

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)  
☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2026

OR

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 001-39927

SEASTAR MEDICAL HOLDING CORPORATION

(Exact name of Registrant as specified in its Charter)

Delaware  
 (State or other jurisdiction of  
 incorporation or organization)  
 3513 Brighton Blvd., Suite 410  
 Denver, CO  
 (Address of principal executive offices)

85-3681132  
 (I.R.S. Employer  
 Identification No.)  
  
 80216  
 (Zip Code)

Registrant’s telephone number, including area code: (844) 427-8100

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

| Title of each class                                                                             | Trading<br>Symbol(s) | Name of each exchange on which registered |
|-------------------------------------------------------------------------------------------------|----------------------|-------------------------------------------|
| Common Stock, \$0.0001 par value                                                                | ICU                  | The Nasdaq Stock Market LLC               |
| Warrants, each whole warrant exercisable for one share of<br>Common Stock for \$11.50 per share | ICUCW                | The Nasdaq Stock Market LLC               |

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, 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 ☐  
 Non-accelerated filer ☒  
 Emerging growth company ☒

Accelerated filer ☐  
 Smaller reporting 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 is a shell company (as defined in Rule 12b-2 of the Exchange Act ). Yes ☐ No ☒

As of August 5, 2026, the registrant had 4,406,841 shares of common stock, \$0.0001 par value per share, outstanding.

**SeaStar Medical Holding Corporation**  
**June 30, 2026**  
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**CAUTIONARY INFORMATION REGARDING FORWARD-LOOKING STATEMENTS**

This Report on Form 10-Q (“Form 10-Q” or “this report”) contains statements that are forward-looking and as such are not historical facts. These statements are based on the beliefs and assumptions of management. Although we believe that our plans, intentions, and expectations reflected in or suggested by these forward-looking statements are reasonable, we cannot assure you that we will achieve or realize these plans, intentions, or expectations. Forward-looking statements are inherently subject to risks, uncertainties, and assumptions. Generally, statements that are not historical facts, including statements concerning the possible or assumed future actions, business strategies, events, or results of operations, are forward-looking statements. In some instances, these statements may be preceded by, followed by or include the words “believes,” “estimates,” “expects,” “projects,” “forecasts,” “may,” “will,” “should,” “seeks,” “plans,” “scheduled,” “anticipates” or “intends” or the negatives of these terms or variations of them or similar terminology.

These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including without limitation the risks described in “Risk Factors” in Part I, Item 1A of our [Annual Report on Form 10-K](#) for the year ended December 31, 2025 (“[2025 Form 10-K](#)”), and in the reports we file with the United States Securities and Exchange Commission (“SEC”). These risks are not exhaustive. Moreover, we operate in a very competitive and rapidly changing environment. New risk factors 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 any forward-looking statements. Forward-looking statements should not be relied upon as predictions of future events. We can provide no assurance that the events and circumstances reflected in the forward-looking statements will be achieved or occur, and actual results could differ materially from those projected in the forward-looking statements.

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# PART I—FINANCIAL INFORMATION

## Item 1. Condensed Consolidated Financial Statements.

### SeaStar Medical Holding Corporation Condensed Consolidated Balance Sheets (in thousands, except for share and per-share amounts)

|                                                                                                                                                                                                                                                             | June 30, 2026<br>(unaudited) | December 31,<br>2025 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|----------------------|
| <b>ASSETS</b>                                                                                                                                                                                                                                               |                              |                      |
| Current assets                                                                                                                                                                                                                                              |                              |                      |
| Cash                                                                                                                                                                                                                                                        | \$ 6,959                     | \$ 11,980            |
| Accounts receivable, net of allowance for credit losses of \$2 and \$3, respectively                                                                                                                                                                        | 208                          | 237                  |
| Inventory                                                                                                                                                                                                                                                   | 77                           | 66                   |
| Prepaid expenses                                                                                                                                                                                                                                            | 984                          | 1,297                |
| Total current assets                                                                                                                                                                                                                                        | 8,228                        | 13,580               |
| Other assets                                                                                                                                                                                                                                                | 421                          | 578                  |
| Total assets                                                                                                                                                                                                                                                | <u>\$ 8,649</u>              | <u>\$ 14,158</u>     |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>                                                                                                                                                                                                                 |                              |                      |
| Current liabilities                                                                                                                                                                                                                                         |                              |                      |
| Accounts payable                                                                                                                                                                                                                                            | \$ 750                       | \$ 948               |
| Accrued expenses                                                                                                                                                                                                                                            | 3,468                        | 2,268                |
| Notes payable, net of deferred financing costs                                                                                                                                                                                                              | 134                          | 525                  |
| Liability classified warrants                                                                                                                                                                                                                               | 1                            | 1                    |
| Total current liabilities                                                                                                                                                                                                                                   | 4,353                        | 3,742                |
| Total liabilities                                                                                                                                                                                                                                           | 4,353                        | 3,742                |
| Commitments and contingencies (Note 10)                                                                                                                                                                                                                     |                              |                      |
| Stockholders' equity                                                                                                                                                                                                                                        |                              |                      |
| Preferred stock - \$0.0001 par value, 10,000,000 shares authorized at June 30, 2026 and December 31, 2025; no shares issued and outstanding at June 30, 2026 and December 31, 2025                                                                          | —                            | —                    |
| Common stock - \$0.0001 par value per share; 425,000,000 and 450,000,000 shares authorized at June 30, 2026 and December 31, 2025, respectively; 4,259,842 and 3,844,613 shares issued and outstanding at June 30, 2026 and December 31, 2025, respectively | 4                            | 4                    |
| Additional paid-in capital                                                                                                                                                                                                                                  | 163,257                      | 162,126              |
| Accumulated deficit                                                                                                                                                                                                                                         | (158,965)                    | (151,714)            |
| Total stockholders' equity                                                                                                                                                                                                                                  | 4,296                        | 10,416               |
| Total liabilities and stockholders' equity                                                                                                                                                                                                                  | <u>\$ 8,649</u>              | <u>\$ 14,158</u>     |

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

**SeaStar Medical Holding Corporation**  
**Condensed Consolidated Statements of Operations**  
**(unaudited)**  
**(in thousands, except for share and per-share amounts)**

|                                                               | <b>Three Months Ended June 30,</b> |             | <b>Six Months Ended June 30,</b> |             |
|---------------------------------------------------------------|------------------------------------|-------------|----------------------------------|-------------|
|                                                               | <b>2026</b>                        | <b>2025</b> | <b>2026</b>                      | <b>2025</b> |
| Net revenue                                                   | \$ 615                             | \$ 338      | \$ 1,110                         | \$ 631      |
| Cost of goods sold                                            | 54                                 | 27          | 100                              | 27          |
| Gross profit                                                  | 561                                | 311         | 1,010                            | 604         |
| Operating expenses                                            |                                    |             |                                  |             |
| Research and development                                      | 2,520                              | 1,037       | 4,864                            | 3,468       |
| General and administrative                                    | 1,832                              | 1,030       | 3,540                            | 2,716       |
| Total operating expenses                                      | 4,352                              | 2,067       | 8,404                            | 6,184       |
| Loss from operations                                          | (3,791)                            | (1,756)     | (7,394)                          | (5,580)     |
| Other income (expense)                                        |                                    |             |                                  |             |
| Interest income                                               | 69                                 | 45          | 160                              | 93          |
| Interest expense                                              | (8)                                | (9)         | (14)                             | (18)        |
| Other financing costs                                         | —                                  | (298)       | —                                | (298)       |
| Change in fair value of warrants liability                    | —                                  | 16          | —                                | 32          |
| Total other income/(expense), net                             | 61                                 | (246)       | 146                              | (191)       |
| Loss before provision for income taxes                        | (3,730)                            | (2,002)     | (7,248)                          | (5,771)     |
| Provision for income taxes                                    | —                                  | —           | 3                                | 3           |
| Net loss                                                      | \$ (3,730)                         | \$ (2,002)  | \$ (7,251)                       | \$ (5,774)  |
| Net loss per share of common stock, basic and diluted         | \$ (0.91)                          | \$ (1.77)   | \$ (1.81)                        | \$ (5.78)   |
| Weighted-average common shares outstanding, basic and diluted | 4,084,283                          | 1,132,952   | 4,001,770                        | 998,122     |

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

**SeaStar Medical Holding Corporation**  
**Condensed Consolidated Statements of Changes in Stockholders' Equity/(Deficit)**  
**(unaudited)**  
**(in thousands, except for share and per-share amounts)**

| For the Six months ended June 30, 2026 and 2025                                             |                  |             |                                  |                        |                                            |
|---------------------------------------------------------------------------------------------|------------------|-------------|----------------------------------|------------------------|--------------------------------------------|
|                                                                                             | Common Shares    |             | Additional<br>Paid-In<br>Capital | Accumulated<br>Deficit | Total<br>Stockholders'<br>Equity/(Deficit) |
|                                                                                             | Shares           | Amount      |                                  |                        |                                            |
| <b>Balance, December 31, 2024</b>                                                           | <b>597,725</b>   | <b>\$ 2</b> | <b>\$ 137,379</b>                | <b>\$ (139,564)</b>    | <b>\$ (2,183)</b>                          |
| Issuance of shares - exercise of warrants                                                   | 207,042          | —           | 2                                | —                      | 2                                          |
| Issuance of shares - equity offering (including pre-funded warrants), net of issuance costs | 120,214          | —           | 6,351                            | —                      | 6,351                                      |
| Issuance of shares - vesting of restricted stock units                                      | 798              | —           | —                                | —                      | —                                          |
| Stock-based compensation                                                                    | —                | —           | 167                              | —                      | 167                                        |
| Net loss                                                                                    | —                | —           | —                                | (3,772)                | (3,772)                                    |
| <b>Balance, March 31, 2025</b>                                                              | <b>925,779</b>   | <b>\$ 2</b> | <b>\$ 143,899</b>                | <b>\$ (143,336)</b>    | <b>\$ 565</b>                              |
| Issuance of shares - equity offering (including pre-funded warrants), net of issuance costs | 784,378          | —           | 4,383                            | —                      | 4,383                                      |
| Issuance of shares - standby equity purchase agreement commitment fee                       | 23,641           | —           | 298                              | —                      | 298                                        |
| Issuance of shares - vesting of restricted stock units                                      | 533              | —           | —                                | —                      | —                                          |
| Stock-based compensation                                                                    | —                | —           | 97                               | —                      | 97                                         |
| Net loss                                                                                    | —                | —           | —                                | (2,002)                | (2,002)                                    |
| <b>Balance, June 30, 2025</b>                                                               | <b>1,734,331</b> | <b>\$ 2</b> | <b>\$ 148,677</b>                | <b>\$ (145,338)</b>    | <b>\$ 3,341</b>                            |
| <b>Balance, December 31, 2025</b>                                                           | <b>3,844,613</b> | <b>\$ 4</b> | <b>\$ 162,126</b>                | <b>\$ (151,714)</b>    | <b>\$ 10,416</b>                           |
| Issuance of shares - equity offering, net of issuance costs                                 | 149,064          | —           | 329                              | —                      | 329                                        |
| Issuance of shares - vesting of restricted stock units                                      | 42               | —           | —                                | —                      | —                                          |
| Stock-based compensation                                                                    | —                | —           | 91                               | —                      | 91                                         |
| Net loss                                                                                    | —                | —           | —                                | (3,521)                | (3,521)                                    |
| <b>Balance, March 31, 2026</b>                                                              | <b>3,993,719</b> | <b>\$ 4</b> | <b>\$ 162,546</b>                | <b>\$ (155,235)</b>    | <b>\$ 7,315</b>                            |
| Issuance of shares - equity offering, net of issuance costs                                 | 262,716          | —           | 810                              | —                      | 810                                        |
| Issuance of shares - vesting of restricted stock units                                      | 3,407            | —           | —                                | —                      | —                                          |
| Stock-based compensation                                                                    | —                | —           | (99)                             | —                      | (99)                                       |
| Net loss                                                                                    | —                | —           | —                                | (3,730)                | (3,730)                                    |
| <b>Balance, June 30, 2026</b>                                                               | <b>4,259,842</b> | <b>\$ 4</b> | <b>\$ 163,257</b>                | <b>\$ (158,965)</b>    | <b>\$ 4,296</b>                            |

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

**SeaStar Medical Holding Corporation**  
**Condensed Consolidated Statements of Cash Flows**  
**(unaudited)**  
**(in thousands)**

|                                                                            | <b>Six Months Ended June 30,</b> |             |
|----------------------------------------------------------------------------|----------------------------------|-------------|
|                                                                            | <b>2026</b>                      | <b>2025</b> |
| Cash flows from operating activities                                       |                                  |             |
| Net loss                                                                   | \$ (7,251)                       | \$ (5,774)  |
| Adjustments to reconcile net loss to net cash used in operating activities |                                  |             |
| Amortization of deferred financing costs                                   | 14                               | 18          |
| Change in fair value of liability classified warrants                      | —                                | (32)        |
| Shares issued for the standby equity purchase agreement commitment fee     | —                                | 298         |
| Stock-based compensation                                                   | (8)                              | 264         |
| Change in operating assets and liabilities                                 |                                  |             |
| Accounts receivables                                                       | 29                               | (105)       |
| Inventory                                                                  | (11)                             | (77)        |
| Prepaid expenses                                                           | 313                              | 784         |
| Other assets                                                               | 157                              | 156         |
| Accounts payable                                                           | (198)                            | 112         |
| Accrued expenses                                                           | 1,200                            | (1,305)     |
| Net cash used in operating activities                                      | (5,755)                          | (5,661)     |
| Cash flows from financing activities                                       |                                  |             |
| Proceeds from issuance of shares, net of offering costs                    | 1,139                            | 5,154       |
| Proceeds from exercise warrants                                            | —                                | 2           |
| Proceeds of pre-funded warrants                                            | —                                | 5,580       |
| Payment of notes payable                                                   | (405)                            | (592)       |
| Net cash provided by financing activities                                  | 734                              | 10,144      |
| Net increase (decrease) in cash                                            | (5,021)                          | 4,483       |
| Cash, beginning of period                                                  | 11,980                           | 1,819       |
| Cash, end of period                                                        | \$ 6,959                         | \$ 6,302    |

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

**SeaStar Medical Holding Corporation**  
**Notes to the Condensed Consolidated Financial Statements (Unaudited)**  
**June 30, 2026**

**Note 1. Description of Business*****Organization and Description of Business***

SeaStar Medical Holding Corporation, a Delaware corporation (“SeaStar”) and its wholly owned subsidiary, SeaStar Medical, Inc., are collectively referred to as the “Company”. SeaStar Medical, Inc. was incorporated as a Delaware corporation in June 2007, and it is headquartered in Denver, Colorado. The Company is principally engaged in the research, development, and commercialization of a platform medical device technology designed to modulate inflammation in various patient populations. The Company received Food and Drug Administration (“FDA”) approval for QUELIMMUNE, its commercial pediatric Selective Cytopheretic Device (“SCD”) therapy on February 21, 2024, under a Humanitarian Device Exemption (“HDE”). It is the only FDA approved product for use in pediatric patients with acute kidney injury (“AKI”) due to sepsis or a septic condition requiring kidney replacement therapy. In addition, the Company is currently conducting a pivotal clinical trial to assess the safety and efficacy of the SCD therapy in critically ill adult patients with AKI requiring continuous renal replacement therapy (“CRRT”).

