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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 September 30, 2025

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)**	**85-3681132** **(I.R.S. Employer Identification No.)**
3513 Brighton Blvd., Suite 410 **Denver, CO** **(Address of principal executive offices)**	**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 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 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	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
Emerging growth 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 ☒

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes ☒ No ☐

As of November 7, 2025, the registrant had 36,047,134 shares of common stock, $0.0001 par value per share, outstanding.

SeaStar Medical Holding Corporation
September 30, 2025
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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)

	September 30, 2025 (unaudited)	December 31, 2024
ASSETS		
Current assets		
Cash	$ 13,763	$ 1,819
Accounts receivable, net of allowance for credit losses of $7 and $0, respectively	221	112
Inventory	83	—
Prepaid expenses	807	1,835
Total current assets	14,874	3,766
Other assets	656	892
Total assets	$ 15,530	$ 4,658
LIABILITIES AND STOCKHOLDERS' EQUITY/(DEFICIT)		
Current liabilities		
Accounts payable	$ 2,018	$ 3,046
Accrued expenses	2,047	3,188
Notes payable, net of deferred financing costs	—	574
Liability classified warrants	1	33
Total current liabilities	4,066	6,841
Total liabilities	4,066	6,841
Commitments and contingencies (Note 10)		
Stockholders' equity/(deficit)		
Preferred stock - $0.0001 par value, 10,000,000 shares authorized at September 30, 2025 and December 31, 2024; no shares issued and outstanding at September 30, 2025 and December 31, 2024	—	—
Common stock - $0.0001 par value per share; 450,000,000 and 500,000,000 shares authorized at September 30, 2025 and December 31, 2024, respectively; 34,096,420 and 5,977,246 shares issued and outstanding at September 30, 2025 and December 31, 2024, respectively	3	2
Additional paid-in capital	160,271	137,379
Accumulated deficit	(148,810)	(139,564)
Total stockholders' equity/(deficit)	11,464	(2,183)
Total liabilities and stockholders' equity/(deficit)	$ 15,530	$ 4,658

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)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net revenue	$ 183	$ 68	$ 814	$ 68
Cost of goods sold	14	—	41	—
Gross profit	169	68	773	68
Operating expenses				
Research and development	1,850	2,336	5,318	6,367
General and administrative	1,898	2,188	4,614	6,776
Total operating expenses	3,748	4,524	9,932	13,143
Loss from operations	(3,579)	(4,456)	(9,159)	(13,075)
Other income (expense)				
Interest income	107	58	200	82
Interest expense	—	(272)	(18)	(497)
Other financing costs	—	—	(298)	—
Change in fair value of convertible notes	—	—	—	(6,145)
Change in fair value of warrants liability	—	192	32	(773)
Total other income (expense), net	107	(22)	(84)	(7,333)
Loss before provision for income taxes	(3,472)	(4,478)	(9,243)	(20,408)
Provision for income taxes	—	—	3	3
Net loss	$ (3,472)	$ (4,478)	$ (9,246)	$ (20,411)
Net loss per share of common stock, basic and diluted	$ (0.13)	$ (1.10)	$ (0.60)	$ (6.10)
Weighted-average shares outstanding, basic and diluted	26,393,400	4,086,871	15,512,119	3,348,490

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 Nine months ended September 30, 2025 and 2024				
	Common Shares				
	Shares	Amount	Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity/(Deficit)
Balance, December 31, 2023	**2,016,078**	**$ 1**	**$ 100,863**	**$ (114,734)**	**$ (13,870)**
Issuance of shares - conversion of convertible notes	507,912	—	9,389	—	9,389
Issuance of shares - exercise of warrants	352,074	—	3,959	—	3,959
Issuance of shares - equity offering (including pre-funded warrants), net of issuance costs	252,182	—	8,309	—	8,309
Stock-based compensation	—	—	434	—	434
Net loss	—	—	—	(12,697)	(12,697)
Balance, March 31, 2024	**3,128,246**	**$ 1**	**$ 122,954**	**$ (127,431)**	**$ (4,476)**
Issuance of shares - conversion of convertible notes	92,858	—	826	—	826
Issuance of shares - exercise of warrants	—	—	(56)	—	(56)
Stock-based compensation	—	—	41	—	41
Net loss	—	—	—	(3,236)	(3,236)
Balance, June 30, 2024	**3,221,104**	**$ 1**	**$ 123,765**	**$ (130,667)**	**$ (6,901)**
Issuance of shares - equity offerings, net of issuance costs	960,086	—	8,917	—	8,917
Issuance of shares - stock issued for Board compensation in-lieu of cash	10,120	—	210	—	210
Issuance of shares - vesting of RSUs	12,766	—	—	—	—
Issuance of shares - stock issued for employee bonuses	10,323	—	—	—	—
Stock-based compensation	—	—	200	—	200
Net loss	—	—	—	(4,478)	(4,478)
Balance, September 30, 2024	**4,214,399**	**$ 1**	**$ 133,092**	**$ (135,145)**	**$ (2,052)**
Balance, December 31, 2024	**5,977,246**	**$ 2**	**$ 137,379**	**$ (139,564)**	**$ (2,183)**
Issuance of shares - exercise of warrants	2,070,412	—	2	—	2
Issuance of shares - equity offering (including pre-funded warrants), net of issuance costs	1,202,133	—	6,351	—	6,351
Issuance of shares - vesting of restricted stock units	7,972	—	—	—	—
Stock-based compensation	—	—	167	—	167
Net loss	—	—	—	(3,772)	(3,772)
Balance, March 31, 2025	**9,257,763**	**$ 2**	**$ 143,899**	**$ (143,336)**	**$ 565**
Issuance of shares - equity offering (including pre-funded warrants), net of issuance costs	7,843,777	—	4,383	—	4,383
Issuance of shares - standby equity purchase agreement commitment fee	236,406	—	298	—	298
Issuance of shares - vesting of restricted stock units	5,323	—	—	—	—
Stock-based compensation	—	—	97	—	97
Net loss	—	—	—	(2,002)	(2,002)
Balance, June 30, 2025	**17,343,269**	**2**	**148,677**	**(145,338)**	**3,341**
Issuance of shares - equity offering (including pre-funded warrants), net of issuance costs	13,897,008	1	9,488		9,489
Issuance of shares - exercise of warrants	2,792,307	—	1,816	—	1,816
Issuance of shares - vesting of restricted stock units	63,836	—	—	—	—
Stock-based compensation	—	—	290	—	290
Net loss	—	—	—	(3,472)	(3,472)
Balance, September 30, 2025	**34,096,420**	**$ 3**	**$ 160,271**	**$ (148,810)**	**$ 11,464**

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)

