



Share Dealing and Exercise of Options

Dec 23, 2021

LONDON, U.K. AND DALLAS, TX, U.S. Spectral MD Holdings, Ltd. (AIM: SMD), a predictive analytics company that develops proprietary AI algorithms and optical technology for faster and more accurate treatment decisions in wound care, announces the exercise of options by an employee of the Company.

An employee has exercised options over 20,000 shares of common stock of US\$0.001 each in the Company ("Common Stock") with an exercise price of \$0.21 per Share. Accordingly the employee will be issued 20,000 shares of Common Stock in the Company.

The Shares will be restricted securities as defined in Rule 144 of the US Securities Act of 1933 and have been issued pursuant to an exemption from registration under Section 904 of Regulation S under the US Securities Act of 1933, as amended.

The Company will apply for 20,000 Shares to be admitted to trading on AIM, with admission expected to take place at 8:00 a.m. on or around 31 December 2021 ("Admission"). The Shares will rank pari passu in all respects with the Common Stock. There is no Common Stock held in treasury.

Following Admission, the total number of shares of Common Stock in issue will be 136,097,064, with one voting right per share of Common Stock. Therefore, the total number of voting rights in the Company will be 136,097,064

Consequently, the above figure may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the Company's Certificate of Incorporation.

Spectral MD Holdings, Ltd.

Wensheng Fan, Chief Executive Officer

Nils Windler, Chief Financial Officer

SP Angel Corporate Finance LLP (NOMAD and Joint Broker)

Stuart Gledhill/Caroline Rowe (Corporate Finance)/Vadim Alexandre/Rob Rees (Sales & Broking)

Stifel Nicolaus Europe Limited (Joint Broker)

Charles Hoare / Ben Maddison / Nick Harland /Will Palmer-Brown

Walbrook PR Ltd (Media & Investor Relations)

Paul McManus / Louis Ashe-Jepson

Alice Woodings

investors.spectralmd.com

via Walbrook PR

Tel: [+44 \(0\)20 3470 0470](tel:+442034700470)

Tel: [+44 \(0\)20 7710 7600](tel:+442077107600)

Tel: [+44 \(0\)20 7933](tel:+442079338780)

[8780](tel:+442079338780) or spectralMD@walbrookpr.com

Mob: [+44 \(0\)7980 541 893](tel:+44207980541893) / [+44 \(0\)7747 515 393](tel:+44207747515393)

[+44 \(0\)7407 804 654](tel:+44207407804654)

About Spectral MD

Using its DeepView[®] Wound Imaging Solution, an internally developed AI technology and multispectral imaging solution that has received FDA Breakthrough Designation for the burn indication, Spectral MD is able to distinguish between non-healing and healing human tissue invisible to the naked eye. In its ongoing clinical trials, Spectral MD is studying its ability to provide 'Day One' healing assessments for burn wounds and diabetic foot ulcers with other applications being explored.

Spectral MD has to date received substantial support from the U.S. government with contracts from institutions such as Biomedical Advanced Research and Development Authority, National Science Foundation, National Institute of Health and Defense Health Agency in support of the burn application for its DeepView[®] solution, with total grant funding received to date from all these organizations of over \$93 million, including \$40.5 million received in 2021. This grant funding is non-dilutive to our shareholders and the Company believes it validates the important nature of our mission and technology. The Company leverages this funding to support R&D efforts that are applicable to burn, DFU and potentially other indications where DeepView can play an important role in Day 1 wound healing assessment.

The Company has two principal trading subsidiaries, Spectral MD, Inc. and Spectral MD UK Limited.

DeepView[®]

DeepView[®] is a predictive analytics platform that integrates proprietary AI algorithms and advanced optical technology for wound healing predictions. It is non-invasive, non-radiation, non-laser and does not require the use of injectable dye. This integration can be characterised into four distinct components: DeepView[®] imaging, data extraction, AI model building and AI wound healing prediction.

- The DeepView[®] imaging technology consists of patented, proprietary, multi-spectral optics and sensors that can classify wound tissue physiology and capture the viability of various biomarkers within the skin. The imaging technology extracts appropriate clinical data, processes the image, and displays a comparison of the original image next to an image with a colour overlay of the non-healing portions of the wound. The image acquisition takes 0.2 seconds, and the output takes approximately 20 to 25 seconds.

- The DeepView[®] data extraction consists of proprietary optics that are able to collect millions of data points from each raw image. This information is then used to build and continually improve the AI model, which is trained and tested against a proprietary database of more than 66.7 billion pixels with an ever-growing input of clinically validated data points.
- The AI algorithm then produces a predictive wound healing assessment in the form of an objective, accurate, and immediate binary wound healing prediction. This prediction is graphically represented to the clinician through a coloured overlay of the original image that annotates the non-healing portion of the wound.

DeepView[®] is designed to allow clinicians to make a more accurate, timely and informed decision regarding the treatment of the patient's wound. In the case of DFUs, a non-healing assessment would provide the clinician with the appropriate justification to use an advanced wound care therapy on 'Day One' as opposed to waiting 30 days and potentially losing the patient to lack of patient follow-up or risking patient noncompliance with standard wound therapy. For burn wounds, the clinician can make an immediate and objective determination to identify appropriate candidates for surgery as well as determining what specific areas of the burn wound will require skin grafting. In clinical research to date, DeepView[®]'s accuracy for determining the healing potential of burn wounds has been 92 percent in adults and 88 percent in children, compared with current physician accuracy of 50 to 70 percent. The current clinical accuracy of DeepView[®] is 83 percent for DFUs. Both of these accuracy percentages are expected to increase with additional R&D efforts, including clinical studies.

Spectral MD's products are currently in the research and development phase. The safety and efficacy of Spectral MD's products have not yet been evaluated by the applicable regulatory authorities and are not at this time approved, cleared, marketed, or available for sale or reimbursement in any market.