The initial target indications for this technology have been for the treatment of patients with AKI, but through additional Breakthrough Device Designation (“BDD”) from the FDA, the Company has expanded development of the SCD therapy into treatments for patients with cardiorenal syndrome awaiting left ventricular assist device implantation, patients with hepatorenal syndrome, patients with end stage renal disease and adult and pediatric patients undergoing cardiac surgery. The BDD enables the potential for a speedier pathway to approval and the ability to have more frequent and flexible meetings with the FDA.

***Basis of Presentation and Consolidation***

The accompanying unaudited condensed consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”) and the rules and regulations of the Securities and Exchange Commission (“SEC”) for interim reporting. As permitted under those rules and regulations, certain notes or other financial information normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted. The interim unaudited condensed consolidated financial statements have been prepared on the same basis as the annual consolidated financial statements and, in the opinion of management, reflect all adjustments, which include only normal, recurring adjustments that are necessary to present fairly the Company’s results for the interim periods presented. The results from operations for the three and six months ended June 30, 2026, are not necessarily indicative of the results to be expected for the year ending December 31, 2026, or for any future annual or interim period.

The accompanying interim unaudited condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements and the related notes for the year ended December 31, 2025. There have been no material changes in our significant accounting policies as described in our Annual Report on Form 10-K for the year ended December 31, 2025.

The interim unaudited condensed consolidated financial statements include the consolidated accounts of the Company’s wholly owned subsidiary, SeaStar Medical, Inc. All significant intercompany transactions have been eliminated in consolidation.

On June 7, 2024, the Company effected a 1-for-25 reverse-stock split (the “2024 Reverse Stock Split”) of its issued and outstanding shares of common stock, par value \$0.0001 (the “common stock”). Following the effect of the 2024 Reverse Stock Split, each 25 shares of the Company’s common stock that were issued and outstanding automatically converted into one outstanding share of common stock.

On January 5, 2026, the Company elected a 1-for-10 reverse-stock split (the “2026 Reverse Stock Split,” together with the 2024 Reverse Stock Split, the “Reverse Stock Splits”) of its issued and outstanding shares of common stock, par value \$0.0001. Following the effect of the 2026 Reverse Stock Split, each 10 shares of the Company’s common stock that were issued and outstanding automatically converted into one outstanding share of common stock.

Combined, this had the effect of a 1-for-250 reverse stock split. All stock options and warrants of the Company outstanding immediately prior to each of the Reverse Stock Splits were proportionally adjusted except for the Listed Warrants and the private placement warrants that were issued as part of the Special Purpose Acquisition Corporation transaction that closed on October 28, 2022, which total 16,788,000 outstanding warrants in the aggregate (the “Unadjusted Warrants”). The Unadjusted Warrants each retained an \$11.50 exercise price and require the exercise of 250 warrants to purchase one share of common stock. Unless otherwise indicated, all other share and per share amounts in this quarterly report reflect the effect of the Reverse Stock Splits. The par value of the Company’s common stock remained unchanged at \$0.0001 per share and the number of authorized shares of common stock remained the same after each of the Reverse Stock Splits.

**SeaStar Medical Holding Corporation**  
**Notes to the Condensed Consolidated Financial Statements (Unaudited)**  
**June 30, 2026**

***Segment Information***

The Company is comprised of a single reportable segment, its Device Segment. This organizational structure aligns with how our Chief Operating Decision Maker (“CODM”), the Chief Executive Officer, manages the Company’s business, including resource allocation and performance assessment. The Company is focused entirely on the development, regulatory approval and commercialization of the Company’s adult and pediatric SCDs. The Company had a total of 18 and 17 employees as of June 30, 2026 and December 31, 2025, respectively, and total assets of \$8.6 million and \$14.2 million, as of June 30, 2026 and December 31, 2025, respectively.

For segment reporting purposes, the CODM uses operating profit/(loss) to evaluate segment performance and allocate resources. As a Company that only recently began commercial sales of QUELIMMUNE, the CODM is primarily focused on evaluating the overall spending for research and development activities needed to fund further development of the SCDs, and general and administrative activities incurred to support the research, development and commercial activities of the Company. Accounting policies associated with the Company’s sole segment are the same as those described in Note 2. See Note 14 for Segment Reporting information.

All of the Company’s sales are located within the United States. As of the date of this report, the Company has obtained regulatory approval for commercial sales in the U.S. of QUELIMMUNE from the FDA. The Company does not have any inter-entity sales or transfers.

***Liquidity and Going Concern***

The Company incurred losses of \$7.3 million for the six months ended June 30, 2026. As of June 30, 2026, the Company has an accumulated deficit of \$159.0 million and cash of \$7.0 million. The Company does not believe that its cash on hand will be sufficient to enable it to fund its operations, including clinical trial expenses and capital expenditure requirements for at least 12 months from the issuance of these unaudited condensed consolidated financial statements. The Company believes that these conditions raise substantial doubt about its ability to continue as a going concern.

The Company’s need for additional capital will depend in part on the scope and costs of its development activities. To date, the Company has generated approximately \$2.5 million revenue from the sales of its commercialized product, QUELIMMUNE, to fund its operations. Its ability to generate meaningful product revenue will depend on the progress of the commercial launch of QUELIMMUNE and successful development and eventual commercialization of the adult SCD. Until such time, if ever, the Company expects to finance its operations through the sale of equity or debt securities, borrowing under credit facilities, or through potential collaborations, other strategic transactions or government and other grants. Adequate capital may not be available to the Company when needed or on acceptable terms.

If the Company is unable to raise capital, it could be forced to delay, reduce, suspend, or cease its research and development programs or any future commercialization efforts, which would have a negative impact on its business, prospects, operating results and financial condition. The accompanying unaudited condensed consolidated financial statements have been prepared assuming that the Company will continue as a going concern and do not include adjustments that might result from the outcome of this uncertainty. This basis of accounting contemplates the recovery of the Company’s assets and the satisfaction of liabilities in the normal course of business.

***Risks and Uncertainties***

The Company is subject to risks common to early-stage companies in the medical technology industry including, but not limited to, new medical and technological innovations, dependence on key personnel, protection of proprietary technology, and product liability. There can be no assurance that the Company’s products or services will be accepted in the marketplace, nor can there be any assurance that any future products or services can be developed or deployed at an acceptable cost and with appropriate performance characteristics, or that such products or services will be successfully marketed, if at all. These factors could have a materially adverse effect on the Company’s future financial results, financial position and cash flows.

**SeaStar Medical Holding Corporation**  
**Notes to the Condensed Consolidated Financial Statements (Unaudited)**  
**June 30, 2026**

**Note 2. Summary of Significant Accounting Policies*****Use of Estimates***

The preparation of the unaudited condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates, assumptions and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the unaudited condensed consolidated financial statements and reported amounts of revenues and expenses during the three and six months ended June 30, 2026. Significant estimates include (i) accrued unbilled clinical trial costs, and (ii) stock-based compensation expense. Although actual results could differ from those estimates, such estimates are developed based on the best information available to management and management's best judgments at the time.

***Concentrations of Credit Risk***

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash. Periodically, the Company may maintain deposits in financial institutions in excess of government insured limits. Any loss incurred or a lack of access to such funds could have a significant adverse impact on the Company's financial condition, results of operations, and cash flows.

***Cash and Cash Equivalents***

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. The Company did not have any cash equivalents as of June 30, 2026 and December 31, 2025.

***Accounts Receivable, net***

The Company recognizes accounts receivable from sales to customers at the time revenue is recognized and a customer invoice is created. The need for a credit loss allowance is evaluated each reporting period based on the Company's assessment of the credit worthiness of its customers or any other potential circumstances that could result in a credit loss. The Company initially estimates credit losses based on a portfolio-wide method using an aging schedule at the end of each reporting period. As of June 30, 2026 and December 31, 2025, the Company had a current expected credit loss reserve of \$2 thousand and \$3 thousand, respectively.

***Fair Value of Financial Instruments***

The following provides a summary of those assets or liabilities for which the Company is required to measure at fair value either on a recurring basis, the valuation techniques and summary of inputs used to arrive at the measure of fair value. Changes in fair value of these assets or liabilities are recognized as a component of net income in the unaudited condensed consolidated statements of operations. Changes in fair value of these assets or liabilities are considered unrealized gains or losses and therefore are classified as non-cash adjustments to reconcile net income to operating cash flows. Significant increases (decreases) in unobservable inputs used in fair value measurements could, in isolation, potentially result in a significantly lower or higher valuation for those assets or liabilities requiring recurring fair value measurements at each reporting date.

*Liability Classified Warrants.* The Company has entered into or assumed various financial instruments, in the form of warrant agreements, that require classification as liabilities. This classification requires that the Company remeasure the fair value of the liability classified warrants at the end of each quarterly and annual reporting period.

The Company uses a Black-Scholes option pricing model to fair value the warrants, using standard option pricing inputs such as the strike price of each warrant tranche, estimated volatility, time to maturity, and the risk-free interest rate. The risk-free interest rate is the U.S. Treasury rate at the date of issuance, and the time to maturity is based on the contractual life at the date of issuance, which is five years. The change in fair value of the liability classified warrants each reporting period is recorded to the change in fair value of warrants liability in the unaudited condensed consolidated statements of operations.

*Operating Current Assets and Current Liabilities.* The estimated fair value of cash, accounts receivables, prepaid expenses, accounts payable and accrued expenses approximate their fair value because of the short-term nature of these instruments.

*Classification of Derivative Gains and Losses on the Unaudited Condensed Consolidated Statement of Cash Flows.* Changes in fair value related to the Company's derivative financial instruments consisting of liability classified warrants are recognized as a component of other income/(expense).

**SeaStar Medical Holding Corporation**  
**Notes to the Condensed Consolidated Financial Statements (Unaudited)**  
**June 30, 2026**

**Revenue Recognition***Overall*

Under ASC 606, *Revenues from Contracts with Customers* ("Topic 606") the Company recognizes revenue when a customer obtains control of promised goods or services, in an amount that reflects the consideration that the Company expects to receive in exchange for those goods or services. To determine revenue recognition for arrangements that the Company determines are within the scope of Topic 606, the Company evaluates the following criteria: (i) identify the contract with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price, including variable consideration, if any; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) performance obligations are satisfied.

At contract inception, once the contract is determined to be within the scope of Topic 606, the Company assesses whether the goods or services promised within each contract are distinct and, therefore, represent a separate performance obligation. Goods and services that are determined not to be distinct are combined with other promised goods and services until a distinct combined performance obligation is identified. The Company then allocates the transaction price to each performance obligation and recognizes the associated revenue when (or as) each performance obligation is satisfied. The estimate of the transaction price for each contract includes all variable consideration to which the Company expects to be entitled, subject to the constraint on variable consideration. The Company constrains revenue by giving consideration to factors that could otherwise lead to a probable reversal of revenue. Variable consideration is not constrained if the potential reversal of cumulative revenue recognized at the contract level is not significant.

The Company currently does not receive customer deposits or prepayments prior to the Company fulfilling its performance obligation(s) under each contract obligation(s).

*Product Sales Revenue*

The Company sells its products directly to end-user qualified customers using the Company's own internal commercial/sales resources.