	Nine Months Ended September 30,	
	2025	**2024**
Cash flows from operating activities		
Net loss	$ (9,246)	$ (20,411)
Adjustments to reconcile net loss to net cash used in operating activities		
Amortization of deferred financing costs	18	102
Change in fair value of convertible notes (issued, converted and outstanding)	—	6,145
Change in fair value of liability classified warrants (exercised and outstanding)	(32)	773
Shares issued for the standby equity purchase agreement commitment fee	298	—
Stock-based compensation	554	675
Change in operating assets and liabilities		
Accounts receivables, net	(109)	(68)
Inventory	(83)	—
Prepaid expenses	1,028	666
Other assets	236	235
Accounts payable	(1,028)	(858)
Accrued expenses	(1,141)	932
Other liabilities	—	495
Net cash used in operating activities	(9,505)	(11,314)
Cash flows from financing activities		
Proceeds from issuance of convertible notes	—	979
Payment of convertible notes	—	(700)
Proceeds from issuance of shares, net of offering costs	14,337	13,582
Proceeds from exercise warrants	1,818	853
Proceeds of pre-funded warrants	5,886	3,766
Payment of notes payable	(592)	(5,260)
Net cash provided by financing activities	21,449	13,220
Net increase in cash	11,944	1,906
Cash, beginning of period	1,819	176
Cash, end of period	$ 13,763	$ 2,082
Supplemental disclosure of cash flow information		
Cash paid for interest	$ —	$ 523
Exercise of liability classified warrants	$ —	$ 3,106
Shares issued from conversion of convertible notes	$ —	$ 10,210
Board compensation settled in shares of common stock in-lieu of cash	$ —	$ 210
Issuance of convertible note warrants	$ —	$ 586

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)
September 30, 2025

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 initial target of this technology is for the treatment of patients with acute kidney injuries ("AKI"), but through additional Breakthrough Device Designation ("BDD") from the Food and Drug Administration ("FDA"), has expanded into treatments of 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.

The Company received FDA approval on February 21, 2024, under a Humanitarian Device Exemption ("HDE") for the Company's pediatric version of its Selective Cytopheretic Device ("SCD") therapy. It is the only FDA approved product for use in pediatric patients with AKI due to sepsis or a septic condition requiring kidney replacement therapy. The Company shipped its first commercial pediatric SCD ("QUELIMMUNE") in July 2024. 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").

On October 28, 2022, LMF Merger Sub, Inc., a wholly owned subsidiary of LMF Acquisition Opportunities, Inc. ("LMAO") merged with and into SeaStar Medical, Inc. (the "Business Combination"), with SeaStar Medical, Inc. surviving the Business Combination as a wholly owned subsidiary of LMAO. Following the consummation of the Business Combination, LMAO was renamed "SeaStar Medical Holding Corporation."

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 nine months ended September 30, 2025, are not necessarily indicative of the results to be expected for the year ending December 31, 2025, 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, 2024. 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, 2024.

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 "Reverse Stock Split") of its issued and outstanding shares of common stock, par value $0.0001 (the "common stock"). Following the effect of the 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. All stock options and warrants of the Company outstanding immediately prior to the Reverse Stock Split were proportionally adjusted except for the Listed Warrants and the private placement warrants that were issued as part of the SPAC transaction that closed on October 28, 2022, which total 16,788,000 outstanding warrants in the aggregate (the "Unadjusted Warrants"). The Unadjusted Warrants retained an $11.50 exercise price each and require the exercise of 25 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 Split. 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 the Reverse Stock Split.

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 Selective Cytopheretic Devices (SCDs). The Company had a total of 17 employees at September 30, 2025, and total assets of $15.5 million and $4.7 million, as of September 30, 2025, and December 31, 2024, 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. 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 $9.2 million for the nine months ended September 30, 2025. As of September 30, 2025, the Company has an accumulated deficit of $148.8 million and cash of $13.8 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 insufficient 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.

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 nine months ended September 30, 2025. Significant estimates include the (i) 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.

Accounts Receivable, net

The need for a credit loss allowance is evaluated each reporting period based on the Company's assessment of the creditworthiness of its customers or any other potential circumstances that could result in a credit loss. The Company uses an aging schedule method for estimating expected credit losses. As the Company only commenced commercial operations on July 1, 2024, with a limited customer base, the Company's estimates are based on customer specific facts, until such time that the Company has developed sufficient collection history data in which to apply a portfolio-wide expected credit loss estimate based on an aging schedule (see Note 4).

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 loss in the 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.

The Company uses a Black-Scholes option pricing model to estimate the fair value of liability classified 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 an interpolated value based on the remaining term of each individual instrument. The change in fair value of the liability classified warrants in each reporting period is recorded to the change in fair value of liability classified warrants in the consolidated statements of operations.

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 records any payments received from customers prior to the Company fulfilling its performance obligation(s) as contract obligations. Amounts expected to be recognized as revenue within the one year following the balance sheet date are classified as current contract obligations. Amounts not expected to be recognized as revenue within the one year following the balance sheet date are classified as contract obligations, net of current portion. See Note 3 – Revenue and Contract Obligations for further details.

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. Milestone or up-front payments unique to the distributor were disclosed in Note 3 (also see Notes 11 and 15), and are not expected to be recognized as revenue, but merely returned as a result of a settlement to cease the relationship with the distributor.

- 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.

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 nine months ended September 30, 2025, the Company recognized approximately $14 thousand and $41 thousand for cost of goods sold, respectively.

As the Company continues to procure inventory, the Company will recognize the cost of materials to inventory. Use of inventory for QUELIMMUNE will be charged to cost of goods sold while inventory used for adult SCDs will be charged to research and development upon shipment.

Funded Research & Development Expense

During the three months ended September 30, 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 condensed consolidated statement of operations for the three and nine months ended September 30, 2025. The reimbursed expenses for the three and nine months ended September 30, 2025 totaled approximately $0.1 million and $0.3 million, respectively. No funded research and development agreement existed in 2024.

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.

Accounting Standards Update 2023-09 — In December 2023, the FASB issued ASU 2023-09 *Income Taxes (Topic 740) Improvements to Income Tax Disclosures*. ASU 2023-09 enhances the transparency and decision usefulness of income tax disclosures. The amendments in this update are effective for public business entities for annual periods beginning after December 15, 2024. Early adoption is permitted, but the Company did not elect to early adopt. The Company is currently assessing the impact of this guidance on its consolidated financial statements and disclosures, however the impact from the adoption of this guidance, if any, will be reflected in the Company's Annual Report to Form 10-K for the year ending December 31, 2025.

