Spectral AI Announces 2026 Third Quarter Financial Results

Nov 10, 2026

Remains on Track for First U.S. Commercial Placement of the DeepView AI System in the Fourth Quarter of 2026

DALLAS, Nov. 10, 2026 (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 reported financial results for the third quarter ended September 30, 2026 ("Q3 2026"). The Company expects to file its Quarterly Report on Form 10-Q for the quarter ended September 30, 2026 on or before November 16, 2026.

"Our third-quarter results reflect our continued transition from a research and development organization into a commercial enterprise," said Vincent Capone, Chief Executive Officer. "We have begun manufacturing the first 30 DeepView AI Systems for BARDA-supported deployment at U.S. burn centers and remain on track for initial deliveries by year-end. While executing on our near-term priorities, we are taking a long-term view of the DeepView AI System, looking beyond early deployments to build the capabilities that will support broader adoption and establish a repeatable clinical model. These include clinician education, pursuing expanded reimbursement for physicians and hospital systems, and exploring label expansion opportunities. We are encouraged by the response from the clinical community thus far, including at the Southern Regional Burn Conference, where leading burn surgeons presented new study results using DeepView AI, and at the American College of Emergency Physicians' annual conference in October."

"During the third quarter, we reduced operating expenses by 4% from a year ago while continuing to fund the development of our technology and support our commercial launch activities," said David McGuire, Chief Financial Officer of Spectral AI. "We ended the quarter with $11.2 million of cash, and we are assessing opportunities to strengthen our balance sheet as we move from development to commercialization."

Third Quarter and Recent Business Highlights

- Presented the DeepView AI System at the Southern Regional Burn Conference, including presentations on physician accuracy in identifying non-healing burns and on the repeatability and reproducibility of the AI analysis.
- Completed all Site Initiation Visits with four burn centers in the United Kingdom and have enrolled ten patients in our clinical study designed to support a label expansion of the DeepView AI System to include burns involving the head, hands and feet.
- Submitted a New Technology Add-On Payment (NTAP) application to the Centers for Medicare & Medicaid Services (CMS) for the DeepView AI System which, if approved, would provide hospitals with additional Medicare reimbursement for use of the DeepView AI System. A determination is expected by August 2027.
- Showcased the DeepView AI System for burn indication at the American College of Emergency Physicians (ACEP) Scientific Assembly in Chicago, October 5–8, 2026.

Third Quarter 2026 Financial Results
All comparisons are to the third quarter ended September 30, 2025 ("Q3 2025"), unless otherwise noted

Research and development revenue was $2.9 million for Q3 2026 compared to $3.8 million, a decrease of 24.7%. BARDA revenue was $2.7 million compared to $3.4 million, reflecting the cost-share structure of the current phase of the BARDA Project BioShield contract. This phase of the BARDA Project BioShield contract requires the Company to fund a portion of follow-on development expenses for the DeepView AI System, which was advanced following the receipt of FDA De Novo Clearance for the DeepView AI System in May 2026.

Revenue from other U.S. government programs, principally the MTEC handheld device program, was $0.1 million, compared to $0.4 million, as the MTEC program was completed.

Gross margin was 27.2% for Q3 2026 compared to 42.7%, primarily reflecting the Company's share of development costs under the BARDA cost share, which is included in cost of revenue.

Operating expenses were $4.7 million for Q3 2026 compared to $5.0 million, a decrease of 4.4%. General and administrative expense decreased to $2.3 million from $3.1 million, primarily reflecting lower legal fees and related professional services. Research and development expense increased to $2.0 million from $1.5 million, reflecting increased non-revenue-generating development activities, primarily from the costs associated with the Company's UK label expansion study for burns involving the head, hands and feet. Selling and marketing expense was $0.4 million, an increase of 12.8%, reflecting expanded commercialization activities ahead of the launch of the DeepView AI System.

Other income was $0.2 million for Q3 2026 compared to other expense of $(0.2) million, due primarily to a $0.8 million gain from the change in fair value of warrant liabilities, partly offset by $0.6 million of net interest expense on the Company's credit facility.