- *Timing of Revenue Recognition* – During the brief history (commenced July 2024) of selling QUELIMMUNE, revenue has been recognized based on a *freight-on-board destination* ("FOB Destination") requirement, except in limited cases where they are sold *freight-on-board shipping point* ("FOB Shipping Point").
- *Chargebacks, Government Rebates and Discounts* – During the brief history of selling QUELIMMUNE commercially, the Company has not agreed to chargebacks, government rebates or discounts.
- *Returns* – Returns are specific to each order, but generally the Company allows for returns of any damaged or non-conforming product within 30 days of receipt of product. Given the (i) overall rate of product shipped that is defective/damaged, (ii) overall volume of sales to individual end-user customers, (iii) expected supply in the customer channel, and (iv) expected usage by customers, the Company does not anticipate that there will be significant risk of material product returns that require recognition.
- *Variable Consideration* – There are currently no other variable consideration elements outside of those already disclosed in this footnote.
- *Transaction Price* – Based on the above, as currently constructed, the Company's transaction price is fixed, based on the agreed-upon price per each purchase order submitted by each customer. There are no milestone or up-front payments.
- *Allocation of Consideration* – Each sale of QUELIMMUNE is independent of any and all other sales. The entire transaction price for each QUELIMMUNE unit sold is allocated to that unit of QUELIMMUNE, and there are no allocations to services or other performance obligations, as there are no such services or other performance obligations that require the Company to allocate a portion of the transaction price.

**SeaStar Medical Holding Corporation**  
**Notes to the Condensed Consolidated Financial Statements (Unaudited)**  
**June 30, 2026**

The Company will continue to monitor all of the above as the Company continues to commercialize and increase its customer base, which could result in each distributor or end-user customer agreement having its own unique terms and conditions, that will potentially impact the timing and amount of revenue recognition pursuant to U.S. GAAP.

### ***Cost of Goods Sold***

Prior to July 2024, the Company manufactured/assembled QUELIMMUNE and adult SCDs only for research oriented and/or clinical trial related activities. Inventory purchased prior to July 2024 was expensed as a period expense at the time of purchase as a research and development expense. Accordingly, all QUELIMMUNE units sold prior to the three months ended June 30, 2025, had no recognized inventory value. During the three and six months ended June 30, 2026, the Company recognized approximately \$54 thousand and \$100 thousand, for cost of goods sold, respectively.

The Company purchases supplies for the production of QUELIMMUNE and adult SCDs, some of which are used in the production of both. The Company's policy for the accounting for these three categories of inventory is as follows:

- *QUELIMMUNE Specific Inventory* – comprises raw materials used solely for the assembly of QUELIMMUNE inventory. It will be recognized to inventory as either raw materials, work-in-process, or finished goods depending on the stage of assembly. It will be charged to cost of goods sold upon shipment to a customer.
- *Commingled Inventory* – comprises raw materials that are used both for the assembly of QUELIMMUNE or adult SCDs. If used in the assembly of QUELIMMUNE, it will continue to be included in inventory as either work-in-process or finished goods depending on the stage of assembly and charged to cost of goods sold upon shipment to a customer.
- *Adult SCD Specific Inventory* – comprises raw materials used solely for the assembly of adult SCDs primarily to fulfill the demands of the NEUTRALIZE-AKI study. These supplies will be charged to research and development expense upon acquisition, until such time, that it is probable that these supplies could be assembled into adult SCD kits to be sold commercially.

### ***Funded Research and Development Expense***

During the year ended December 31, 2025, the Company entered into an agreement to provide contract research services to an outside party, which involves a study of the Company's selective cytopheretic device relating to patients with severe, chronic heart failure. The Company is able to bill the outside party for a certain portion of the costs incurred to provide these services. The Company will own and is able to benefit from the knowledge gained from the results of this study. Accordingly, the Company will account for any funds paid by the outside party to the Company as a reimbursed expense, in accordance with ASC 730-20 as a funded research and development arrangement. Accordingly, any amounts incurred and billed will offset the Company's operating expenses categorized as research and development expense on the Company's unaudited condensed consolidated statements of operations for the three and six months ended June 30, 2026 and 2025. The reimbursed expenses for the three months ended June 30, 2026 and 2025, totaled approximately \$34 thousand and \$0.3 million, respectively, and for the six months ended June 30, 2026 and 2025, totaled approximately \$73 thousand and \$0.3 million, respectively.

### ***Emerging Growth Company Status***

The Company is an "emerging growth company", as defined in the Jumpstart Our Business Startups Act of 2012 ("JOBS Act"). Under the JOBS Act, emerging growth companies can take advantage of an extended transition period for complying with new or revised accounting standards, delaying the adoption of these accounting standards until they apply to private companies. The Company has elected to use this extended transition period for complying with certain new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date that it is (1) no longer an emerging growth company or (2) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act.

### ***Recently Issued Accounting Standards***

*Accounting Standards Update 2024-03* — In November 2024, the FASB issued ASU 2024-03 - *Income Statement - Reporting Comprehensive Income – Expense Disaggregation (Subtopic 220-40): Disaggregation of Income Statement Expenses*. ASU 2024-03 requires the disclosure of additional information related to certain costs and expenses, including amounts of inventory purchases, employee compensation, and depreciation and amortization included in each income statement line item. The ASU is effective for annual periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of adopting this guidance on its consolidated financial statements and disclosures.

**SeaStar Medical Holding Corporation**  
**Notes to the Condensed Consolidated Financial Statements (Unaudited)**  
**June 30, 2026**

**Note 3. Revenues and Contract Obligations**

The Company recognized \$0.6 million and \$0.3 million in revenues for the three months ended June 30, 2026 and 2025, respectively, and \$1.1 and \$0.6 million for the six months ended June 30, 2026 and 2025, respectively. The Company's sales are entirely in the United States, as it does not have any regulatory approval to sell elsewhere as of June 30, 2026.

**Contract Assets and Liabilities**

There are and were no contract assets or liabilities as of and at any time during the three and six months ended June 30, 2026 and 2025. This is because the Company's current contracts with customers do not contain features, terms or conditions that would give rise to such contract assets or liabilities.

**Note 4. Accounts Receivable, net**

The table below presents the opening and closing balances of accounts receivable, on a gross and net basis, with the total change in expected credit losses.

| (\$ in thousands)              | Accounts<br>Receivable, Gross | Expected Credit<br>Losses | Accounts<br>Receivable, Net |
|--------------------------------|-------------------------------|---------------------------|-----------------------------|
| December 31, 2025              | \$ 240                        | \$ (3)                    | \$ 237                      |
| Changes in accounts receivable | (30)                          | 1                         | (29)                        |
| June 30, 2026                  | <u>\$ 210</u>                 | <u>\$ (2)</u>             | <u>\$ 208</u>               |

**Note 5. Accrued Expenses**

Accrued expenses consisted of the following amounts as of June 30, 2026 and December 31, 2025:

| (\$ in thousands)                | June 30, 2026   | December 31,<br>2025 |
|----------------------------------|-----------------|----------------------|
| Accrued research and development | \$ 1,715        | \$ 1,525             |
| Accrued bonus                    | 637             | 150                  |
| Accrued director compensation    | 106             | 70                   |
| Other                            | 1,010           | 523                  |
| Total accrued expenses           | <u>\$ 3,468</u> | <u>\$ 2,268</u>      |

**SeaStar Medical Holding Corporation**  
**Notes to the Condensed Consolidated Financial Statements (Unaudited)**  
**June 30, 2026**

**Note 6. Notes Payable*****Insurance Financing***

In October 2025, the Company entered into a financing arrangement with a lender to finance a portion of the annual premium of an insurance policy in the amount of \$0.7 million, to be paid over ten months, with the final payment in August 2026. As of June 30, 2026, the Company owed approximately \$0.1 million under this arrangement.

**Note 7. Equity Transactions*****Standby Equity Purchase Agreement***

On April 25, 2025, the Company entered into a standby equity purchase agreement (“Common Stock Purchase Agreement”) and related registration rights agreement (the “Registration Rights Agreement”) with Lincoln Park Capital Fund, LLC (“Lincoln Park”), collectively the “SEPA”. Pursuant to the Common Stock Purchase Agreement, the Company has the right, but not the obligation, to direct Lincoln Park to purchase up to \$15.0 million in aggregate gross purchase price of newly issued shares of common stock, subject to certain limitations and conditions as described below (the “SEPA Program”) at a purchase price equal to 97% of the lesser of (i) the lowest sale price of the common stock on the purchase date or (ii) average of the three lowest closing sale prices of the common stock over the last ten business days prior to the purchase date.

The Company controls the timing and amount of any sales to Lincoln Park, which depend on a variety of factors including, among other things, market conditions, the trading price of the Company’s common stock, and determinations by the Company as to appropriate sources of funding for its business and operations. However, Lincoln Park’s obligation to purchase shares is subject to certain conditions, including the daily trading volume of the Company’s common stock. In all instances, the Company may not sell shares of common stock under the Common Stock Purchase Agreement if it would result in Lincoln Park and its affiliate beneficially owning more than 9.99% of outstanding voting power or shares of the common stock at any one point in time.

As part of the SEPA, the Company agreed to issue to Lincoln Park 23,641 shares of the Company’s common stock, valued at approximately \$0.3 million on the date of issuance, April 25, 2025 (the “Commitment Fee”).

The Company evaluated the contract that includes the right to require Lincoln Park to purchase shares of common stock in the future (“put right”) considering the guidance in ASC 815-40, *Derivatives and Hedging — Contracts on an Entity’s Own Equity* and concluded that it is an equity-linked contract that does not qualify for equity classification, and therefore requires fair value accounting. The Company analyzed the terms of the freestanding put right and concluded that it has an immaterial value at the issuance date of April 25, 2025, and as of June 30, 2026 and December 31, 2025.

From inception through June 30, 2026, the Company raised approximately \$1.1 million, net of offering costs of approximately \$64 thousand, issuing approximately 0.4 million shares of the Company's common stock. During the three and six months ended June 30, 2026, the Company raised \$0.8 million and \$1.1 million, net of offering costs of approximately \$46 thousand and \$62 thousand, respectively, issuing 0.3 million shares and 0.4 million shares, respectively of the Company's common stock.

**SeaStar Medical Holding Corporation**  
**Notes to the Condensed Consolidated Financial Statements (Unaudited)**  
**June 30, 2026**

***At-The-Market Offering***

On August 20, 2024, the Company entered into an At-The-Market Offering Agreement (the “ATM Agreement”) with Wainwright as sales agent, to sell shares of its common stock, from time to time, through an “at the market offering” program under which Wainwright will act as sales agent. The sales, if any, of the Company’s common stock made under the ATM Agreement will be made by any method permitted by law deemed to be an “at the market offering” as defined in Rule 415 promulgated under the Securities Act of 1933, as amended (the “Securities Act”), including sales made directly on or through the Nasdaq Capital Market or on any other existing trading market for the Company’s common stock (the “ATM”).

Through June 30, 2026, the Company has raised approximately \$10.4 million, net of offering costs of approximately \$0.4 million, utilizing the ATM since inception in August 2024, issuing approximately 1,081,207 shares of the Company’s common stock. During the six months ended June 30, 2026, the Company raised approximately \$0.1 million, net of offering costs of approximately \$2 thousand, issuing approximately 18,880 shares of the Company's common stock.

**Note 8. Warrants**

The Company issued warrants in connection with various financing transactions. The Company had the following warrants outstanding at June 30, 2026 and December 31, 2025:

|                                             | June 30, 2026    | December 31,<br>2025 |
|---------------------------------------------|------------------|----------------------|
| <b><i>Liability Classified Warrants</i></b> |                  |                      |
| Private Placement Warrants                  | 22,952           | 22,952               |
| PIPE Investor Warrants                      | 2,000            | 2,000                |
| <b><i>Subtotal</i></b>                      | <b>24,952</b>    | <b>24,952</b>        |
| <b><i>Equity Classified Warrants</i></b>    |                  |                      |
| August 2025 Warrants                        | 530,779          | 530,779              |
| July 2025 Warrants                          | 560,944          | 560,944              |
| June 2025 Warrants                          | 994,616          | 994,616              |
| February 2025 Warrants                      | 377,648          | 377,648              |
| July 2024 Warrants                          | 101,422          | 101,422              |
| January 2024 Warrants                       | 67,213           | 67,213               |
| Public Stockholders’ Warrants               | 42,200           | 42,200               |
| Legacy Warrants                             | 150              | 150                  |
| <b><i>Subtotal</i></b>                      | <b>2,674,972</b> | <b>2,674,972</b>     |
| <b><i>Grand Total</i></b>                   | <b>2,699,924</b> | <b>2,699,924</b>     |

**SeaStar Medical Holding Corporation**  
**Notes to the Condensed Consolidated Financial Statements (Unaudited)**  
**June 30, 2026**