Note 3. Revenues and Contract Obligations

	Nine Months Ended September 30,	
($ in thousands)	**2025**	**2024**
Contract liabilities, beginning of period	$ —	$ 100
Consideration received	—	450
Revenue	—	—
Contract liabilities, end of period	$ —	$ 550

There are and were no contract assets or liabilities as of and at any time during the nine months ended September 30, 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.

Revenue by Geographic Location

The Company’s sales are entirely in the United States of America, as it does not have any regulatory approval to sell elsewhere as of September 30, 2025.

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 Receivable, Gross**	**Expected Credit Losses**	**Accounts Receivable, Net**
December 31, 2024	$ 112	$ —	$ 112
Changes in accounts receivable	116	(7)	109
September 30, 2025	$ 228	$ (7)	$ 221

Note 5. Accrued Expenses

Accrued expenses consisted of the following amounts as of September 30, 2025, and December 31, 2024:

($ in thousands)	**September 30, 2025**	**December 31, 2024**
Accrued bonus	$ 150	$ 1,391
Accrued director compensation	143	391
Accrued research and development	1,327	1,023
Other	427	383
Total accrued expenses	$ 2,047	$ 3,188

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Note 6. Notes Payable

Insurance Financing

In October 2024, 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. As of September 30, 2025, the Company paid the entire balance and no remaining obligation existed.

Note 7. Equity Transactions

August 2025 Offering

On August 1, 2025, the Company closed on a registered direct offering with certain institutional investors (the "August 2025 Offering"), pursuant to which the Company sold and issued to the Purchasers, (i) 4,960,544 shares of the Company's common stock par value $0.0001 per share and (ii) in a concurrent private placement, warrants to purchase up to an aggregate of 4,960,544 shares of Common Stock (the "August 2025 Common Warrants") at an exercise price of $0.762 per share. The combined offering price for each share of common stock and accompanying Common Warrant was $0.887. The Common Warrants are exercisable upon issuance and will expire on the fifth anniversary of the effective date of the registration statement filed by the Company registering the resale of the shares of common stock underlying the Common Warrants.

The Company paid approximately $0.5 million in offering costs comprised of a cash fee of 7.00%, a management fee of 1.00%, legal fees and other fees. Also in connection with the August 2025 Offering, the Company agreed to issue to the Placement Agent or its designees warrants (the "August 2025 Placement Agent Warrants") to purchase up to an aggregate of 347,238 shares of Common Stock (the "Placement Agent Warrant Shares"). The Placement Agent Warrants have an exercise price of $1.1088 per share (which represents 125% of the offering price per Share and accompanying Common Warrant), are exercisable upon issuance and will expire on July 31, 2030 and will be exercisable upon issuance.

The August 2025 Common Warrants and August 2025 Placement Agent Warrants collectively herein are referred to as the "August 2025 Warrants".

In accordance with ASC 815-40, *Derivatives and Hedging-Contracts in Entity's own Equity*, the Company determined that all of the August 2025 Warrants issued in connection with the August 2025 Offering met the conditions for equity classification and were included as a component of stockholders' equity (deficit).

July 2025 Offering

On July 11, 2025, the Company closed on a registered direct offering with certain institutional investors (the "July 2025 Offering"), pursuant to which the Company sold and issued to the Purchasers, (i) 4,841,232 shares of the Company's common stock par value $0.0001 per share and pre-funded warrants to purchase up to 401,232 shares of Common Stock (the "July 2025 Pre-Funded Warrants") at an exercise price of $0.001 per share (fully exercised concurrent with the July 2025 Offering), and (ii) in a concurrent private placement, warrants to purchase up to an aggregate of 5,242,464 shares of Common Stock (the "July 2025 Common Warrants") at an exercise price of $0.638 per share. The combined offering price for each share of common stock and accompanying Common Warrant was $0.763. The Common Warrants are exercisable upon issuance and will expire on the fifth anniversary of the effective date of the registration statement filed by the Company registering the resale of the shares of common stock underlying the Common Warrants.

The Company paid approximately $0.4 million in offering costs comprised of a cash fee of 7.00%, a management fee of 1.00%, legal fees and other fees. Also in connection with the August 2025 Offering, the Company agreed to issue to the Placement Agent or its designees warrants (the "August 2025 Placement Agent Warrants") to purchase up to an aggregate of 347,238 shares of Common Stock (the "Placement Agent Warrant Shares"). The Placement Agent Warrants have an exercise price of $1.1088 per share (which represents 125% of the offering price per Share and accompanying Common Warrant), are exercisable upon issuance and will expire on July 31, 2030 and will be exercisable upon issuance.

The July 2025 Common Warrants, July 2025 Pre-Funded Warrants and July 2025 Placement Agent Warrants collectively herein are referred to as the "July 2025 Warrants".

In accordance with ASC 815-40, *Derivatives and Hedging-Contracts in Entity's own Equity*, the Company determined that all of the July 2025 Warrants issued in connection with the July 2025 Offering met the conditions for equity classification and were included as a component of stockholders' equity (deficit).

June 2025 Offering

In June 2025, the Company did a best efforts public offering (the "June 2025 Offering") pursuant to which the Company issued aggregate of (i) 4,935,385 shares of the Company's common stock, (ii) 1,218,462 pre-funded warrants to purchase up to 1,218,462 shares of Common Stock (the "June 2025 Pre-Funded Warrants") with an exercise price of $0.0001, (iii) 6,153,847 Series A warrants to purchase up to 6,153,847 shares of Common Stock with an exercise price of $0.65 (the "Series A Warrants"), and (iv) 6,153,847 Series B warrants to purchase up to 6,153,847 shares of Common Stock at an exercise price of $0.65 (the "Series B Warrants").

The Company received aggregate gross proceeds from the June 2025 Offering of approximately $4.0 million, before deducting fees to H.C. Wainwright & Co. ("Wainwright") and other estimated offering expenses payable by the Company. The June 2025 Pre-Funded Warrants will not expire and are exercisable upon issuance and at any time until all of the June 2025 Pre-Funded Warrants are exercised in full. As of September 30, 2025, a total of 1,218,462 pre-funded warrants were exercised with no June 2025 Pre-Funded Warrants outstanding.

The Series A Warrants and Series B Warrants were immediately exercisable with the Series A warrants expiring in June 2030 and the Series B Warrants expiring in December 2026.

The Company paid approximately $0.4 million in fees to Wainwright and issued 430,769 warrants (the "June 2025 PA Warrants") to purchase shares of the Company's common stock at an exercise price of $0.8125. The 2025 PA Warrants were exercisable upon issuance and expire on June 20, 2030. The June 2025 PA Warrants, Series A Warrants and Series B Warrants are herein defined as the "June 2025 Warrants".

In accordance with ASC 815-40, Derivatives and Hedging-Contracts in Entity's own Equity, the Company determined that all the different warrants issued in connection with the June 2025 Offering met the conditions for equity classification and were included as a component of stockholders' equity (deficit).

