quarter immediately following the quarter to which such amount relates. If a Director does not serve as a Director (or in the applicable positions described in Sections 2(b) or 2(c)) for an entire calendar quarter, such Director shall receive a prorated portion of the Cash Compensation otherwise payable to such Director for such calendar quarter pursuant to Sections 2(a), 2(b)and 2(c), with such prorated portion determined by multiplying such otherwise payable Cash Compensation by a fraction, the numerator of which is the number of days during which the Director serves as a Director (or in the applicable positions described in Sections 2(b) or 2(c)) during the applicable calendar quarter and the denominator of which is the number of days in the applicable calendar quarter.

3. **Equity Compensation**. Non-Employee Directors shall be granted the equity awards described below, subject to the Board's approval. The awards described below shall be granted under and shall be subject to the terms and provisions of the Kestra Medical Technologies, Ltd. 2025 Omnibus Incentive Plan or any other applicable Company equity incentive plan then-maintained by the Company (such plan, as may be amended from time to time, the "Equity Plan") and shall be granted subject to award agreements in substantially the forms approved by the Board. All applicable terms of the Equity Plan apply to this Policy as if fully set forth herein, and all equity grants hereunder are subject in all respects to the terms of the Equity Plan.

(a) *Annual Award*. Each Non-Employee Director who (i) serves on the Board as of the date of any annual meeting of the Company's stockholders (an "Annual Meeting") and (ii) will continue to serve as a Non-Employee Director immediately following such Annual Meeting shall be granted, subject to the Board's approval, on the date of such Annual Meeting, an award of Restricted Stock Units (as defined in the Equity Plan, "RSUs") pursuant to the Equity Plan with a grant date value equal to approximately $185,000.

(b) *Additional Terms of Awards*. Each award will be granted under and subject to the terms and conditions of the Equity Plan and the applicable form of award agreement (if any) previously approved by the Board. The Board may change or otherwise revise the terms of awards to be granted in the future pursuant to this Policy in its discretion.

4. **Expense Reimbursement**. All Directors will be eligible to be reimbursed for reasonable out-of-pocket expenses incurred to attend meetings of the Board or committees thereof or otherwise performing duties consistent with service on the Board in accordance with the Company's expense reimbursement policy, subject to the provision by the applicable Director of documentation evidencing such expenses in a form reasonably satisfactory to the Company.

5. **Section 409A**. In no event will cash compensation or expense reimbursement payments under this Policy be paid after the later of (a) the 15th day of the third month following the end of the Company's taxable year in which the compensation is earned or expenses are incurred, as applicable, or (b) the 15th day of the third month following the end of the calendar year in which the compensation is earned or expenses are incurred, as applicable, in compliance with the "short-term deferral" exception under Section 409A. It is the intent of this Policy that this Policy and all payments hereunder be exempt from or otherwise comply with the requirements of Section 409A so that none of the compensation to be provided hereunder will be subject to the additional tax imposed under Section 409A, and any ambiguities or ambiguous terms herein will be interpreted to be so exempt or comply. In no event will the Company have any responsibility, liability, or obligation to reimburse, indemnify, or hold harmless a Director (or any other person) for any taxes imposed, or other costs incurred, as a result of Section 409A.

6. **Insider Trading**. All Directors are subject to the Company's Insider Trading Policy.

Exhibit 23

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No. 333-294825) and Form S-8 (Nos. 333-285652 and 333-294390) of Kestra Medical Technologies, Ltd. of our report dated July 14, 2026 relating to the financial statements which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP

Irvine, California
July 14, 2026

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Brian Webster, certify that:

1. I have reviewed this Annual Report on Form 10-K of Kestra Medical Technologies, Ltd.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 14, 2026 By: /s/ Brian Webster

Brian Webster
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Vaseem Mahboob, certify that:

1. I have reviewed this Annual Report on Form 10-K of Kestra Medical Technologies, Ltd.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 14, 2026

By: /s/ Vaseem Mahboob
Vaseem Mahboob
Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Kestra Medical Technologies, Ltd. (the "Company") on Form 10-K for the period ending April 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: July 14, 2026

By: /s/ Brian Webster

Brian Webster
President and Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Kestra Medical Technologies, Ltd. (the "Company") on Form 10-K for the period ending April 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: July 14, 2026

By: /s/ Vaseem Mahboob

Vaseem Mahboob
Chief Financial Officer