



Spectral AI Announces 2025 Third Quarter Financial Results

Nov 11, 2025

Q3 Overview

- Research & Development Revenue of \$3.8 Million; \$15.6 Million in YTD Revenue for 2025
- Strong Cash position of \$10.5 Million and progress toward FDA De Novo submission

DALLAS, Nov. 11, 2025 (GLOBE NEWSWIRE) -- **Spectral AI, Inc. (Nasdaq: MDAI) ("Spectral AI" or the "Company")**, an artificial intelligence (AI) company focused on medical diagnostics for faster and more accurate treatment decisions in wound care, today announced financial results for the third quarter ended September 30, 2025 and provided an update on its ongoing business activities. The Company maintained a strong cash position of \$10.5 million, recorded \$3.8 million in research and development revenue, and continued to advance key regulatory and operational milestones, including progress toward its De Novo FDA submission.

"Spectral AI continues to maintain operational efficiency and strengthen our cash reserves as we progressed towards our commercialization milestones. Our results of operations support our work on the following the submission of our De Novo application in June of this year to the FDA," stated J. Michael DiMaio, MD, Chairman of the Board at Spectral AI. "We continue to focus towards bringing this innovative diagnostic device to market in the U.S. to provide clinicians with an immediate, AI trained, data driven assessment tool designed to assist clinical decision-making which may significantly improve patient outcomes."

SELECT BUSINESS HIGHLIGHTS

Recent Corporate Developments

On October 22, 2025, following the close of the third quarter of 2025, the Company entered into a securities purchase agreement (the "Purchase Agreement") for the sale of 3,065,000 shares of the Company's common stock at an offering price of \$1.90 per share (such transaction, the "Offering") and completed a concurrent private placement pursuant to the Purchase Agreement (the "Private Placement"), in which the Company agreed to sell (i) warrants to purchase up to 4,000,000 shares of our common stock, and (ii) pre-funded warrants to purchase up to 935,000 shares of our common stock. The aggregate gross proceeds to the Company from the completion of the Offering and the Private Placement was approximately \$7.6 million. The financial statements presented below do not include the effect of this transaction on the Company's balance sheet.

Q3 2025 FINANCIAL RESULTS OVERVIEW

All comparisons are to the three months ended September 30, 2024 ("Q3 2024") unless otherwise stated.

Research & Development Revenue

Research & Development Revenue for Q3 2025 declined 54% to \$3.8 million from \$8.2 million, reflecting the anticipated reduction in direct labor, clinical trial and other reimbursed study costs in connection with the Company's contract with BARDA (the "BARDA PBS Contract") following the submission of our De Novo FDA submission in June 2025.

Gross Margin

Gross margin for Q3 2025 was 42.7%, slightly down from 44.9% in Q3 2024, reflecting the reduction in direct labor, clinical trial, and other reimbursed study costs in connection with the Company's contract with BARDA PBS Contract.

General & Administrative Expense

General and administrative expenses in Q3 2025 were \$5.0 million, up from \$4.6 million in Q3 2024, reflecting increased consultant and third-party service provider costs from Q3 2024.

Other Income/(Expense)

Other income/(expense) in Q3 2025 was \$(0.2) million as compared to \$(0.6) million in Q3 2024 primarily relating to the Company's reduction in its borrowing related costs of almost \$0.9 million from Q3 2024.

Net Income/(Loss)

The Company reported a net loss for Q3 2025 of \$(3.6) million, compared to a net loss of \$(1.5) million in Q3 2024, primarily due to the reduction in revenue as noted above.

Financial Condition

As of September 30, 2025, cash improved to \$10.5 million from \$3.7 million in Q3 2024. In addition, the Company's cash position has remained flat at \$10.5 million from Q2 2025. The Company has continued to closely manage its operating costs and has received approximately \$2.5 million from stock option and warrant exercises in Q3 2025.

2025 Guidance

The Company has reduced its revenue guidance from \$21.5 million to \$18.5 million for FY 2025. The reduction reflects timing of work on the BARDA contract and some impact from the current US government shutdown, much of which shall be recaptured in FY 2026. Financial guidance for FY 2025 does not reflect any contributions from the sale of the DeepView™ System for the burn indication or any additional material financial contributions that may result from the commercialization of our DeepView™ System.

CONFERENCE CALL

The Company will host a conference call today at 5:00 pm Eastern Time to discuss these results. Investors interested in participating in the live call can dial:

- 833-630-1956 – U.S.
- 412-317-1837 – International

A simultaneous webcast of the call may be accessed online from the Events & Presentations section of the Investor Relations page of the Company's website at <https://investors.spectral-ai.com/news-events/events>.

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. The Company is working to revolutionize the management of wound care by "Seeing the Unknown[®]" with its DeepView[®] System. The DeepView[®] System is being developed as a predictive device to offer clinicians an objective and immediate assessment of a burn 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, the DeepView[®] System is expected to provide fast and accurate treatment insight towards value care by improving patient outcomes and reducing healthcare costs. For more information about the DeepView[®] System, 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 strategy, plans, objectives, initiatives and financial outlook. 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.