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 stock. In all instances, the Company may not sell shares of Common Stock under the 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. Additionally, the Company may not issue more than 1,981,163 shares of common stock under the Common Stock Purchase Agreement for less than $1.25 unless stockholder approval is obtained.

As part of the SEPA, the Company agreed to pay Lincoln Park 236,406 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 as of September 30, 2025.

The Company has not yet raised any capital nor issued any shares from the use of the SEPA.

February 2025 Offering

In January 2025, the Company entered into a Securities Purchase Agreement with an institutional investor (the "Q1 2025 SPA"), pursuant to which the Company issued on February 3, 2025, to the investor, (i) in a registered direct offering, 713,000 shares of the Company's common stock, and pre-funded warrants to purchase 2,816,412 shares of Common Stock (the "February 2025 Pre-Funded Warrants") with an exercise price of $0.0001 per share, and (ii) in a concurrent private placement, warrants to purchase 3,529,412 shares of common stock with an exercise price of $1.70 ("February 2025 Common Warrants"). Such registered direct offering and concurrent private placement are referred to herein as the "February 2025 Offering". Collectively, the warrants are referred herein as "the February 2025 Warrants".

The Company received aggregate gross proceeds from the February 2025 Offering of approximately $6.0 million, before deducting fees to H.C. Wainwright & Co. ("Wainwright") and other estimated offering expenses payable by the Company. The February 2025 Pre-Funded Warrants did not have a set expiration and were exercisable upon issuance and at any time until all of the February 2025 Pre-Funded Warrants were exercised in full. As of September 30, 2025, a total of 2,816,412 pre-funded warrants were exercised, leaving no remaining February 2025 Pre-Funded Warrants outstanding.

The February 2025 Common Warrants became exercisable on March 28, 2025, the effective date of stockholder approval for the issuance of the shares of common stock issuable upon exercise of the warrants and expire on March 28, 2030.

Prior to their exercise, the February 2025 Pre-Funded Warrants had dividend participation rights, and any unexercised pre-funded warrants are included in the Company's weighted-average shares outstanding for calculation the Company's net loss per share.

In connection with the January 2025 Offering, the Company amended the exercise price of the Series A and Series B common warrants (collectively "January 2024 Warrants"), issued in a financing transaction with the institutional investor in January 2024, to $1.70 from the original exercise price of $20.76. Furthermore, the expiration date of 216,816 of the January 2024 Warrants was extended to January 30, 2029, upon stockholder approval on March 28, 2025. With the amendment to the expiration date, all of the January 2024 Warrants now expire in 2029.

The Company paid approximately $0.4 million in fees to Wainwright and issued 247,059 warrants (the "February 2025 PA Warrants") to purchase shares of the Company's common stock at an exercise price of $2.13. The 2025 PA Warrants were exercisable upon issuance and expire on January 30, 2029. The 2025 PA Warrants and February 2025 Common Warrants are herein defined as the "February 2025 Warrants".

In accordance with ASC 815-40, *Derivatives and Hedging-Contracts in Entity's own Equity*, the Company determined that all the different warrants issued or amended in connection with the February 2025 Offering met the conditions for equity classification and were included as a component of stockholders' equity/(deficit).

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 September 30, 2025, the Company has raised approximately $8.6 million, net of offering costs utilizing the ATM since inception in August 2024, issuing 6.9 million shares of the Company's Common Stock. During the nine months ended September 30, 2025, the Company raised approximately $4.2 million, net of offering costs, issuing approximately 5.1 million 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 September 30, 2025, and December 31, 2024:

	September 30, 2025	December 31, 2024
Liability Classified Warrants		
Private Placement Warrants	229,520	229,520
PIPE Investor Warrants	20,000	20,000
Subtotal	249,520	249,520
Equity Classified Warrants		
August 2025 Warrants	5,307,782	—
July 2025 Warrants	5,609,436	—
June 2025 Warrants	9,946,156	—
February 2025 Warrants	3,776,471	—
July 2024 Warrants	1,014,219	1,014,219
January 2024 Warrants	672,129	672,129
Public Stockholders' Warrants	422,000	422,000
Legacy Warrants	1,499	1,957
Subtotal	26,749,692	2,110,305
Grand Total	26,999,212	2,359,825

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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 September 30, 2025 and December 31, 2024(*):

September 30, 2025	Warrant Share Equivalents	Weighted-Average Strike Price	Weighted-Average Time to Maturity
Liability Classified Warrants			
Private Placement Warrants	229,520	$ 287.50	2.33
PIPE Investor Warrants	20,000	$ 287.50	2.33
Equity Classified Warrants			
August 2025 Warrants	5,307,782	$ 0.78	4.86
July 2025 Warrants	5,609,436	$ 0.66	4.86
June 2025 Warrants	9,946,156	$ 0.66	3.40
February 2025 Warrants	3,776,471	$ 1.73	4.49
July 2024 Warrants	1,014,219	$ 10.72	3.78
January 2024 Warrants	672,129	$ 2.38	3.69
Public Stockholders' Warrants	422,000	$ 287.50	2.33
Legacy SeaStar Inc. Warrants	1,499	$ 250.00	1.42

December 31, 2024	Warrant Share Equivalents	Weighted-Average Strike Price	Weighted-Average Time to Maturity
Liability Classified Warrants			
Private Placement Warrants	229,520	$ 287.50	2.82
PIPE Investor Warrants	20,000	$ 287.50	2.82
Equity Classified Warrants			
July 2024 Warrants	1,014,219	$ 10.72	4.53
January 2024 Warrants	672,129	$ 20.83	3.01
Public Stockholders' Warrants	422,000	$ 287.50	2.82
Legacy SeaStar Inc. Warrants	1,957	$ 250.00	1.38

(*) The above warrant tranches can include classes of warrants with original or amended terms ranging from eighteen months to five years.

Below is the warrant activity for the nine months ended September 30, 2025, for those warrants with activity during the nine months ended September 30, 2025:

	August 2025 Warrants	July 2025 Warrants	June 2025 Warrants	February 2025 Warrants	Legacy Warrants
Outstanding as of December 31, 2024	—	—	—	—	1,957
Issuance	5,307,782	6,010,669	13,956,925	6,592,883	—
Exercised	—	(401,233)	(4,010,769)	(2,816,412)	—
Forfeited / cancelled	—	—	—	—	(458)
Outstanding as of September 30, 2025	5,307,782	5,609,436	9,946,156	3,776,471	1,499

During the three and nine months ended September 30, 2025, the Company incurred a gain of approximately $16 thousand and $32 thousand from the mark-to-market adjustment for all remaining liability classified warrants, respectively.