Net loss was $(3.7) million, or $(0.11) per share, for Q3 2026, compared to $(3.6) million, or $(0.13) per share. Q3 2026 included a $0.1 million income

tax benefit related to Texas franchise tax.

Adjusted EBITDA, a non-GAAP measure, was $(3.7) million for Q3 2026, compared to $(3.1) million. A reconciliation of net loss to Adjusted EBITDA is included in the statements below.

Balance Sheet and Liquidity

Cash and cash equivalents were $11.2 million at September 30, 2026, compared to $15.4 million at December 31, 2025.

2026 Guidance

The Company is updating its guidance for the year ending December 31, 2026, and now expects research and development revenue of approximately$13.0 million, compared to its previous guidance of approximately $18.5 million. The updated guidance primarily reflects the completion of the MTEC program with no additional contracting opportunities in 2026, and the timing of research and development activities reimbursed under the BARDA contract, which moves revenue into future periods within the existing contract term.

This updated guidance does not include revenue from sales of the DeepView AI System, the first of which the Company expects to place by year-end 2026, or any new or extended government awards.

Conference Call

Spectral AI will host a conference call today at 5:00 p.m. Eastern Time to discuss its third quarter 2026 financial results. Investors may dial 833-890-6620 (U.S.) or 412-564-3789 (international). A simultaneous webcast will be available in the Events section of the Investor Relations page of the Company's website at https://investors.spectral-ai.com/news-events/events, and a replay will be available following the call.

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 AI System. The DeepView AI System is a predictive diagnostic device that offers physicians 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 to exceed the current standard of care, the DeepView AI System provides fast and accurate treatment insights to improve patient outcomes and reduce healthcare costs. For more information about the DeepView AI System, visit www.spectral-ai.com.

The Company's contract with the Biomedical Advanced Research and Development Authority ("BARDA") is held and performed through its wholly owned subsidiary, Spectral MD. References to the contract, associated awards, related revenue, business opportunities, obligations, and other relevant factors should be understood to refer to Spectral MD as the contracting party unless otherwise indicated.

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, among others, statements regarding the Company's updated 2026 revenue guidance, the expected timing of first commercial sales of the DeepView AI System, the timing and outcome of the Company's NTAP application, the continued funding and exercise of options under the BARDA contract, and the Company's liquidity, capital requirements and ability to meet its debt obligations. Actual results may differ materially from those indicated by these statements as a result of various factors, including those described under "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2025 and its subsequent Quarterly Reports on Form 10-Q. The Company undertakes no obligation to update any forward-looking statement, except as required by law.

Non-GAAP Financial Measures

This press release includes Adjusted EBITDA, a financial measure not calculated in accordance with U.S. generally accepted accounting principles ("GAAP"). The Company defines Adjusted EBITDA as net loss before income taxes, depreciation and net interest expense, further adjusted to exclude stock-based compensation, financing related costs, changes in the fair value of warrant liabilities and notes payable, foreign exchange transaction gains and losses, and transaction costs. Management uses Adjusted EBITDA to evaluate the Company's operating performance and believes it provides useful information to investors. Adjusted EBITDA has limitations as an analytical tool: it does not reflect recurring interest expense, stock-based compensation, income taxes, capital expenditures or working capital needs, and it should not be considered in isolation or as a substitute for net loss or other measures prepared in accordance with GAAP. A reconciliation of net loss to Adjusted EBITDA is included below.