The following tables provide the weighted-average strike price and time to maturity for each warrant share equivalent outstanding for each warrant tranche as of June 30, 2026 and December 31, 2025:

| June 30, 2026                               | Warrant Share<br>Equivalents | Weighted-Average<br>Strike Price | Weighted-Average<br>Time to Maturity |
|---------------------------------------------|------------------------------|----------------------------------|--------------------------------------|
| <b><i>Liability Classified Warrants</i></b> |                              |                                  |                                      |
| Private Placement Warrants                  | 22,952                       | \$ 2,875.00                      | 1.33                                 |
| PIPE Investor Warrants                      | 2,000                        | \$ 2,875.00                      | 1.33                                 |
| <b><i>Equity Classified Warrants</i></b>    |                              |                                  |                                      |
| August 2025 Warrants                        | 530,779                      | \$ 7.85                          | 4.12                                 |
| July 2025 Warrants                          | 560,944                      | \$ 6.59                          | 4.11                                 |
| June 2025 Warrants                          | 994,616                      | \$ 6.57                          | 2.65                                 |
| February 2025 Warrants                      | 377,648                      | \$ 17.34                         | 3.74                                 |
| July 2024 Warrants                          | 101,422                      | \$ 107.23                        | 3.03                                 |
| January 2024 Warrants                       | 67,213                       | \$ 238.16                        | 2.94                                 |
| Public Stockholders' Warrants               | 42,200                       | \$ 2,875.00                      | 1.33                                 |
| Legacy SeaStar Inc. Warrants                | 150                          | \$ 2,500.00                      | 0.67                                 |

| December 31, 2025                           | Warrant Share<br>Equivalents | Weighted-Average<br>Strike Price | Weighted-Average<br>Time to Maturity |
|---------------------------------------------|------------------------------|----------------------------------|--------------------------------------|
| <b><i>Liability Classified Warrants</i></b> |                              |                                  |                                      |
| Private Placement Warrants                  | 22,952                       | \$ 2,875.00                      | 1.82                                 |
| PIPE Investor Warrants                      | 2,000                        | \$ 2,875.00                      | 1.82                                 |
| <b><i>Equity Classified Warrants</i></b>    |                              |                                  |                                      |
| August 2025 Warrants                        | 530,779                      | \$ 7.85                          | 4.61                                 |
| July 2025 Warrants                          | 560,944                      | \$ 6.59                          | 4.61                                 |
| June 2025 Warrants                          | 994,616                      | \$ 6.57                          | 3.15                                 |
| February 2025 Warrants                      | 377,648                      | \$ 17.34                         | 4.24                                 |
| July 2024 Warrants                          | 101,422                      | \$ 107.23                        | 3.53                                 |
| January 2024 Warrants                       | 67,213                       | \$ 238.16                        | 3.44                                 |
| Public Stockholders' Warrants               | 42,200                       | \$ 2,875.00                      | 1.82                                 |
| Legacy SeaStar Inc. Warrants                | 150                          | \$ 2,500.00                      | 1.17                                 |

There were no new warrants issued, or existing warrants exercised or expired during the three and six months ended June 30, 2026.

**SeaStar Medical Holding Corporation**  
**Notes to the Condensed Consolidated Financial Statements (Unaudited)**  
**June 30, 2026**

**Note 9. Stock-Based Compensation Awards**

The following table sets forth the total stock-based compensation cost included in the Company's unaudited condensed consolidated statements of operations for the periods indicated:

| (\$ in thousands)              | Three Months Ended June 30, |              | Six Months Ended June 30, |               |
|--------------------------------|-----------------------------|--------------|---------------------------|---------------|
|                                | 2026                        | 2025         | 2026                      | 2025          |
| Research and development       | \$ 42                       | \$ 23        | \$ 75                     | \$ 46         |
| General and administrative     | (141)                       | 74           | (83)                      | 218           |
| Total stock-based compensation | <u>\$ (99)</u>              | <u>\$ 97</u> | <u>\$ (8)</u>             | <u>\$ 264</u> |

**Equity Incentive Plan - Summary**
**2022 Omnibus Incentive Plan**

The Company's Board of Directors adopted, and the stockholders approved the 2022 Omnibus Incentive Plan to provide long-term incentive for its employees and non-employee service providers. The vesting of stock options is stated in each individual grant agreement, which is generally one to four years. Options granted expire 10 years after the date of grant. As of June 30, 2026, there were approximately 925 thousand shares of common stock reserved for issuance under the 2022 Omnibus Incentive Plan.

**2019 Stock Incentive Plan**

The Company's Board of Directors adopted the 2019 Stock Incentive Plan on February 25, 2019, to provide long-term incentive for its employees and non-employee service providers. The 2019 Stock Incentive Plan was terminated on October 28, 2022, and no further awards were granted under such plan.

**Stock Options**

Option activity for the six months ended June 30, 2026, is as follows:

**2022 Omnibus Incentive Plan - Stock Options**

|                                         | Options      | Weighted-Average Exercise Price | Total Intrinsic Value | Weighted-Average Remaining Contractual Life (Years) |
|-----------------------------------------|--------------|---------------------------------|-----------------------|-----------------------------------------------------|
| Outstanding at December 31, 2025        | 1,123        | \$ 460.00                       | \$ —                  | 7.2                                                 |
| Exercised                               | —            |                                 |                       |                                                     |
| Issued                                  | —            |                                 |                       |                                                     |
| Forfeited / cancelled                   | (48)         | \$ 460.00                       |                       |                                                     |
| Outstanding at June 30, 2026            | <u>1,075</u> | <u>\$ 460.00</u>                | <u>\$ —</u>           | <u>6.7</u>                                          |
| Vested and exercisable at June 30, 2026 | <u>1,075</u> | <u>\$ 460.00</u>                | <u>\$ —</u>           | <u>6.7</u>                                          |

**2019 Stock Incentive Plan - Options**

|                                         | Options    | Weighted-Average Exercise Price | Total Intrinsic Value | Weighted-Average Remaining Contractual Life (Years) |
|-----------------------------------------|------------|---------------------------------|-----------------------|-----------------------------------------------------|
| Outstanding at December 31, 2025        | 689        | \$ 533.00                       | \$ —                  | 4.4                                                 |
| Exercised                               | —          |                                 |                       |                                                     |
| Issued                                  | —          |                                 |                       |                                                     |
| Forfeited / cancelled                   | —          |                                 |                       |                                                     |
| Outstanding at June 30, 2026            | <u>689</u> | <u>\$ 533.00</u>                | <u>\$ —</u>           | <u>3.9</u>                                          |
| Vested and exercisable at June 30, 2026 | <u>689</u> | <u>\$ 533.00</u>                | <u>\$ —</u>           | <u>3.9</u>                                          |

**SeaStar Medical Holding Corporation**  
**Notes to the Condensed Consolidated Financial Statements (Unaudited)**  
**June 30, 2026**

### ***Restricted Stock Units***

There are no outstanding restricted stock units ("RSUs") outstanding under the 2019 Stock Incentive Plan. A summary of the Company's RSU activity is as follows:

#### ***2022 Omnibus Incentive Plan - RSUs***

|                                  | <b>Number of RSU</b> | <b>Weighted-Average<br/>Grant Date Fair<br/>Value (per share)</b> |
|----------------------------------|----------------------|-------------------------------------------------------------------|
| Outstanding at December 31, 2025 | 25,870               | \$ 30.50                                                          |
| Granted                          | 138,000              |                                                                   |
| Vested                           | (4,976)              |                                                                   |
| Forfeited / cancelled            | —                    |                                                                   |
| Outstanding at June 30, 2026     | <u>158,894</u>       | <u>\$ 6.17</u>                                                    |

### **Note 10. Commitments and Contingencies**

#### ***Lease Agreements***

The Company is part of a membership agreement for shared office space for two suites at the same location. The first suite is on a month-to-month basis and the Company can cancel any time, while the second suite has an annual renewal option. Rent expense was approximately \$22 thousand and \$16 thousand for the three months ended June 30, 2026 and 2025, respectively, and approximately \$41 thousand and \$37 thousand for the six months ended June 30, 2026 and 2025, respectively.

#### ***Litigation***

Liabilities for loss contingencies arising from claims, assessments, litigation, fines, penalties, and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. From time to time, the Company may become involved in legal proceedings arising in the ordinary course of business.

#### ***Shareholder Claims***

On July 5, 2024, Forrest A K Wells, a purported stockholder of ours, filed a putative class action complaint in the United States District Court for the District of Colorado, captioned Wells v. SeaStar Medical Holding Corporation et al, Case No. 1:24-cv-0187 (D. Colorado) (the "Class Action"). The Class Action alleges that we, our Chief Executive Officer and former Chief Financial Officer made or caused to be made material misstatements or omissions regarding our business and operations, allegedly culminating in our restatement of our consolidated financial statements, disclosed in a Form 8-K and filed on March 27, 2024. The Class Action asserts claims pursuant to the Securities Exchange Act of 1934, including Section 10(b), Rule 10b-5 promulgated thereunder and Section 20(a). The Class Action seeks to recover, among other remedies, compensatory damages. On March 4, 2025, the Plaintiff filed an amended complaint. The Defendants moved to dismiss the complaint. The Defendants' motion to dismiss the complaint was referred to United States District Court Magistrate Judge Timothy P. O'Hara. On February 27, 2026, Magistrate Judge O'Hara issued a written report and recommendation to United States District Judge Regina M. Rodriguez that the complaint be dismissed with leave to amend ("R&R"). On March 30, 2026, Judge Rodriguez adopted the Magistrate Judge's R&R and dismissed the complaint with leave to amend. On April 21, 2026 the parties filed a Stipulation and Proposed Order of Dismissal with Prejudice ("Stipulation"). On April 27, 2026 the Court ordered that the case is dismissed with prejudice.

On December 13, 2024, Jose Lazo, a purported stockholder of ours, filed a putative stockholder derivative action complaint captioned Lazo v. Schlorff et. al., C.A. No. 1:24-cv-3444 in the United States District Court for the District of Colorado (the "Derivative Action"). The factual allegations of the Derivative Action are substantially similar to the Class Action. On January 30, 2025, upon joint motion of the parties, the Court stayed the Derivative Action pending the Court's resolution of the then-anticipated motion to dismiss to be filed in the Class Action.

The Derivative Action alleges, among other things, that our Chief Executive Officer, former Chief Financial Officer, and certain of the Company's current and former directors violated Section 14(a) of the Exchange Act, breached fiduciary duties and were unjustly enriched by making or allowing to be made purportedly false and misleading statements regarding our prospects for success in obtaining FDA approval for our SCD. The Derivative Action further alleges that there were purported deficiencies in the Company's internal financial controls and procedures and improper accounting for classification of certain financial instruments leading to our restatement of previously issued financial statements. The Derivative Action also asserts claims under Section 10(b) and 21D of the Exchange Act against our Chief Executive Officer and former Chief Financial Officer. Among other remedies, the Derivative Action seeks to recover damages and restitution on behalf of us and certain injunctive relief concerning our corporate governance and internal controls. On May 12, 2026, the parties filed a stipulation pursuant to which the plaintiff agreed, in light of the dismissal of the Class Action, to dismiss the Derivative Action without prejudice. Also on May 12, 2026, the Court ordered that the case is dismissed without prejudice.

**SeaStar Medical Holding Corporation**  
**Notes to the Condensed Consolidated Financial Statements (Unaudited)**  
**June 30, 2026**

**Note 11. Fair Value Measurements**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). Inputs used to measure fair value are classified into the following hierarchy:

Level 1 – quoted prices in active markets for identical assets and liabilities.

Level 2 – other significant observable inputs (including quoted prices for similar assets and liabilities, interest rate, credit risk, etc.).

Level 3 – significant unobservable inputs (including the Company’s own assumptions in determining the fair value of assets and liabilities).

The fair value of the warrants liability is classified as Level 3 in the fair value hierarchy.

***Fair Value Measurement Hierarchy***

The following tables present the Company’s financial assets and/or liabilities that were accounted for at fair value on a recurring basis as of June 30, 2026 and December 31, 2025, by level within the fair value hierarchy. There were no non-recurring fair value measurements, as the Company does not have any long-lived assets, including fixed assets, intangible assets, or goodwill which can require non-recurring measurements for impairment.

***Summary of Level 3 Input Changes***

|                               | <b>Fair Value Measurements at June 30, 2026</b>     |                  |                  |              |
|-------------------------------|-----------------------------------------------------|------------------|------------------|--------------|
|                               | <b>(Level 1)</b>                                    | <b>(Level 2)</b> | <b>(Level 3)</b> | <b>Total</b> |
| <b><i>Liabilities:</i></b>    |                                                     |                  |                  |              |
| Liability classified warrants | \$ —                                                | \$ —             | \$ 1             | \$ 1         |
|                               | <u>\$ —</u>                                         | <u>\$ —</u>      | <u>\$ 1</u>      | <u>\$ 1</u>  |
|                               |                                                     |                  |                  |              |
|                               | <b>Fair Value Measurements at December 31, 2025</b> |                  |                  |              |
|                               | <b>(Level 1)</b>                                    | <b>(Level 2)</b> | <b>(Level 3)</b> | <b>Total</b> |
| <b><i>Liabilities:</i></b>    |                                                     |                  |                  |              |
| Liability classified warrants | \$ —                                                | \$ —             | \$ 1             | \$ 1         |
| <b>Total</b>                  | <u>\$ —</u>                                         | <u>\$ —</u>      | <u>\$ 1</u>      | <u>\$ 1</u>  |

**SeaStar Medical Holding Corporation**  
**Notes to the Condensed Consolidated Financial Statements (Unaudited)**  
**June 30, 2026**

The following table presents the changes in the fair value of the liability classified warrants for the six months ended June 30, 2026 (in thousands):

|                                           | <b>Liability<br/>Classified<br/>Warrants</b> |
|-------------------------------------------|----------------------------------------------|
| <b>Level 3 Roll Forward</b>               |                                              |
| Balance December 31, 2025                 | \$ 1                                         |
| Additions                                 | —                                            |
| Cash paid to settle                       | —                                            |
| Shares issued upon conversion or exercise | —                                            |
| Changes in fair value                     | —                                            |
| Balance June 30, 2026                     | <u>\$ 1</u>                                  |

*Level 3 Inputs*

For assets or liabilities for which the Company is required to remeasure the fair value on a recurring basis at each reporting date, generally the Company is required to disclose certain quantitative data related to the inputs used at the most recent reporting period date. However, for those assets or liabilities for which the Company has elected to take the fair value option in accordance with ASC 825, *Financial Instruments*, then such quantitative disclosures are not required.