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:

	Three Months Ended September 30,		Nine Months Ended September 30,	
($ in thousands)	**2025**	**2024**	**2025**	**2024**
Research and development	$ 23	$ 9	$ 69	$ 121
General and administrative	267	191	485	554
Total stock-based compensation	$ 290	$ 200	$ 554	$ 675

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.

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 Stock Incentive Plan was terminated on October 28, 2022, and no further awards were granted under such plan.

Stock Options

Option activity for the nine months ended September 30, 2025, 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, 2024	13,114	$ 46.00	$ —	8.2
Exercised	—			
Issued	—			
Forfeited / cancelled	(1,916)			
Outstanding at September 30, 2025	11,198	$ 46.00	$ —	7.5
Vested and exercisable at September 30, 2025	11,198	$ 46.00	$ —	7.5

2019 Omnibus Incentive Plan - Options

	Options	Weighted-Average Exercise Price	Total Intrinsic Value	Weighted-Average Remaining Contractual Life (Years)
Outstanding at December 31, 2024	8,817	$ 44.30	$ —	5.5
Exercised	—			
Issued	—			
Forfeited / cancelled	(980)			
Outstanding at September 30, 2025	7,837	$ 44.30	$ —	4.7
Vested and exercisable at September 30, 2025	7,802	$ 44.90	$ —	4.7

Restricted Stock Units

A summary of the Company's restricted stock unit ("RSU") activity is as follows:

2022 Omnibus Incentive Plan - RSUs

	Number of RSU	Weighted-Average Grant Date Fair Value (per share)
Outstanding at December 31, 2024	219,500	$ 5.09
Granted	130,000	
Vested	(76,384)	
Forfeited / cancelled	(10,000)	
Outstanding at September 30, 2025	263,116	$ 3.18

2019 Stock Incentive Plan - RSUs

	Number of RSU	Weighted-Average Grant Date Fair Value (per share)
Outstanding at December 31, 2024	747	$ 200.00
Granted	—	
Vested	(747)	
Forfeited / cancelled	—	
Outstanding at September 30, 2025	—	$ —

Note 10. Commitments and Contingencies

Lease Agreements

The Company is part of a membership agreement for shared office space and can cancel at any time. Rent expense was approximately $23 thousand and $60 thousand for the three and nine months ended September 30, 2025 respectively, and approximately $8 and $24 thousand for the three and nine months ended September 30, 2024, 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.

2024 Securities Class Action Lawsuit

On July 5, 2024, Forrest A K Wells (the "Plaintiff"), a purported stockholder of the Company, filed a putative class action complaint in the United States District Court for the State 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 the Company, its Chief Executive Officer and former Chief Financial Officer made or caused to be made material misstatements or omissions regarding the Company's business and operations, allegedly culminating in the Company's restatement of its 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. The Company intends to vigorously defend the action.

The Company has not recognized a contingent liability for this Class Action event as it does not qualify for the recognition criteria under ASC 450, *Contingencies.*

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 presents the Company's financial assets and/or liabilities that were accounted for at fair value on a recurring basis as of September 30, 2025 and December 31, 2024, 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

	Fair Value Measurements at September 30, 2025			
	(Level 1)	(Level 2)	(Level 3)	Total
Liabilities:				
Liability classified warrants	$ —	$ —	$ 1	$ 1
	$ —	$ —	$ 1	$ 1

	Fair Value Measurements at December 31, 2024			
	(Level 1)	(Level 2)	(Level 3)	Total
Liabilities:				
Liability classified warrants	$ —	$ —	$ 33	$ 33
Total	$ —	$ —	$ 33	$ 33

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The following table presents the changes in the forward option-prepaid forward contracts, convertible notes measured at fair value, warrants liability, and the notes derivative liability for the nine months ended September 30, 2025 (in thousands):

Level 3 Roll Forward	Liability Classified Warrants
Balance December 31, 2024	$ 33
Additions	—
Cash paid to settle	—
Shares issued upon conversion or exercise	—
Changes in fair value	(32)
Balance September 30, 2025	$ 1

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 September 30, 2025 and December 31, 2024, include three classes of warrants, and therefore, the range of assumptions used has been provided. Significant assumptions used in valuing warrants which require liability classification were as follows as of September 30, 2025 and December 31, 2024.

	September 30, 2025	December 31, 2024
Expected volatility	130.00%	130.00%
Equivalent term	2.08	2.825
Risk-free rate	3.60%	4.27%
Dividend yield	0.00%	0.00%
Stock price	$ 0.57	$ 1.94
Strike price	$ 287.50	$ 287.50

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 September 30, 2025.

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.

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):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net loss	$ (3,472)	$ (4,478)	$ (9,246)	$ (20,411)
Weighted-average shares outstanding - basic and diluted	26,393,400	4,086,871	15,512,119	3,348,490
Basic and diluted net loss per share	$ (0.13)	$ (1.10)	$ (0.60)	$ (6.10)

The following weighted-average outstanding shares of 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:

	As of September 30,	
	2025	2024
Liability classified warrants	249,520	249,520
Equity classified warrants	26,749,692	1,096,085
Employee based options to purchase common stock	19,035	22,653
Unvested employee based restricted stock units	263,116	40,068
Total	27,281,363	1,408,326

Note 14. Segment Reporting

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 Selective Cytopheretic Devices (SCDs). The Company had total assets of $15.5 million and $4.7 million, as of September 30, 2025 and December 31, 2024, 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.

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The following table represents the Company's sole segment's operating results for the nine months ended September 30, 2025 and 2024, respectively(*).

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net Revenue	$ 183	$ 68	$ 814	$ 68
Cost of goods sold	14	—	41	—
Gross profit	$ 169	$ 68	$ 773	$ 68
Operating expenses				
Research and development	1,850	2,336	5,318	6,367
General and administrative	1,898	2,188	4,614	6,776
Total operating expenses	$ 3,748	$ 4,524	$ 9,932	$ 13,143
Loss from operations	$ (3,579)	$ (4,456)	$ (9,159)	$ (13,075)

(*) The above table excludes non-operating expenses consisting of interest expense, interest income, and gains and losses from changes in the fair value of liability classified financial instruments such as warrants and convertible debt.

Note 15. Subsequent Events

At-the-Market Offering

From October 1, 2025, through November 13. 2025, the Company raised approximately $1.2 million in gross proceeds ($1.1 million net of offering costs) from the sale of 1.9 million shares of the Company's stock through its At-the-Market offering program.

Short-Term Note Payable

On October 28, 2025, the Company entered into a short-term note payable of approximately $0.8 million in order to finance the Company's Directors and Officer's ("D&O") policy for the 2025/2026 policy year. The Company has historically financed its D&O policies since October 2022.