Investor Contacts

The Equity Group
Devin Sullivan, Managing Director, (212) 836-9608, Devin.Sullivan@theequitygroup.com
Conor Rodriguez, Associate, (212) 836-9628, Conor.Rodriguez@theequitygroup.com

Spectral AI, Inc.
ir@spectral-ai.com | +1 972 499-4934 | 2515 McKinney Avenue, Suite 1000, Dallas, Texas 75201

SPECTRAL AI, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share data)

	September 30, 2026 (unaudited)	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	11,230	15,394
Accounts receivable, net	1,313	1,267
Inventory	932	838
Prepaid expenses	890	821

Other current assets	761	1,133
Total current assets	**15,126**	**19,453**
Non-current assets:		
Property and equipment, net	168	258
Right-of-use assets	955	1,407
Other assets	310	287
Total assets	**16,559**	**21,405**
Liabilities and Stockholders' Deficit		
Current liabilities:		
Accounts payable	1,551	3,010
Accrued expenses	2,287	2,341
Deferred revenue	570	154
Lease liabilities, short-term	798	734
Notes payable	8,026	2,854
Warrant liabilities	10,956	11,533
Total current liabilities	**24,188**	**20,626**
Notes payable, long-term	7,440	5,538
Lease liabilities, long-term	359	968
Total liabilities	**31,987**	**27,132**
Commitments and contingencies		
Stockholders' deficit:		
Preferred stock ($0.0001 par value; 1,000,000 shares authorized; none issued and outstanding)	—	—
Common stock ($0.0001 par value; 80,000,000 shares authorized; 32,184,928 and 30,688,895 shares issued and outstanding, respectively)	3	3
Additional paid-in capital	51,578	50,030
Accumulated other comprehensive income	35	40
Accumulated deficit	(67,044)	(55,800)
Total stockholders' deficit	**(15,428)**	**(5,727)**
Total liabilities and stockholders' deficit	**16,559**	**21,405**

SPECTRAL AI, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited; in thousands, except share and per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
Research and development revenue	2,856	3,792	10,371	15,564
Cost of revenue	(2,078)	(2,171)	(6,453)	(8,485)
Gross profit	**778**	**1,621**	**3,918**	**7,079**
Operating expenses:				
Research and development	1,989	1,531	5,247	4,301
General and administrative	2,341	3,064	7,657	8,124
Selling and marketing	414	367	1,275	1,014
Total operating expenses	**4,744**	**4,962**	**14,179**	**13,439**
Operating loss	**(3,966)**	**(3,341)**	**(10,261)**	**(6,360)**
Other income (expense):				
Net interest expense	(586)	(464)	(1,401)	(881)
Financing related costs	(1)	—	(13)	(585)
Change in fair value of warrant liability	825	264	534	(932)
Change in fair value of notes payable	—	—	—	220
Foreign exchange transaction loss, net	(6)	(9)	(21)	(31)
Total other income (expense), net	**232**	**(209)**	**(901)**	**(2,209)**
Loss before income taxes	**(3,734)**	**(3,550)**	**(11,162)**	**(8,569)**
Income tax provision	78	(2)	(82)	(54)
Net loss	**(3,656)**	**(3,552)**	**(11,244)**	**(8,623)**
Net loss per share, basic and diluted	(0.11)	(0.13)	(0.35)	(0.34)
Weighted-average common shares outstanding, basic and diluted	32,184,928	26,318,624	32,010,910	25,147,179

SPECTRAL AI, INC. AND SUBSIDIARIES
RECONCILIATION OF NET LOSS TO ADJUSTED EBITDA (NON-GAAP)
(unaudited; in thousands)

	Three Months Ended September 30,	Nine Months Ended September 30,

	2026	2025	2026	2025
Net loss	(3,656)	(3,552)	(11,244)	(8,623)
Adjust:				
Depreciation expense	30	30	90	42
Provision for income taxes	(78)	2	82	54
Net interest expense	586	464	1,401	881
EBITDA	**(3,118)**	**(3,056)**	**(9,671)**	**(7,646)**
Additional adjustments:				
Stock-based compensation	276	261	1,266	872
Financing related costs	1	—	13	585
Change in fair value of warrant liability	(825)	(264)	(534)	932
Change in fair value of notes payable	—	—	—	(220)
Foreign exchange transaction loss, net	6	9	21	31
Adjusted EBITDA	**(3,660)**	**(3,050)**	**(8,905)**	**(5,446)**