***Liability Classified Warrants***

The liability classified warrants as of June 30, 2026 and December 31, 2025, include two classes of warrants with the exact same terms, and therefore, the range of assumptions are the same, and disclosed below. Significant assumptions used in valuing warrants which require liability classification were as follows as of June 30, 2026 and December 31, 2025.

|                     | <b>June 30,<br/>2026</b> | <b>December 31,<br/>2025</b> |
|---------------------|--------------------------|------------------------------|
| Expected volatility | 130.00%                  | 130.00%                      |
| Equivalent term     | 1.325                    | 1.825                        |
| Risk-free rate      | 4.04%                    | 3.48%                        |
| Dividend yield      | 0.00%                    | 0.00%                        |
| Stock price         | \$ 3.67                  | \$ 2.40                      |
| Strike price        | \$ 2,875.00              | \$ 2,875.00                  |

**Note 12. Income Taxes**

In accordance with U.S. GAAP, a valuation allowance should be provided if it is more likely than not that some or all of the Company's deferred tax assets will not be realized. The Company's ability to realize the benefit of its deferred tax assets will depend on the generation of future taxable income. Except as noted below, due to the uncertainty of future profitable operations and taxable income, the Company has recorded a full valuation allowance against its net deferred tax assets. The Company has recognized an insignificant provision for certain minimum state taxes of approximately \$3 thousand as of June 30, 2026.

The Company believes its tax filing position and deductions related to tax periods subject to examination will be sustained under audit and, therefore, has no reserve for uncertain tax positions.

**SeaStar Medical Holding Corporation**  
**Notes to the Condensed Consolidated Financial Statements (Unaudited)**  
**June 30, 2026**

**Note 13. Net Loss Per Share**

The following table presents the calculation of basic and diluted net loss per share (in thousands except share and per share information):

|                                                                | <b>Three Months Ended June 30,</b> |                  | <b>Six Months Ended June 30,</b> |                  |
|----------------------------------------------------------------|------------------------------------|------------------|----------------------------------|------------------|
|                                                                | <b>2026</b>                        | <b>2025</b>      | <b>2026</b>                      | <b>2025</b>      |
| Net loss                                                       | \$ (3,730)                         | \$ (2,002)       | \$ (7,251)                       | \$ (5,774)       |
| Weighted-average common shares outstanding - basic and diluted | 4,084,283                          | 1,132,952        | 4,001,770                        | 998,122          |
| Basic and diluted net loss per common share                    | <u>\$ (0.91)</u>                   | <u>\$ (1.77)</u> | <u>\$ (1.81)</u>                 | <u>\$ (5.78)</u> |

The following outstanding potentially dilutive securities were excluded from the computation of diluted net loss per share attributable to common stockholders for the periods presented because including them would have been anti-dilutive:

|                                                 | <b>As of June 30,</b> |                  |
|-------------------------------------------------|-----------------------|------------------|
|                                                 | <b>2026</b>           | <b>2025</b>      |
| Liability classified warrants                   | 24,952                | 24,952           |
| Equity classified warrants                      | 2,674,972             | 1,862,526        |
| Employee based options to purchase common stock | 1,764                 | 2,178            |
| Unvested employee based restricted stock units  | 158,894               | 21,228           |
| Total                                           | <u>2,860,582</u>      | <u>1,910,884</u> |

**Note 14. Segment Reporting**

The Company is comprised of a single reportable segment, its Device Segment. This organizational structure aligns with how our CODM, the Chief Executive Officer, manages the Company's business, including resource allocation and performance assessment. The Company is focused entirely on the development, regulatory approval and commercialization of the Company's adult and pediatric Selective Cytopheretic Devices (SCDs). The Company had total assets of \$8.6 million and \$14.2 million, as of June 30, 2026 and December 31, 2025, respectively.

For segment reporting purposes, the CODM uses operating profit/(loss) to evaluate segment performance and allocate resources. As a Company that only recently began limited commercial sales of QUELIMMUNE, the CODM is primarily focused on evaluating the overall spending for research and development activities needed to fund further development of the SCDs, and general and administrative activities incurred to support the research and development activities of the Company. Accounting policies associated with the Company's sole segment are the same as those described in Note 2.

All of the Company's sales are located within the United States. As of the date of this report, the Company has obtained regulatory approval for commercial sales in the U.S. of QUELIMMUNE from the FDA. The Company does not have any inter-entity sales or transfers.

**SeaStar Medical Holding Corporation**  
**Notes to the Condensed Consolidated Financial Statements (Unaudited)**  
**June 30, 2026**

The following table represents the Company's sole segment's operating results for the six months ended June 30, 2026 and 2025, respectively(\*).

|                            | <b>Three Months Ended June 30,</b> |                   | <b>Six Months Ended June 30,</b> |                   |
|----------------------------|------------------------------------|-------------------|----------------------------------|-------------------|
|                            | <b>2026</b>                        | <b>2025</b>       | <b>2026</b>                      | <b>2025</b>       |
| Net revenue                | \$ 615                             | \$ 338            | \$ 1,110                         | \$ 631            |
| Cost of goods sold         | 54                                 | 27                | 100                              | 27                |
| Gross profit               | 561                                | 311               | 1,010                            | 604               |
| Operating expenses         |                                    |                   |                                  |                   |
| Research and development   | 2,520                              | 1,037             | 4,864                            | 3,468             |
| General and administrative | 1,832                              | 1,030             | 3,540                            | 2,716             |
| Total operating expenses   | 4,352                              | 2,067             | 8,404                            | 6,184             |
| Loss from operations       | <u>\$ (3,791)</u>                  | <u>\$ (1,756)</u> | <u>\$ (7,394)</u>                | <u>\$ (5,580)</u> |

(\*) The above table excludes other segment items consisting of interest expense, interest income, and gains and losses from changes in the fair value of liability classified financial instruments.

#### **Note 15. Subsequent Events**

##### *Nasdaq Compliance Update*

Pursuant to Nasdaq Listing Rule 5815(d)(4)(B), the Company has been subject to a Mandatory Panel Monitor since July 1, 2025 regarding the Company's compliance with Nasdaq's minimum stockholders' equity requirement under Nasdaq Listing Rule 5550(b)(1) (the "Minimum Stockholders' Equity Requirement") until July 1, 2026. If, within that one-year monitoring period, the Nasdaq Listing Qualifications staff (the "Staff") found the Company again out of compliance with the Minimum Stockholders' Equity Requirement, notwithstanding Nasdaq Listing Rule 5810(c)(2), the Company would not be permitted to provide the Staff with a plan of compliance with respect to that deficiency and the Staff would not be permitted to grant additional time for the Company to regain compliance with respect to that deficiency, nor would the Company be afforded an applicable cure or compliance period pursuant to Nasdaq Listing Rule 5810(c)(3). Instead, the Staff would issue a "Delist Determination Letter" and the Company would have an opportunity to request a new hearing with the initial Panel or a newly convened Hearings Panel if the initial Panel is unavailable.

Effective July 1, 2026, that the Company has maintained compliance with the Minimum Stockholders' Equity Requirement and is no longer subject to the Mandatory Panel Monitor or any of the aforementioned actions in the event the Company falls out of compliance with the Minimum Stockholders' Equity Requirement in the future.

##### *Standby Equity Purchase Agreement*

The Company has raised approximately \$0.4 millions, by issuing 135,339 shares of the Company's common stock since July 1, 2026.

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis are intended to help you understand our business, financial condition, results of operations, liquidity, and capital resources. You should read this discussion in conjunction with our condensed consolidated financial statements and related notes included elsewhere in this Form 10-Q and in our Annual Report on Form 10-K for the year ended December 31, 2025, filed on March 25, 2026.

In addition to historical financial analysis, this discussion and analysis contains forward-looking statements based upon current expectations that involve risks, uncertainties, and assumptions, as described under the heading "Cautionary Note Regarding Forward Looking Statements." Actual results and timing of selected events may differ materially from those anticipated in these forward-looking statements as a result of various factors, risks and uncertainties, including those set forth under "Risk Factors" included elsewhere (or incorporated by reference) in this Form 10-Q and in our Annual Report on Form 10-K for the year ended December 31, 2025. Unless the context otherwise requires, references in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" to "SeaStar Medical", "we", "us", "our," and "the Company" are intended to mean the business and operations of SeaStar Medical Holding Corporation and its consolidated subsidiaries.

### Overview

We are a commercial-stage healthcare company focused on transformational treatments for critically ill patients facing organ failure and potential loss of life. Our Selective Cytopheretic Device ("SCD") is designed as a disease-modifying device that neutralizes over-active immune cells and stops the cytokine storm that yields destructive hyperinflammation and creates a cascade of events that wreak havoc in the patient's body. It has broad potential applications for patients suffering from both acute and chronic kidney disease as well as cardiovascular and other serious inflammatory diseases.

We received Food and Drug Administration ("FDA") approval on February 21, 2024, under a Humanitarian Device Exemption ("HDE") for our pediatric SCD therapy. It is the only FDA approved product for use in pediatric patients with acute kidney injury ("AKI") due to sepsis or a septic condition requiring kidney replacement therapy. We shipped our first commercial pediatric SCD ("QUELIMMUNE") in July 2024. In addition, we are currently conducting a pivotal clinical trial, also referred to as "NEUTRALIZE-AKI" to assess the safety and efficacy of the SCD therapy in critically ill adult patients with AKI requiring continuous renal replacement therapy ("CRRT"). We are also conducting a feasibility study of the SCD therapy in adult patients with Cardiorenal Syndrome ("CRS") awaiting left ventricular assist device ("LVAD") implantation.

Our SCD therapy has been awarded six Breakthrough Device Designations ("BDD") by the FDA. These BDDs cover multiple therapeutic indications for the use of our SCD therapy in adult patients with AKI, CRS awaiting LVAD implantation, hepatorenal syndrome, end stage renal disease ("ESRD"), and systemic inflammatory response while undergoing cardiac surgery. The BDD enables the potential for a speedier pathway to approval and the ability to have more frequent and flexible meetings with FDA.

The inflammatory response is essential to the healing process of critical organs; however, the overactivation of inflammatory cells, which can be triggered by many different bodily insults such as trauma, surgery or infection, can send the body into shock and cause severe damage to a variety of critical organs such as the heart, lungs and kidneys. Central to inflammation are the cells within blood and lymph circulatory systems, called white blood cells (primarily neutrophils and monocytes). In a normal inflammatory response, neutrophils are the first immune cells to arrive at the site and are key to the entire immune response that kills pathogens and promotes tissue repair. These inflammatory cells release chemicals (cytokines) that trigger the immune system to eliminate foreign pathogens or damaged tissue, enhancing the immune response.

If the inflammatory response becomes excessive and dysregulated (referred to as proinflammatory), the inflammatory cells will continue to produce cytokines and other damaging molecules, further enhancing the dysregulated immune response, and altering feedback mechanisms that regulate the immune system. This results in damaging hyperinflammation spreading uncontrollably to other parts of the body, often leading to acute and potentially chronic solid organ dysfunction or failure, including the heart, lung, kidney, liver, and even death. This hyperinflammatory response is also known as the "cytokine storm," referring to the body's reaction to the category of small-secreted proteins released by hyperinflammatory cells that affect communication between cells.

Currently, there are no therapeutic options that specifically neutralize the white blood cells that are primarily responsible for the destructive hyperinflammatory response. Clinicians typically address hyperinflammation with therapies that are either immunosuppressive or that target a specific cytokine, both of which are generally suboptimal in the treatment of hyperinflammation. We believe our technology has the potential to overcome limitations in existing anti-inflammatory treatments and address the challenge of selectively targeting activated neutrophils and monocytes.

Clinical and preclinical studies conducted over the last 15 years have demonstrated that our SCD therapy can modulate the degree of activity of proinflammatory cells to help reduce tissue damage and speed the repair and recovery of organ function. Data from our trials demonstrated that the use of our SCD therapy to reverse the cytokine storm in more than 150 pediatric and adult patients with acute kidney injury on CRRT reduced mortality rates by 50%, and of those patients who survived 60 days, none have required dialysis. We believe our SCD therapy has the potential to transform the treatment of acute organ failure in the intensive care unit ("ICU") and to improve organ function in patients with chronic kidney disease, certain cardiovascular diseases, and other serious inflammatory diseases.

Preclinically, we evaluated our SCD therapy in various animal models representing multiple hyperinflammatory indications, including acute myocardial infarction, intracranial hemorrhage, chronic heart failure, sepsis, and acute respiratory distress syndrome. The animal models demonstrated the inflammatory response and how it was modified by our SCD therapy. We will continue to explore the application of our SCD therapy across a broad range of indications where proinflammatory activated neutrophils and monocytes contribute to disease progression or severity in both acute and chronic indications.

We are leveraging our patent protected and scalable SCD therapy platform to develop proprietary treatments that are organ agnostic and target both acute and chronic indications. The SCD therapy is delivered via an extracorporeal synthetic membrane device that easily integrates into existing CRRT systems that are commonly employed for patients with acute organ injury in hospitals, including in ICUs throughout the United States. It also has the potential to be integrated into kidney dialysis systems for chronic kidney disease patients receiving renal replacement therapy at centers throughout the United States. We believe that the ease of use and broad applicability of the therapy across multiple disease states should enable us to capture a sizable market for our SCD therapy with increasingly favorable economics.