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, 2024 (filed March 27, 2025) and Form 10-K/A for the year ended December 31, 2024 (filed April 23, 2025).

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, 2024. 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 following the Business Combination.

Overview

On October 28, 2022, LMAO consummated a series of transactions that resulted in the combination of LMF Merger Sub, Inc. and the Predecessor pursuant to an Agreement and Plan of Merger. Immediately upon consummation of the Business Combination, LMAO was renamed SeaStar Medical Holdings Corporation (as defined above).

We are a commercial-stage healthcare company focused on transforming 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 to assess the safety and efficacy of the SCD therapy in critically ill adult patients with AKI requiring continuous renal replacement therapy ("CRRT").

Our SCD therapy has been awarded Breakthrough Device Designation ("BDD") for six therapeutic indications by the FDA, including the use of the SCD therapy for adult patients with AKI, patients with cardiorenal syndrome awaiting left ventricular assist device ("LVAD") implantation, patients with hepatorenal syndrome, patients with end stage renal disease ("ESRD") 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.

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 kidney. 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 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 one 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 has over a combined 21 years of 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.

We have incurred net losses in each year since our inception in 2007. As of September 30, 2025 and December 31, 2024, we had an accumulated deficit of $148.8 million and $139.6 million, respectively. Our net losses were $9.3 million and $20.4 million for the nine months ended September 30, 2025, and 2024, respectively. For the nine months ended September 30, 2025, 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. For the nine months ended September 30, 2024, our net losses resulted from a combination of operating costs which were comprised of (i) research and development, and (ii) general and administrative, coupled with non-operating gains and losses due to changes in the fair value of certain liability classified financial instruments.

As of September 30, 2025, and December 31, 2024, we had cash of $13.8 million and $1.8 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 nine months ended September 30, 2025, 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 $0.9 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” for additional information.

Key Components of Results of Operations

Revenue

Our QUELIMMUNE 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. Through September 30, 2025, we have recognized approximately $0.9 million of revenue from the sale of QUELIMMUNE. Historically, prior period revenue has been primarily derived from government and other grants. 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.

The Company is continuously reviewing research and development spend to ensure it is aligned with the Company's objectives.

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. However, the Company is also in the process, as evidenced by the results of the three and nine months ended September 30, 2025, of reducing overall general and administrative spend, and identifying efficiencies.

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 (expense), net primarily consists of interest expense relating to interest incurred on our notes, interest income due to overnight sweep activity with the Company's main commercial financial institution, and change in the fair value of warrants liability for the three and nine months ended September 30, 2025.

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 September 30, 2025 to the Three Months Ended September 30, 2024

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.

	Three Months September 30,		Change	
($ in thousands)	**2025**	**2024**	**$**	%
Revenue	$ 183	$ 68	$ 115	169%
Cost of goods sold	14	—	14	*
Gross profit	169	68	101	1
Operating expenses				
Research and development	1,850	2,336	(486)	(21)%
General and administrative	1,898	2,188	(290)	(13)%
Total operating expenses	3,748	4,524	(776)	-17%
Loss from operations	(3,579)	(4,456)	891	-20%
Total other income (expense)	107	(22)	129	-586%
Loss before income tax provision	(3,472)	(4,478)	1,020	-23%
Income tax provision (benefit)	—	—	—	*
Net loss	$ (3,472)	$ (4,478)	$ 1,020	-23%

(*) – there was no activity for the three months ended September 30, 2024.

Revenue, Cost of Goods Sold and Gross Profit

Revenue increased $0.1 million, while gross profit also increased $0.1 million for the three months ended September 30, 2025, compared to the same period ending September 30, 2024. This was because we first obtained an HDE for QUELIMMUNE in February 2024, and final regulatory clearance to sell commercially from the FDA under this HDE in July 2024. We currently have nine customer sites for QUELIMMUNE as of September 30, 2025. We did not recognize any cost of goods sold during the three months ended September 30, 2024, as the inventory was assigned no value under US GAAP as it was expensed to research and development expense upon purchase prior to obtaining final regulatory clearance to sell QUELIMMUNE commercially.

Research and Development Expenses

The following table discloses the breakdown of research and development expense for the three months ended September 30, 2025 compared to the same period ending September 30, 2024:

	Three Months Ended September 30,		Change	
($ in thousands)	**2025**	**2024**	**$**	%
Clinical trials	$ 1,020	$ 1,161	$ (141)	(12)%
External services	81	179	(98)	(55)%
Payroll and personnel expenses	705	935	(230)	(25)%
Other research and development expenses	44	61	(17)	(28)%
	$ 1,850	$ 2,336	$ (486)	(21)%

Research and development expenses for the three months ended September 30, 2025 and 2024 were $1.9 million and $2.3 million, respectively. The decline in research and development expenses of approximately $0.5 million, or 21%, was primarily driven by (i) $0.1 million decline in clinical trial expenses, due to the (a) $0.1 million expense offset due to funded research and development agreement with third-party for certain clinical research services (see Note 2), and (b) and a $0.2 million reduction in preclinical consulting services, (c) $0.1 million decline in consulting spend related to clinical trial activity, and (d) offset by $0.3 million increase in clinical trial site costs as we continue to fund its Neutralize-AKI study; (ii) $0.1 million decline in external services as a result of our reducing consulting spend as it brought in-house certain assembly and regulatory services, and (iii) $0.2 million net reduction in personnel costs, primarily driven by a $0.2 million favorable reduction in bonus expense as we are not expecting to fund bonuses for the 2025 fiscal year.

General and Administrative Expenses

General and administrative expenses for the three months ended September 30, 2025 and 2024 were approximately $1.9 million and $2.2 million, respectively. The $0.3 million decrease in general and administrative expenses was the result of (i) $0.1 million decline in legal related fees, (ii) $0.3 million decline in fees due to lower franchise tax expense and a contract exit cost incurred during the quarter ended September 30, 2024 and (iii) $0.1 million decline in SEC related costs due to the Company's filing, compliance and reporting needs in 2024, offset by a (i) $0.1 million net increase in compensation costs due to the termination of our former Chief Financial Officer, and (ii) $0.1 million increase in audit fees due to the timing of interim audit activity.

Other Income (Expense)

Other income (net) reversed to other income of approximately $0.1 million during the three months ended September 30, 2025 compared to other expense, net of $22 thousand for the three months ended September 30, 2024, primarily due to (i) $0.1 million increase in interest income as a result of increased cash-on-hand due to financing activities, offset by (i) we recognized a favorable gain during the three months ended September 30, 2024, from the decline in fair value of its liability classified warrants, which it did not recognize during the same period ended September 30, 2025, and (ii) $0.2 million interest expense was recognized during the three months ended September 30, 2024, which we did not incur during the same period ended September 30, 2025, as we had no outstanding debt during the three months ended September 30, 2025.