For Media and Investor Relations, please contact:

David Kugelman
Atlanta Capital Partners LLC
(866) 692-6847 Toll Free – U.S. & Canada
(404) 281-8556 Mobile and WhatsApp Email: dk@atcp.com

Spectral AI, Inc.
Condensed Consolidated Balance Sheets
(in thousands, except share and per share data)

	September 30, 2025	September 30, 2024
Assets		
Current Assets:		
Cash	\$ 10,495	\$ 3,702
Accounts receivable, net	990	2,834
Inventory	454	443
Prepaid expenses	706	1,506
Other current assets	818	1,011
Total current assets	13,463	9,496
Non-current assets:		
Property and equipment, net	287	5
Right-of-use assets	1,550	2,101
Total Assets	\$ 15,300	\$ 11,602
Liabilities and Stockholders' Deficit		
Current liabilities:		
Accounts payable	\$ 2,538	\$ 2,797
Accrued expenses	2,475	3,253
Deferred revenue	239	731
Lease liabilities, short-term	713	212
Notes payable, current	1,214	597
Notes payable – at fair value	-	4,377
Warrant liabilities	8,586	1,101
Total current liabilities	15,765	13,068
Note payable – related party	-	1,000
Note payable, long-term	6,581	-
Lease liabilities, long-term	1,157	1,870
Total Liabilities	23,503	15,938
Stockholders' Deficit		

Preferred stock (\$0.0001 par value); 1,000,000 shares authorized; no shares issued and outstanding as of September 30, 2025 and September 30, 2024

Common stock (\$0.0001 par value); 80,000,000 shares authorized; 27,251,054 and 18,513,073 shares issued and outstanding as of September 30, 2025 and September 30, 2024, respectively

Additional paid-in capital	3	2
Accumulated other comprehensive income	48,607	35,998
Accumulated deficit	39	25
	(56,852)	(40,361)
Total Stockholders' Deficit	<u>(8,203)</u>	<u>(4,336)</u>
Total Liabilities and Stockholders' Deficit	<u>\$ 15,300</u>	<u>\$ 11,602</u>

SpectralAI, Inc.
Condensed Consolidated Statements of Operations
(in thousands)

	Three Months Ended		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Research and development revenue	\$ 3,792	\$ 8,173	\$ 15,564	\$ 21,977
Cost of revenue	<u>(2,171)</u>	<u>(4,506)</u>	<u>(8,485)</u>	<u>(12,051)</u>
Gross profit	<u>1,621</u>	<u>3,667</u>	<u>7,079</u>	<u>9,926</u>
Operating costs and expenses:				
General and administrative	4,962	4,553	13,439	15,397
Total operating costs and expenses	<u>4,962</u>	<u>4,553</u>	<u>13,439</u>	<u>15,397</u>
Operating loss	<u>(3,341)</u>	<u>(886)</u>	<u>(6,360)</u>	<u>(5,471)</u>
Other income (expense):				
Net interest expense	(300)	(8)	(597)	-
Borrowing related costs	(164)	(1,059)	(869)	(2,034)
Change in fair value of warrant liability	264	350	(932)	718
Change in fair value of notes payable	-	94	220	(7)
Foreign exchange transaction loss, net	(9)	(9)	(31)	(34)
Other income (expenses), including transaction costs	-	51	0	(617)
Total other expense, net	<u>(209)</u>	<u>(581)</u>	<u>(2,209)</u>	<u>(1,974)</u>
Loss before income taxes	<u>(3,550)</u>	<u>(1,467)</u>	<u>(8,569)</u>	<u>(7,445)</u>
Income tax provision	(2)	(37)	(54)	(128)
Net loss	<u>\$ (3,552)</u>	<u>\$ (1,504)</u>	<u>\$ (8,623)</u>	<u>\$ (7,573)</u>
Net loss per share of common stock – basic and diluted	\$ (0.13)	\$ (0.08)	\$ (0.34)	\$ (0.44)
Weighted average common shares outstanding – basic and diluted	<u>26,318,624</u>	<u>17,862,240</u>	<u>25,147,179</u>	<u>17,342,203</u>

Spectral AI, Inc.
Unaudited Condensed Consolidated
Statements of Cash Flows
(in thousands, except share and per share data)

	Nine Months Ended	
	September 30, 2025	September 30, 2024
Cash flows from operating activities:		
Net loss	\$ (8,623)	\$ (7,573)
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation expense	42	6
Amortization of debt issuance costs	283	-
Stock-based compensation	872	858
Amortization of right-of-use assets	421	448
Change in fair value of warrant liabilities	932	(718)
Change in fair value of notes payable	(220)	7
Costs from issuance of common stock	-	372
Issuance of shares for borrowing related costs	241	280
Accounts receivable	1,515	(488)

Inventory	(29)	(213)
Prepaid expenses	583	542
Other assets	(72)	(208)
Accounts payable	(1,497)	188
Accrued expenses	(735)	(1,047)
Deferred revenue	(721)	(1,580)
Lease liabilities	(360)	(542)
Net cash used in operating activities	<u>(7,368)</u>	<u>(9,668)</u>
Proceeds from issuance of common stock and warrants	3,080	2,667
Proceeds from notes payable	8,260	11,500
Proceeds from notes payable - related party	-	1,000
Payments for notes payable	(1,375)	(6,600)
Proceeds from warrant exercises	1,992	-
Stock option exercises	713	-
Net cash provided by financing activities	<u>12,670</u>	<u>8,567</u>
Effect of exchange rates changes on cash	36	13
Net increase/(decrease) in cash	5,338	(1,088)
Cash, beginning of period	5,157	4,790
Cash, end of period	<u>\$ 10,495</u>	<u>\$ 3,702</u>