Our senior management team and Board has extensive experience in the healthcare industry, including expertise in regulatory and medical affairs, commercialization and distribution in our initial therapeutic priority areas. We also have assembled a team of well-respected scientific advisors who are experts in the development of our technology and products.

There is a substantial clinical need for safe and effective control of hyperinflammation and we believe that our first-in-class SCD therapy can address the large potential market of over one million patients each year that face life-threatening hyperinflammatory conditions, including organ failure and potential loss of life.

### **SCD Therapy for Pediatric Patients**

We are currently commercializing our first product, QUELIMMUNE, under an HDE that was approved by the FDA on February 21, 2024. QUELIMMUNE is currently the only FDA-approved product for critically ill pediatric patients with life-threatening AKI due to sepsis or a septic condition.

We commenced our first product shipment of QUELIMMUNE in July 2024 and continue to target top-tier pediatric medical facilities for adoption of the QUELIMMUNE therapy. As a condition of the approval, the FDA stipulated that we would need to institute a post approval patient surveillance registry to track certain safety and performance metrics (the "SAVE Surveillance Registry"). This typically requires an Institutional Review Board ("IRB") review and approval to use QUELIMMUNE therapy at the medical facility, which can lengthen the QUELIMMUNE adoption process.

A benefit of the SAVE Surveillance Registry is the opportunity to collect real-world data from the commercial use of QUELIMMUNE therapy. Early results from the first 21 critically ill pediatric patients with life-threatening AKI and sepsis or a septic condition in the commercial setting in the SAVE Surveillance Registry showed no device related safety events with the QUELIMMUNE therapy with 76% of patients surviving through 60 days and 71% surviving through 90 days. We believe these data are on track to validate a 50% reduction in loss of life compared to historical data. Additionally, in December of 2025, based on the safety data from this set of patients, the FDA approved a reduction in the mandatory enrollment size of the SAVE Surveillance Registry from the originally-required 300 patients to only 50 patients. We enrolled the 50<sup>th</sup> patient of the SAVE Surveillance Registry on March 4, 2026.

We are also evaluating additional clinical development opportunities in children based on unmet medical needs. One such indication is for the use of our SCD therapy for the treatment of systemic inflammatory response in pediatric patients undergoing cardiac surgery, aimed at preventing post-operative complications and adverse outcomes, for which FDA awarded BDD on March 27, 2025.

## SCD Therapy for Adult Patients

We are currently conducting a pivotal trial, NEUTRALIZE-AKI, to evaluate the safety and efficacy of our SCD therapy in adults with AKI in the ICU receiving CRRT. The trial's primary endpoint is a composite of 90-day mortality or dialysis dependency of patients treated with SCD therapy in addition to CRRT as the standard of care, compared with the control group receiving only CRRT standard of care. We anticipate reporting topline clinical trial results and, assuming a successful trial outcome, submission of a Pre-market Approval ("PMA") application in 2027.

We are also evaluating additional clinical development of the SCD therapy in adults based on unmet clinical needs and market opportunity. Our BDD awards by the FDA in multiple therapeutic areas are expected to expedite the clinical development and regulatory review of the SCD therapy for use in the designated patient populations and are the primary focus of our future clinical development decisions. We received our first BDD awards in 2022 with the following additional BDDs in adult patient indications thereafter:

- On April 29, 2022, we received a BDD for the use of our SCD in the treatment of immunomodulatory dysregulation in adult patients (18 and older) with AKI, which is expected to accelerate the regulatory approval process for our ongoing pivotal trial.
- On September 28, 2023, we received BDD for our SCD for use in patients in the hospital ICU with acute or chronic systolic heart failure and worsening renal function due to cardiorenal syndrome or right ventricular dysfunction awaiting implantation of a left ventricular assist device.
- On October 18, 2023, we received BDD designation for our SCD for use with patients in the hospital ICU with AKI and acute on chronic liver failure.
- On November 6, 2024, we received BDD for our SCD to treat chronic systemic inflammation in end-stage renal disease (ESRD) patients who require chronic hemodialysis, also known as chronic dialysis. This is our first BDD in a chronic disease setting.
- On March 27, 2025, the FDA awarded a BDD for our SCD therapy for the treatment of systemic inflammatory response in adult patients undergoing cardiac surgery, aimed at preventing post-operative complications and adverse outcomes.

We believe that our SCD therapy is readily applicable for use in other indications as well, which will increase the addressable market for our SCD therapy, but will also require additional clinical studies and FDA approval.

We have pursued patent protection for our SCD therapy as well as other technologies. Our patent portfolio consists of 46 patents and 1 pending patent application in the U.S. and certain foreign jurisdictions. Of these patents and patent applications, 21 patents and 1 patent applications are owned exclusively by us, and 25 patents are co-owned with the University of Michigan ("UOM"). The UOM has granted us an exclusive worldwide, royalty-bearing license to the UOM's interest in all of the co-owned patents and applications. This license permits us to commercialize our SCD therapy in all human therapeutic indications.

We have incurred net losses in each year since our inception in 2007. As of June 30, 2026 and December 31, 2025, we had an accumulated deficit of \$159.0 million and \$151.7 million, respectively. Our net losses were \$7.3 million and \$5.8 million for the six months ended June 30, 2026 and 2025, respectively. For the six months ended June 30, 2026, substantially all our net losses resulted from costs incurred in connection with our research and development programs and from general and administrative costs associated with our operations.

As of June 30, 2026 and December 31, 2025, we had cash of \$7.0 million and \$12.0 million, respectively.

Our accompanying unaudited condensed consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and liabilities in the normal course of business. Our unaudited condensed consolidated financial statements do not include any adjustments relating to the recoverability and classification of asset amounts or the classification of liabilities that might be necessary should we be unable to continue as a going concern.

The recurring losses, working capital deficiency, the need for capital to fund our operations, including clinical trial and regulatory approval expenses, and the amount of cash reserve are factors that raise substantial doubt about our ability to continue as a going concern for the twelve-month period from the date the unaudited condensed consolidated financial statements are made available. See Note 1 to our unaudited condensed consolidated financial statements for the three and six months ended June 30, 2026, included elsewhere in this Form 10-Q for additional information on our assessment.

Our need for additional capital will depend in part on the scope and costs of our development activities. To date, we have generated revenue of approximately \$2.5 million from the sale of commercialized pediatric SCD products. Our ability to generate product revenue in the future will depend on the successful roll-out of our QUELIMMUNE pediatric SCD to hospitals and the development and eventual successful commercialization of our adult SCD. Until such time we are able to generate significant revenue from product sales, we expect to finance our operations through the sale of equity or debt, borrowings under credit facilities, potential collaborations, other strategic transactions or government and other grants. Adequate capital may not be available to us when needed or on acceptable terms. If we are unable to raise capital, we could be forced to delay, reduce, suspend or cease our research and development programs and any future commercialization efforts, which would have a negative impact on our business, prospects, operating results and financial condition. See Part I, Item 1A “Risk Factors” to our Annual Report on Form 10-K for the year ended December 31, 2025, for additional information.

## **Key Components of Results of Operations**

### **Revenue**

Our QUELIMMUNE therapy received HDE approval from the FDA in February 2024. Since that time, we have begun to build out our commercial operations, develop our customer base and initiate commercial sales of QUELIMMUNE. We shipped our first commercial QUELIMMUNE units in July 2024. We recognized \$0.6 million and \$1.1 million in revenue for the three and six months ended June 30, 2026, and \$0.3 million and \$0.6 million for the three and six months ended June 30, 2025. Through June 30, 2026, we have recognized approximately \$2.5 million of revenue from the sale of QUELIMMUNE since our first sale in July 2024. We will continue to focus our efforts on generating revenue in the future based on product sales of QUELIMMUNE, as well as potential future payments from license or collaboration agreements and government and other grants.

We expect that any revenue we generate will fluctuate from quarter to quarter as we introduce QUELIMMUNE to pediatric hospital customers. We also continue to develop our adult SCD for which we are enrolling patients in a pivotal clinical trial to support FDA approval. If we fail to complete the development of or fail to obtain regulatory approval to commercialize our adult SCD in a timely manner, our ability to generate future revenue, and our results of operations and financial position, could be materially adversely affected.

### **Research and Development Expenses**

Since inception, we have focused our resources on research and development activities, including conducting preclinical studies and clinical trials, and developing our process and activities related to regulatory filings for our products. Subject to the availability of additional funding, we plan to further increase our research and development expenses for the foreseeable future as we continue the development of our SCD as well as a next generation SCD. Research and Development expenses also include salaries and related costs for employees in clinical and medical affairs roles, which include stock-based compensation expenses and benefits for such employees.

### **General and Administrative Expenses**

General and administrative expenses consist primarily of salaries and related costs for employees in executive, sales and commercial and finance roles, which also include stock-based compensation expenses and benefits for such employees.

Other significant general and administrative expenses include facilities costs, insurance, professional fees for accounting and legal services and expenses associated with obtaining and maintaining patents and obtaining financing. To the extent we expand and grow our operations, we expect that our general and administrative expenses will increase, including additional expenses relating to new hires, travel, an enterprise resource planning platform, and branding.

### **Loss from Operations and Operating Margin**

Loss from operations consists of our gross profit less our operating expenses. Operating margin is loss from the operations as a percentage of our net sales.

## Other Income (Expense), Net

Total other income, net primarily consists of interest income due to overnight sweep activity with the Company's main commercial financial institution and interest expense relating to interest incurred on our note for the three and six months ended June 30, 2026.

## Net Loss

Net loss consists of our loss from operations, offset by other income, net and taxes.

## Factors Affecting Operating Results

We believe that our performance and future success depend on a number of factors that present significant opportunities for us but also pose risks and challenges. Please see the factors discussed elsewhere in this Form 10-Q, including those discussed in Part II, Item 1A, "Risk Factors," for additional information.

## Results of Operations

### Comparison of the Three Months Ended June 30, 2026 to the Three Months Ended June 30, 2025

The following table sets forth a summary of our results of operations. This information should be read together with our unaudited condensed consolidated financial statements and related Notes included elsewhere in this Form 10-Q.

| (\$ in thousands)                | Three Months<br>June 30, |            | Change     |       |
|----------------------------------|--------------------------|------------|------------|-------|
|                                  | 2026                     | 2025       | \$         | %     |
| Net revenue                      | \$ 615                   | \$ 338     | \$ 277     | 82%   |
| Cost of goods sold               | 54                       | 27         | 27         | 100%  |
| Gross profit                     | 561                      | 311        | 250        | 80%   |
| Operating expenses               |                          |            |            |       |
| Research and development         | 2,520                    | 1,037      | 1,483      | 143%  |
| General and administrative       | 1,832                    | 1,030      | 802        | 78%   |
| Total operating expenses         | 4,352                    | 2,067      | 2,285      | 111%  |
| Loss from operations             | (3,791)                  | (1,756)    | (2,035)    | 116%  |
| Total other income (expense)     | 61                       | (246)      | 307        | -125% |
| Loss before income tax provision | (3,730)                  | (2,002)    | (1,728)    | 86%   |
| Income tax provision (benefit)   | —                        | —          | —          | *     |
| Net loss                         | \$ (3,730)               | \$ (2,002) | \$ (1,728) | 86%   |

(\*) – there was no activity for the three months ended June 30, 2026 and June 30, 2025.

### Revenue, Cost of Goods Sold and Gross Profit

Net revenue increased \$0.3 million to \$0.6 million for the three months ended June 30, 2026, compared to \$0.3 million net revenue for the three months ended June 30, 2025. The increase is attributable to both increased customer adoption of QUELIMMUNE and increase in existing customer demand during the three months ended June 30, 2026, compared to the same period ended June 30, 2025. Cost of goods sold increased \$27 thousand, commensurate with the increased sales of QUELIMMUNE.

### Research and Development Expenses

The following table discloses the breakdown of research and development expenses for the three months ended June 30, 2026 compared to the same period ending June 30, 2025:

| (\$ in thousands)                       | Three Months Ended |          |          |      |
|-----------------------------------------|--------------------|----------|----------|------|
|                                         | June 30,           |          | Change   |      |
|                                         | 2026               | 2025     | \$       | %    |
| Clinical trials                         | \$ 1,257           | \$ 633   | \$ 624   | 99%  |
| External services                       | 124                | 48       | 76       | 158% |
| Payroll and personnel expenses          | 1,062              | 304      | 758      | 249% |
| Other research and development expenses | 77                 | 52       | 25       | 48%  |
|                                         | \$ 2,520           | \$ 1,037 | \$ 1,483 | 143% |

Research and development expenses for the three months ended June 30, 2026 and 2025 were \$2.5 million and \$1.0 million, respectively. The increase in research and development expenses of approximately \$1.5 million, or 143%, was primarily driven by (i) \$0.8 million increase in payroll costs primarily driven by a \$0.5 million favorable reduction in bonus expense during Q2 2025, due to the agreement by certain employees involved in research and development to rescind unpaid 2023 and 2024 performance bonuses owed to them, (ii) \$0.6 million increase in clinical trial costs as we continue our NEUTRALIZE-AKI study efforts, including a \$0.3 million reduction in our funded research and development expense offset from services provided to a third-party for certain clinical research services (see Note 2), and (iii) \$0.1 million increase in external services primarily due to device development costs.