Income Tax Provision (Benefit)

We recorded no provision for income taxes for the three months ended September 30, 2025 and September 30, 2024. respectively.

Net Loss

During the three months ended September 30, 2025, we had a net loss of approximately $3.5 million compared to a net loss of approximately $4.5 million for the three months ended September 30, 2024. The reason for the decreased net loss of approximately $1.0 million has been disclosed in the above discussion.

Comparison of the Nine Months Ended September 30, 2025 to the Nine Months Ended September 30, 2024

($ in thousands)	Nine Months Ended September 30, 2025	2024	Change $	Change %
Revenue	$ 814	$ 68	$ 746	1097%
Cost of goods sold	$ 41	$ —	$ 41	*
Gross profit	$ 773	$ 68	$ 705	1037%
Operating expenses				
Research and development	5,318	6,367	(1,049)	(16)%
General and administrative	4,614	6,776	(2,162)	(32)%
Total operating expenses	9,932	13,143	(3,211)	-24%
Loss from operations	(9,159)	(13,075)	3,957	-30%
Total other expense	(84)	(7,333)	7,249	-99%
Loss before income tax provision	(9,243)	(20,408)	11,206	-55%
Income tax provision	3	3	—	0%
Net loss	$ (9,246)	$ (20,411)	$ 11,206	-55%

(*) - there was no activity for the nine months ended September 30, 2024.

Revenue, Cost of Goods Sold and Gross Profit

Revenue increased $0.7 million for the nine months ended September 30, 2025 compared to the nine months ended September 30, 2024, as we first commenced commercial sales in July 2024. This was made possible because we obtained an HDE for QUELIMMUNE in February 2024, and final regulatory clearance to sell commercially from the FDA under this HDE in July 2024. We have nine customer sites for QUELIMMUNE as of September 30, 2025. We did not recognize any cost of goods sold during the three months ended September 30, 2024, as the inventory was assigned no value under US GAAP as it was expensed to research and development expense upon purchase prior to obtaining final regulatory clearance to sell QUELIMMUNE commercially.

Research and Development Expenses

The following table discloses the breakdown of research and development expenses:

($ in thousands)	Nine Months Ended September 30, 2025	2024	Change $	Change %
Clinical trials	$ 2,922	$ 3,099	$ (177)	(6)%
External services	232	833	(601)	(72)%
Payroll and personnel expenses	1,934	2,258	(324)	(14)%
Other research and development expenses	230	177	53	30%
	$ 5,318	$ 6,367	$ (1,049)	(16)%

Research and development expenses for the nine months ended September 30, 2025 and 2024 were $5.3 million and $6.4 million, respectively. The decline in research and development expenses of approximately $1.1 million, or 16%, was primarily driven by (i) a $0.3 million net reduction in personnel costs, primarily driven by a $0.7 million favorable reduction in bonus expense due to the agreement by certain employees involved in research and development to voluntarily forego unpaid 2023 and 2024 performance bonuses owed to them, offset by a $0.4 million increase in salaries and wages due to increased headcount , (ii) $0.2 million decline in clinical trial costs services, (iii) $0.6 million decline in external services such as non-clinical related consultant spend, and offset by (i) $0.1 million increase other research and development related costs.

General and Administrative Expenses

General and administrative expenses for the nine months ended September 30, 2025 and 2024 were approximately $4.6 million and $6.8 million, respectively. The approximately $2.1 million decrease in general and administrative expenses was the result of (i) $0.1 million decline in personnel costs, net due to the voluntary foregoing of certain employee performance bonuses awarded in 2023 and 2024 that were offset by increase in compensation costs due to the termination of our former Chief Financial Officer, (ii) $0.1 million decline in employee conferences and seminars and travel, (iii) $0.4 million decline in accounting related fees, with respect to certain restatement activities during the spring of 2024, (iv) $0.4 million decline related to legal fees, (v) $0.1 million in recruiting fees that were avoided for the nine months ended September 30, 2025, (vi) $0.1 million decline in sponsorships and trade shows, and (vi) $0.5 million decline in Directors' compensation as the active Directors approved to voluntarily forego any earned-but-unpaid director fees through June 30, 2025 for active Directors, (vii) $0.2 million in consulting spend, (viii) $0.1 million reduction in insurance related expenses and (ix) $0.1 million reduction on other fees and services.

Other Expense

Other expenses (net) decreased approximately $7.2 million, a decline of approximately 99% for the nine months ended September 30, 2025, compared to the nine months ended September 30, 2024. The key drivers for this decrease were as follows: (i) the Company recognized a loss of $6.1 million for changes in the fair value of convertible notes during the nine months ended September 30, 2024, however, the Company did not have any convertible notes outstanding during the nine months ended September 30, 2025, (ii) the Company recognized a gain of $32 thousand for its liability classified warrants for the nine months ended September 30, 2025, while incurring a loss of approximately $0.8 million for the nine months ended September 30, 2024, largely driven by the value of the Company's stock and certain features of warrants that were in existence during the nine months ended September 30, 2024, that are no longer outstanding in 2025, (iii) the Company recognized interest income, net of expenses of $0.2 million during the nine months ended September 30, 2025, compared to net interest expense of $0.4 million during the nine months ended September 30, 2024. This was because the Company reduced its outstanding debt obligations such that there are no outstanding debt or notes payable obligations as of September 30, 2025. This was offset by a $0.3 million fee paid to a third-party investor related to the Company's standby equity purchase agreement ("SEPA") during the nine months ended September 30, 2025.

Income Tax Provision

We recorded a provision for income taxes of $3 thousand for both the nine months ended September 30, 2025, and September 30, 2024, respectively.

Net Loss

During the nine months ended September 30, 2025, we had a net loss of approximately $9.2 million compared to a net loss of approximately $20.4 million for the nine months ended September 30, 2024. The decreased net loss of approximately $11.2 million has been disclosed in the above discussion.

Liquidity and Capital Resources

Sources of Liquidity

To date, we have financed our operations primarily through the sale of equity securities and convertible debt and, to a lesser extent, through grants from governmental and other agencies. Since our inception, we have incurred significant operating losses and negative cash flows. As of September 30, 2025 and December 31, 2024, we had stockholders' equity of approximately $11.4 million and deficit of $2.2 million, respectively, and we had an accumulated deficit of approximately $148.8 million and $139.6 million, respectively.

