# Spectral AI Raises Up to $5 Million Financing Strengthening Financial Position for FDA Pathway

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DALLAS, Nov. 19, 2024 (GLOBE NEWSWIRE) -- Spectral AI, Inc. (Nasdaq: MDAI) (“Spectral AI” or the “Company”), an artificial intelligence (AI) company focused on revolutionizing medical diagnostics to enable faster, more accurate treatment decisions in wound care, today announced the successful completion of an approximate $5.0 million equity financing in an at-the-market transaction. The closing is to be completed in two tranches. Part of the proceeds will be used for the retirement of its outstanding obligations with Yorkville Advisors. This transaction supports Spectral AI’s growth trajectory and progress toward a submission to the U.S. Food and Drug Administration (“FDA”) for approval of its DeepView AI ®-Burn system, a crucial milestone targeted for the first half of 2025.

The equity financing was made possible through a strategic financing arrangement with institutional investors, a testament to Spectral AI's ability to attract significant financial support. This arrangement, which included an at-the-market offering of equity and pre-funded warrants, strengthens Spectral AI's balance sheet and enhances its operational flexibility as it pursues FDA approval.

“By completing the strategic financing arrangement and retiring the outstanding note obligations, we are reinforcing Spectral AI’s financial strength, technology development and growth trajectory,” said J. Michael DiMaio, MD, Chairman of the Board of Directors of Spectral AI. “With additional support from non-dilutive U.S. Government funding, we remain committed to advancing AI-driven diagnostic solutions that will transform wound care.”

**About Spectral AI**
Spectral AI, Inc. is a Dallas-based predictive AI company focused on medical diagnostics for faster and more accurate treatment decisions in wound care, with initial applications involving patients with burns and diabetic foot ulcers. The Company is working to revolutionize wound care management by "Seeing the Unknown®" with its DeepView System. DeepView is a predictive device that offers clinicians an objective and immediate assessment of a wound's healing potential prior to treatment or other medical intervention. With algorithm-driven results and a goal of exceeding the current standard of care in the future, DeepView is expected to provide faster and more accurate treatment insight toward value care by improving patient outcomes and reducing healthcare costs. For more information about DeepView, visit www.spectral-ai.com.

Forward-Looking Statements
Certain statements made in this release are “forward looking statements” within the meaning of the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995, including statements regarding the Company’s intention to separate its Spectral IP subsidiary from the Company, and each Company’s strategy, plans, objectives, initiatives, strategic goals, financial outlook or other non-historical matters. When used in this press release, the words “estimates,” “projected,” “expects,” “anticipates,” “forecasts,” “plans,” “intends,” “believes,” “seeks,” “may,” “will,” “should,” “future,” “propose” and variations of these words or similar expressions (or the negative versions of such words or expressions) are intended to identify forward-looking statements.

These forward-looking statements are not guarantees of future performance, conditions or results, and involve a number of known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside Company’s control, that could cause actual results or outcomes to differ materially from those discussed in the forward-looking statements. As such, readers are cautioned not to place undue reliance on any forward-looking statements.

Investors should carefully consider the foregoing factors and the other risks and uncertainties described in the “Risk Factors” sections of the Company’s filings with the SEC, including the Registration Statement and the other documents filed by the Company. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Spectral AI undertakes no obligation to update any forward-looking statements except as otherwise required by law.

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