### General and Administrative Expenses

General and administrative expenses for the three months ended June 30, 2026 and 2025 were approximately \$1.8 million and \$1.0 million, respectively. The increase in general and administrative was the result of (i) \$0.5 million increase in Director fees primarily as a result of the Directors having approved the rescission of any earned-but-unpaid director fees as of June 30, 2025, (ii) legal expenses increased approximately \$0.4 million due to litigation related matters, (iii) \$0.1 million increase in audit and SEC related activities, offset by (i) \$0.2 million decline in compensation related expenses primarily driven by the reversal of previously recognized stock compensation due to the underlying grants being forfeited.

### Other Income (Expense)

We recognized other income, net of approximately \$0.1 million for the three months ended June 30, 2026, compared to other expense, net of approximately \$0.2 million for the same period ended June 30, 2025. The change is driven by (i) a one-time \$0.3 million financing charge related to our standby equity purchase agreement incurred in Q2 2025, while no such charge was incurred in Q2 2026, and (ii) increased interest income as a result of our increased cash during the six months ended June 30, 2026 compared to the same period ending June 30, 2025.

### Income Tax Provision (Benefit)

We recorded no provision for income taxes for the three months ended June 30, 2026 and June 30, 2025, respectively.

### Net Loss

During the three months ended June 30, 2026, we had a net loss of approximately \$3.7 million compared to a net loss of approximately \$2.0 million for the three months ended June 30, 2025. The reason for the increase in net loss of approximately \$1.7 million has been disclosed in the above discussion.

## Results of Operations

*Comparison of the Six Months Ended June 30, 2026 to the Six Months Ended June 30, 2025*

The following table sets forth a summary of our results of operations. This information should be read together with our unaudited condensed consolidated financial statements and related Notes included elsewhere in this Form 10-Q.

| (\$ in thousands)                | Six Months Ended<br>June 30, |            | Change     |       |
|----------------------------------|------------------------------|------------|------------|-------|
|                                  | 2026                         | 2025       | \$         | %     |
| Revenue                          | \$ 1,110                     | \$ 631     | \$ 479     | 76%   |
| Cost of goods sold               | 100                          | 27         | 73         | 270%  |
| Gross profit                     | \$ 1,010                     | \$ 604     | \$ 406     | 67%   |
| Operating expenses               |                              |            |            |       |
| Research and development         | 4,864                        | 3,468      | 1,396      | 40%   |
| General and administrative       | 3,540                        | 2,716      | 824        | 30%   |
| Total operating expenses         | 8,404                        | 6,184      | 2,220      | 36%   |
| Loss from operations             | (7,394)                      | (5,580)    | (1,814)    | 33%   |
| Total other expense              | 146                          | (191)      | 337        | -176% |
| Loss before income tax provision | (7,248)                      | (5,771)    | (1,477)    | 26%   |
| Income tax provision             | 3                            | 3          | —          | 0%    |
| Net loss                         | \$ (7,251)                   | \$ (5,774) | \$ (1,477) | 26%   |

### *Revenue, Cost of Goods Sold and Gross Profit*

Net revenue increased \$0.5 million to \$1.1 million for the six months ended June 30, 2026, compared to \$0.6 million net revenue for the six months ended June 30, 2025. The increase is attributable to both increased customer adoption of QUELIMMUNE and increased in existing customer demand during the six months ended June 30, 2026, compared to the same period ended June 30, 2025.

### Research and Development Expenses

The following table discloses the breakdown of research and development expense for the six months ended June 30, 2026 compared to the same period ending June 30, 2025:

| (\$ in thousands)                       | Six Months Ended<br>June 30, |                 | Change          |            |
|-----------------------------------------|------------------------------|-----------------|-----------------|------------|
|                                         | 2026                         | 2025            | \$              | %          |
| Clinical trials                         | \$ 2,288                     | \$ 1,902        | \$ 386          | 20%        |
| External services                       | 281                          | 151             | 130             | 86%        |
| Payroll and personnel expenses          | 2,072                        | 1,229           | 843             | 69%        |
| Other research and development expenses | 223                          | 186             | 37              | 20%        |
|                                         | <u>\$ 4,864</u>              | <u>\$ 3,468</u> | <u>\$ 1,396</u> | <u>40%</u> |

Research and development expenses for the six months ended June 30, 2026 and 2025 were \$4.9 million and \$3.5 million, respectively. The increase in research and development expenses of approximately \$1.4 million, or 40%, was primarily driven by (i) \$0.8 million increase in compensation expense due primarily to a favorable reduction in bonus expense during Q2 2025, due to the agreement by certain employees involved in research and development to rescind unpaid 2023 and 2024 performance bonuses owed to them, while we reinstated a 2026 incentive bonus plan for 2026, (ii) \$0.3 million increase in clinical trial costs as we continue our NEUTRALIZE-AKI study efforts, (iii) \$0.2 million reduction in our funded research and development expense offset from services provided to a third-party for certain clinical research services (see Note 2), (iv) \$0.1 million increase in travel related costs, offset by a \$0.1 million decline in external clinical resource organization service costs.

### General and Administrative Expenses

General and administrative expenses for the six months ended June 30, 2026 and 2025 were approximately \$3.5 million and \$2.7 million, respectively. This increase was primarily the result of (i) \$0.6 million increase in legal costs due to litigation and related matters, (ii) \$0.5 million increase in Director fees as a result of the Directors having approved the rescission of any earned-but-unpaid director fees as of June 30, 2025, (iii) \$0.1 million increase in audit and SEC related activities, offset by (i) \$0.5 million decline in compensation related expenses primarily driven by the reversal of previously recognized stock compensation due to the underlying grants being forfeited, coupled with a decline in payroll costs.

### Other Income (Expense)

We recognized other income, net of approximately \$0.1 for the six months ended June 30, 2026, compared to other expense, net of approximately \$0.2 million for the same period ended June 30, 2025. The change is driven by (i) a one-time \$0.3 million financing charge related to our standby equity purchase agreement, and (ii) increased interest income as a result of our increased cash during the six months ended June 30, 2026 compared to the same period ending June 30, 2025.

### Income Tax Provision (Benefit)

We recorded a provision for income taxes of \$3 thousand and \$3 thousand for the six months ended June 30, 2026 and June 30, 2025, respectively.

### Net Loss

During the six months ended June 30, 2026, we had a net loss of approximately \$7.3 million compared to a net loss of approximately \$5.8 million for the six months ended June 30, 2025. The reason for the increase in net loss of approximately \$1.4 million has been disclosed in the above discussion.

## Liquidity and Capital Resources

### *Sources of Liquidity*

We finance our operations primarily through sales of equity securities, through registered direct or public offerings, our at-the-market program, and our standby equity purchase agreement. We finance certain insurance needs through a short-term note payable.

### *Shelf Registration*

On December 8, 2023, we filed a shelf registration statement on Form S-3 (File No. 333-275968), which was declared effective by the SEC on December 22, 2023. This shelf registration statement covered the offering, issuance and sale of up to an aggregate of \$100.0 million of our common stock, preferred stock, debt securities, warrants, rights and units (the “2023 Shelf”).

Since the date of effectiveness and through June 30, 2026, we have raised approximately \$44.1 million under the 2023 Shelf and have approximately \$55.9 million remaining for future offerings. However, actual availability for primary offerings is limited by the “baby shelf” restrictions applicable to our use of Form S-3.

### *At-The-Market Offering*

On August 20, 2024, we entered into an At-The-Market Offering Agreement (the “ATM Agreement”) with Wainwright as sales agent, to sell shares of common stock, from time to time, through an “at the market offering” program under which Wainwright will act as sales agent. As of June 30, 2026, we are currently restricted from raising capital on the ATM Agreement due to the baby shelf limitations, which is a component of the 2023 Shelf.

### *Standby Equity Purchase Agreement*

On April 25, 2025, we entered into a standby equity purchase agreement (“SEPA”) with Lincoln Park Capital, LLC (“Lincoln Park”) pursuant to which we have the right to sell to Lincoln Park shares of common stock, subject to certain limitations, from time to time over the 36-month period commencing on the commencement date, May 14, 2025. As of June 30, 2026, approximately \$13.8 million in aggregate capacity remained available under the SEPA.

To finance our operations, we will need to raise additional capital. As described below, we cannot expect to receive any cash proceeds from the exercise of warrants in the near term, because the exercise of warrants is not in our control. We are seeking additional cash to fund our growth through future debt or equity financing transactions; however, there can be no assurance that we will be able to obtain additional capital on terms acceptable to us, if at all, or that we will generate sufficient future revenues and cash flows to fund our operations. We do not currently have any committed external source of funds. We have concluded that these circumstances raise doubt about our ability to continue as a going concern within one year after the issuance date of this Form 10-Q. See Note 1 to our unaudited condensed consolidated financial statements for the period ended June 30, 2026.

To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interest of our stockholders may be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of existing stockholders. Debt financing and preferred equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making acquisitions or capital expenditures. Debt financing would also result in fixed payment obligations. If we are unable to raise additional funds through equity or debt financings or other arrangements when needed, we may be required to delay, reduce, suspend or cease our research and development programs or any future commercialization efforts, which would have a negative impact on our business, prospects, operating results, and financial condition. See the section titled “Risk Factors” for additional risks associated with our substantial capital requirements.

If exercised, we could receive the proceeds from any exercise of warrants that are exercised for cash pursuant to their terms. To the extent any warrants are exercised on a “cashless basis,” the amount of cash we would receive from the exercise of the warrants will decrease. We would expect to use any such proceeds received from warrants that are exercised for cash in the future for general corporate and working capital purposes, which would increase our liquidity. However, we will only receive such proceeds if and when the warrant holders exercise the warrants. The exercise of the warrants, and any proceeds we may receive from their exercise, are highly dependent on the price of our common stock and the spread between the exercise price of the warrant and the price of our common stock at the time of exercise. There is no assurance that the warrant holders will elect to exercise for cash any or all of such warrants, and we believe that any such exercise currently is unlikely to occur. The likelihood that warrant holders will exercise the warrants, and therefore the amount of cash proceeds that we would receive from such exercise, is dependent upon the trading price of our common stock. If the trading price for our common stock remains less than the respective exercise price of our outstanding warrants, we believe our warrant holders will be unlikely to exercise their warrants. There is no guarantee that the warrants will be in the money following the time they become exercisable and prior to their expiration, and as such, the warrants may expire worthless, and we may not receive any proceeds from the exercise of the warrants. To the extent that any of the warrants are exercised on a “cashless basis,” the amount of cash we would receive from the exercise of the warrants will decrease.

As of the date of this Quarterly Report, we have neither included nor intend to include any potential cash proceeds from the exercise of our warrants in our short-term or long-term liquidity projections. We will continue to evaluate the probability of warrant exercise over the life of our warrants and the merit of including potential cash proceeds from the exercise in our liquidity projections.

## Future Funding Requirements

We expect to incur significant expenses in connection with our ongoing activities as we seek to (i) continue clinical development of our adult SCD for approval by the FDA, invest in commercialization of QUELIMMUNE and continue to develop the next generation SCDs and (ii) if regulatory approval is obtained, to launch and commercialize our adult SCD in the U.S. market, including potential subsequent launches in key international markets. We will need additional funding in connection with these activities. Our future funding requirements, both short-term and long-term, will depend on many factors, including:

- conditions of the capital markets;
- our ability to receive cash proceeds from new and existing funding sources, including our standby equity purchase agreement.
- the progress and results of our clinical trials and interpretation of those results by the FDA and other regulatory authorities;
- the costs and timing of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending any intellectual property-related claims; and
- the costs of operating as a public company, including personnel expense as well as increased director and officer insurance premiums, audit and legal fees, investor relations fees and expenses related to compliance with public company reporting requirements under the Securities Exchange Act of 1934, as amended, and rules implemented by the SEC and Nasdaq.

Our estimates of our results of operations, working capital and capital expenditure requirements may be different than our actual needs, and those estimates may need to be revised if, for example, our actual revenue is lower, and our net operating losses are higher, than we project, and our cash and cash equivalents position is reduced faster than anticipated. Until such time, if ever, as we are able to generate significant revenue from the commercialization of our products, we expect to continue financing our operations through the sale of equity, debt, borrowings under credit facilities or through potential collaborations with other companies, other strategic transactions or government or other grants. Adequate capital may not be available to us when needed or on acceptable terms.

## Contractual Obligations and Commitments

The following table summarizes our contractual obligations as of June 30, 2026:

| (\$ in thousands)             | Total  | Less than 1<br>year | 1-3 years | 3-5 years | More than 5<br>years |
|-------------------------------|--------|---------------------|-----------|-----------|----------------------|
| Contractual Obligations:      |        |                     |           |           |                      |
| Insurance Financing           | \$ 134 | \$ 134              | \$ —      | \$ —      | \$ —                 |
| Total contractual obligations | \$ 134 | \$ 134              | \$ —      | \$ —      | \$ —                 |

## Cash Flows

The following table shows a summary of our cash flows for each of the periods shown below:

| (\$ in thousands)                   | Six Months Ended<br>June 30, |            |
|-------------------------------------|------------------------------|------------|
|                                     | 2026                         | 2025       |
| <b>Statement of cash flow data:</b> |                              |            |
| Total cash (used in)/provided by:   |                              |            |
| Operating activities                | \$ (5,755)                   | \$ (5,661) |
| Investing activities                | —                            | —          |
| Financing activities                | 734                          | 10,144     |
| Net increase (decrease) in cash     | \$ (5,021)                   | \$ 4,483   |

Net cash used in operating activities for the six months ended June 30, 2026 was \$5.8 million compared to \$5.7 million for the six months ended June 30, 2025. This is primarily due to the timing of certain payments to vendors as well as increased expenses as discussed in the above "Results of Operations".

Net cash provided by financing activities for the six months ended June 30, 2026 was \$0.7 million, primarily related to (i) \$1.1 million received from the issuance of new shares of common stock, net of offering costs, which was partially offset by (ii) approximately \$0.4 million paid to reduce outstanding notes payable. Net cash provided by financing activities for the six months ended June 30, 2025 was \$10.1 million, was primarily related to (i) \$5.2 million received from the issuance of new shares of common stock, and (ii) \$5.6 million in proceeds from issuance of pre-funded warrants. This was offset by approximately \$0.6 million paid to reduce outstanding notes payable.

## Critical Accounting Policies and Estimates

The preparation of the unaudited consolidated financial statements and related disclosures in conformity with U.S. GAAP requires management to make estimates, assumptions and judgments that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and income and expenses during the periods reported. Although actual results could materially differ from those estimates, such estimates are developed based on the best information available to management and management's best judgments at the time.

There has been no material change from the policies or methods disclosed in our Annual Report to Form 10-K filed March 25, 2026, for the year-ended December 31, 2025.

## Emerging Growth Company Status

We are an emerging growth company (“EGC”), as defined in the Jumpstart Our Business Startups (“JOBS”) Act. The JOBS Act permits companies with EGC status to take advantage of an extended transition period to comply with new or revised accounting standards, delaying the adoption of these accounting standards until they apply to private companies. We have elected to use this extended transition period to enable us to comply with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date we (i) are no longer an emerging growth company or (ii) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our consolidated financial statements may not be comparable to companies that comply with the new or revised accounting standards as of public company effective dates.

In addition, we intend to rely on the other exemptions and reduced reporting requirements provided by the JOBS Act. Since we intend to rely on such exemptions, we are not required to, among other things: (i) provide an auditor’s attestation report on our system of internal controls over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act; (ii) provide all of the compensation disclosure that may be required of non-emerging growth public companies under the Dodd-Frank Wall Street Reform and Consumer Protection Act; (iii) comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor’s report providing additional information about the audit and the consolidated financial statements (auditor discussion and analysis); and (iv) disclose certain executive compensation-related items such as the correlation between executive compensation and performance and comparisons of the Chief Executive Officer’s compensation to median employee compensation.

We will remain an EGC under the JOBS Act until the earliest of (i) the last day of our first fiscal year following the fifth anniversary of the closing of the Business Combination, (ii) the last date of our fiscal year in which we have total annual gross revenue of at least \$1.235 billion, (iii) the date on which we are deemed to be a “large-accelerated filer” under the rules of the SEC with at least \$700.0 million of outstanding securities held by non-affiliates, or (iv) the date on which we have issued more than \$1.0 billion in non-convertible debt securities during the previous three years.

## Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information required under this item.

## Item 4. Controls and Procedures.

We maintain disclosure controls and procedures, as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, that are designed to provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required financial disclosures.

During the fiscal period covered by this report, our management, with the participation of our Chief Executive Officer and Chief Financial Officer, carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act). Based on such evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of June 30, 2026, our disclosure controls and procedures were effective to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act are recorded, processed, summarized and reported within the required time periods and are designed to ensure that information required to be disclosed in our reports is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer as appropriate, to allow timely decisions regarding required disclosure.

## *Changes in Internal Control over Financial Reporting*

There were no changes in our internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) during the three months ended June 30, 2026, that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II—OTHER INFORMATION

### Item 1. Legal Proceedings.

#### *Litigation*

On July 5, 2024, Forrest A K Wells, a purported stockholder of ours, filed a putative class action complaint in the United States District Court for the District of Colorado, captioned Wells v. SeaStar Medical Holding Corporation, et al., Case No. 1:24-cv-0187 (the “Class Action”). The Class Action alleges that the Company, our Chief Executive Officer, and former Chief Financial Officer made or caused to be made material misstatements or omissions regarding: (a) the projected timing for obtaining FDA approval of our SCD; and (b) our recognition of certain financial instruments, allegedly culminating in our restatement of our consolidated financial statements, disclosed in a Form 8-K and filed on March 27, 2024. The Class Action asserts claims pursuant to the Securities Exchange Act of 1934, including Section 10(b), Rule 10b-5 promulgated thereunder, and Section 20(a). The Class Action seeks to recover, among other remedies, compensatory damages. On March 4, 2025, the Plaintiff filed an amended complaint. The Defendants moved to dismiss the complaint. The Defendants’ motion to dismiss the complaint was referred to United States District Court Magistrate Judge Timothy P. O’Hara. On February 27, 2026, Magistrate Judge O’Hara issued a written report and recommendation to United States District Judge Regina M. Rodriguez that the complaint be dismissed with leave to amend (“R&R”). On March 30, 2026, Judge Rodriguez adopted the Magistrate Judge’s R&R and dismissed the complaint with leave to amend. On April 21, 2026 the parties filed a Stipulation and Proposed Order of Dismissal with Prejudice (“Stipulation”). On April 27, 2026 the Court ordered that the case is dismissed with prejudice.

On December 13, 2024, Jose Lazo, a purported stockholder of ours, filed a putative stockholder derivative action complaint captioned Lazo v. Schlorff et. al., C.A. No. 1:24-cv-3444 in the United States District Court for the District of Colorado (the “Derivative Action”). The factual allegations of the Derivative Action are substantially similar to the Class Action. On January 30, 2025, upon joint motion of the parties, the Court stayed the Derivative Action pending the Court’s resolution of the then-anticipated motion to dismiss to be filed in the Class Action.

The Derivative Action alleges, among other things, that the Company’s Chief Executive Officer, former Chief Financial Officer, and certain of the Company’s current and former directors violated Section 14(a) of the Exchange Act, breached fiduciary duties and were unjustly enriched by making or allowing to be made purportedly false and misleading statements regarding the Company’s prospects for success in obtaining FDA approval for its SCD. The Derivative Action further alleges that there were purported deficiencies in the Company’s internal financial controls and procedures and improper accounting for classification of certain financial instruments leading to the restatement of its previously issued financial statements. The Derivative Action also asserts claims under Section 10(b) and 21D of the Exchange Act against the Company’s Chief Executive Officer and former Chief Financial Officer. Among other remedies, the Derivative Action seeks to recover damages and restitution on behalf of the Company and certain injunctive relief concerning the Company’s corporate governance and internal controls. On May 12, 2026, the parties filed a stipulation pursuant to which the plaintiff agreed, in light of the dismissal of the Class Action, to dismiss the Derivative Action without prejudice. Also on May 12, 2026, the Court ordered that the case is dismissed without prejudice.

### Item 1A. Risk Factors.

In addition to the other information set forth in this report, you should carefully consider the factors discussed in the “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2025 and our other public filings, which could materially affect our business, financial condition or future results. No additional risk factors have arisen that have not already been disclosed in our Annual Report on Form 10-K for the year-ended December 31, 2025, filed March 25, 2026. The following select previously disclosed risk factors are included herein:

***There is substantial doubt about our ability to continue as a going concern, and we will need additional financing to execute our business plan, to fund our operations and to continue as a going concern, and, if we are unable to obtain additional financing, may be required to pursue a restructuring of our operations or reorganization proceedings under applicable U.S. bankruptcy or insolvency laws.***

Developing medical device products, including conducting preclinical studies and clinical trials, is expensive. We expect our research and development expenses to increase in connection with our ongoing activities, particularly as we advance our clinical programs. While the Company has positive working capital of \$3.9 million as of June 30, 2026, we currently do not have sufficient capital to support our operations and complete our planned regulatory approval process. We will need to secure additional capital to continue our operations, and such funding may not be available on acceptable terms, or at all.

Since inception, we have experienced recurring operating losses and negative cash flows and we expect to continue to generate operating losses and consume significant cash resources for the foreseeable future. There is substantial doubt regarding our ability to continue as a going concern. Our independent registered public accounting firm has expressed in its auditors’ report on our 2025 financial statements, included in our Annual Report on Form 10-K filed on March 25, 2026, an emphasis of matter paragraph relating to our ability to continue as a “going concern,” meaning that our recurring losses from operations and negative cash flows from operations raise substantial doubt regarding our ability to continue as a going concern. We have prepared our financial statements on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. Our financial statements do not include any adjustment to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the outcome of this uncertainty, with the exception that all borrowings are classified as current on the balance sheets.

Even if we receive sufficient capital in the future, we will be required to raise additional funds to support our operations and complete our planned regulatory approval process, and such funding may not be available in sufficient amounts or on acceptable terms to us, or at all. If we are unable to raise additional capital when required or on acceptable terms, we may be required to:

- significantly delay, scale back or discontinue the development or commercialization of our product candidates;
- seek corporate partners on terms that are less favorable than might otherwise be available; or
- relinquish or license on unfavorable terms our rights to technologies or product candidates that we otherwise would seek to develop or commercialize ourselves.

If we are unable to raise additional capital in sufficient amounts or on acceptable terms, we will be prevented from pursuing development and commercialization efforts, including completing the clinical trials and regulatory approval process for our SCD product candidates, which would have a material adverse impact on our business, results of operations and financial condition.

***In the event we pursue a restructuring or reorganization under applicable law, we will be subject to the risks and uncertainties associated with such proceedings.***

In the event we seek to pursue a restructuring, or if we file for relief under the United States Bankruptcy Code, either Chapter 7, Chapter 11 or other proceedings, our operations, our ability to develop and execute our business plan and our continuation as a going concern will be subject to the risks and uncertainties associated with bankruptcy proceedings, including, among others: our ability to execute, confirm and consummate a plan of reorganization; the high costs of bankruptcy proceedings and related fees; our ability to obtain sufficient financing to allow us to emerge from bankruptcy and execute our business plan post-emergence, and our ability to comply with terms and conditions of that financing; our ability to continue our operations in the ordinary course; our ability to maintain our relationships with our customers, business partners, counterparties, employees and other third parties; our ability to obtain, maintain or renew contracts that are critical to our operations on reasonably acceptable terms and conditions; our ability to attract, motivate and retain key employees; the ability of third parties to use certain limited safe harbor provisions to terminate contracts; and the actions and decisions of our stakeholders and other third parties who have interests in our proceedings that may be inconsistent with our operational and strategic plans. Any delays in our proceedings would increase the risks of our being unable to reorganize our business and emerge from any such proceedings and may increase our costs associated with the process or result in prolonged operational disruption for us. Also, we would need the prior approval of a court for transactions outside the ordinary course of business during the course of any such proceedings, which may limit our ability to respond timely to certain events or take advantage of certain opportunities. Because of the risks and uncertainties associated with any such proceedings, we cannot accurately predict or quantify the ultimate impact of events that could occur during any such proceedings. There can be no guarantees that if we seek available protections, we will emerge from protection as a going concern or that holders of our common stock will receive any recovery.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.**

During the three months ended June 30, 2026, we did not have sales of unregistered securities not previously included in a Current Report on Form 8-K.

**Item 3. Defaults Upon Senior Securities.**

N/A

**Item 4. Mine Safety Disclosures.**

N/A

**Item 5. Other Information.**

During the three months ended June 30, 2026, no director or officer of the Company adopted 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 6. Exhibits****Exhibit Index**

| <b>Exhibit No.</b> | <b>Description</b>                                                                                                                                                                                                      |
|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 10.1               | <a href="#">Amended and Restated SeaStar Medical Holding Corporation 2022 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed on June 17, 2026)</a>               |
| 31.1*              | <a href="#">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.</a> |
| 31.2*              | <a href="#">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.</a> |
| 32.1*              | <a href="#">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.</a>                                                  |
| 32.2*              | <a href="#">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.</a>                                                  |
| 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)                                                                                                                                             |

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\* Filed herewith

## SIGNATURES

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

**SeaStar Medical Holding Corporation**

Date: August 12, 2026

By: /s/ Eric Schlorff  
Eric Schlorff  
Chief Executive Officer  
(Principal Executive Officer)

Date: August 12, 2026

/s/ Michael Messinger  
Michael Messinger  
Chief Financial Officer  
(Principal Financial Officer)

Date: August 12, 2026

By: /s/ Bradford Towne  
Bradford Towne  
Controller  
(Principal Accounting Officer)

**Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Eric Schlorff, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of SeaStar Medical Holding Corporation;
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 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: August 12, 2026

/s/ Eric Schlorff

Eric Schlorff

Chief Executive Officer

**Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Michael Messinger, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of SeaStar Medical Holding Corporation;
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 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: August 12, 2026

/s/ Michael Messinger

Michael Messinger  
Chief Financial Officer

**Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

I, Eric Schlorff, Chief Executive Officer of SeaStar Medical Holding Corporation (the “Company”), certify that:

1. the Quarterly Report on Form 10-Q of the Company for the three and six months ended June 30, 2026, as filed with the Securities and Exchange Commission (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 results of operations of the Company.

Date: August 12, 2026

/s/ Eric Schlorff

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Eric Schlorff  
Chief Executive Officer

**Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

I, Michael Messinger, Interim Chief Financial Officer of SeaStar Medical Holding Corporation (the “Company”), certify that:

1. the Quarterly Report on Form 10-Q of the Company for the three and six months ended June 30, 2026, as filed with the Securities and Exchange Commission (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 results of operations of the Company.

Date: August 12, 2026

/s/ Michael Messinger

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Michael Messinger  
Chief Financial Officer