As of September 30, 2025, and December 31, 2024, we had cash of $13.8 million and $1.8 million, respectively. Based on our results of our operations and liquidity as of September 30, 2025, and even when taking into account (i) a public offering in the second quarter of 2025, (ii) a registered direct offering in the first quarter of 2025, and (iii) access to raise money on an at-the-market facility ("ATM Facility") and standby equity purchase agreement ("SEPA"), we believe our cash and cash equivalents are insufficient to meet our working capital and capital expenditure requirements for a period of at least twelve months from the date of our unaudited condensed consolidated financial statements for the nine months ended September 30, 2025, are made available. We believe that this raises substantial doubt about our ability to continue as a going concern. While the Company raised additional capital since September 30, 2025, this additional subsequent increase in our available cash would not be sufficient to change this conclusion had that capital raise occurred prior to September 30, 2025.

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 September 30, 2025.

In April 2025, the Company entered into a $15 million SEPA and as of September 30, 2025, unused available capacity on the ATM Facility that will allow us to potentially raise up to approximately $2.2 million (*The ATM is subject baby-shelf limitations as the Company is currently limited by general instruction I.B.6 to Form S-3*)

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:

- our ability to receive cash proceeds from new and existing funding sources;
- 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

As of September 30, 2025, the Company does not have any contractual obligations or commitments outstanding. During June 2025, the Company paid down the remaining $0.2 million of outstanding insurance financing obligation that was originally to be paid down through October 2025.

Cash Flows

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

	Nine Months Ended September 30,	
($ in thousands)	**2025**	**2024**
Statement of cash flow data:		
Total cash (used in)/provided by:		
Operating activities	$ (9,505)	$ (11,314)
Investing activities	—	—
Financing activities	21,449	13,220
Net increase in cash	$ 11,944	$ 1,906

Net cash used in operating activities for the nine months ended September 30, 2025 was $9.5 million compared to $11.3 million for the nine months ended September 30, 2024. The decrease in cash used for operating activities of $1.8 million is primarily due to the (i) $11.1 million decline the Company's net loss, offset by approximately $6.9 million in non-cash charges and $2.5 million favorable changes in the Company's working capital.

Net cash provided by financing activities for the nine months ended September 30, 2025 was $21.5 million, was primarily related to (i) $14.3 million received from the issuance of new shares of common stock, (ii) $5.9 million in proceeds from issuance of pre-funded warrants, and (iii) $1.8 million in proceeds received from the exercise of warrants. This was offset by approximately $0.6 million paid to settle 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 27, 2025, and as amended by Form 10-K/A filed April 23, 2025, 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; who is also acting as Interim 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 Interim Chief Financial Officer have concluded that, as of September 30, 2025, 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 Interim 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 September 30, 2025, that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

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 (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. On May 5, 2025, the Defendants filed a motion to dismiss the amended complaint. The motion to dismiss is fully briefed and pending before the court.

On December 13, 2024, Jose Lazo, a purported stockholder of ours, filed a putative stockholder derivative action in the United States District Court for the District of Colorado, captioned Lazo v. Schlorff, et. al., Case No. 1:24-cv-3444 (the "Derivative Action"). The factual allegations of the Derivative Action are substantially similar to those of the Class Action. The Derivative Action complaint asserts claims against our Chief Executive Officer, former Chief Financial Officer, and certain members and former members of our Board of Directors for breach of fiduciary duty and claims pursuant to the Securities Exchange Act of 1934, including Section 14(a), Section 10(b), Rule 10b-5 promulgated thereunder, and Section 21D. 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 January 30, 2025, upon joint motion of the parties, the Court stayed the Derivative Action pending the Court's resolution of the motion to dismiss filed in the Class Action. Additional stockholders may file substantially similar putative derivative complaints in the future. We will not make separate disclosure of any such complaints unless they are materially different than the Derivative Action.

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, 2024 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, 2024, filed March 27, 2025, except as set forth below.

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. As of September 30, 2025, we have positive working capital of $10.8 million while we had negative working capital of $3.1 million on December 31, 2024, respectively. 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 2024 financial statements, included in our Annual Report on Form 10-K filed on March 27, 2025, 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.

Proposed legislation in the U.S. Congress, including changes in U.S. tax law, may adversely impact us and the value of our shares of Common Stock, Pre-Funded Warrants, Warrants and Warrant Shares.

Changes to U.S. tax laws (which changes may have retroactive application) could adversely affect us or holders of our shares of Common Stock, Pre-Funded Warrants, Warrants and Warrant Shares. In recent years, many changes to U.S. federal income tax laws have been proposed and made, and additional changes to U.S. federal income tax laws are likely to continue to occur in the future.

The U.S. Congress is currently considering numerous items of legislation which may be enacted prospectively or with retroactive effect, which legislation could adversely impact our financial performance and the value of our shares of Common Stock, Pre-Funded Warrants, Warrants and Warrant Shares. Additionally, states in which we operate or own assets may impose new or increased taxes. If enacted, most of the proposals would be effective for the current or later years. The proposed legislation remains subject to change, and its impact on us and purchasers of our shares of Common Stock, Pre-Funded Warrants, Warrants and Warrant Shares is uncertain

On May 22, 2025, the U.S. House of Representatives passed a tax bill, which the Senate Finance Committee subsequently modified and released on June 16, 2025, that, if enacted into law in its current form, may affect the U.S. federal income tax considerations applicable to certain non-U.S. investors in our shares of Common Stock, Pre-Funded Warrants, Warrants and Warrant Shares. In particular, the bill proposes to add new Section 899 to the Code, which could significantly increase the aggregate tax liability of certain non-U.S. investors with respect to their investment in our shares of Common Stock, Pre-Funded Warrants, Warrants and Warrant Shares. The likelihood of the bill or other similar legislation being enacted is uncertain, and the provisions of the bill or other similar legislation may change prior to enactment. Non-U.S. investors are urged to consult their tax advisors regarding the potential application of proposed Section 899 of the Code with respect to their investment in our shares of Common Stock, Pre-Funded Warrants, Warrants and Warrant Shares.

Our Common Stock may be delisted from Nasdaq if we do not maintain compliance with Nasdaq's continued listing requirements. If our Common Stock is delisted, it could negatively impact us.

Continued listing of a security on Nasdaq is conditioned upon compliance with various continued listing standards. There can be no assurance that we will be able to comply with the applicable listing standards. We have in the past received notifications of noncompliance with Nasdaq's continued listing standards and there is no guarantee that we will not receive such notifications in the future.

For example, on June 24, 2024, we received a written notification from the Listing Qualifications staff of Nasdaq that we were not in compliance with the requirement to maintain a minimum market value of listed securities of $35 million, as set forth in the MVLS Rule, because the market value of our Securities had been below $35 million for 30 consecutive business days. We had an initial 180 days, or until December 23, 2024, to regain compliance with the MVLS Requirement.

On December 24, 2024, we received the Notification from Nasdaq stating that we had not regained compliance with the Rule. Pursuant to the Notification, the Securities were subject to delisting from Nasdaq on January 3, 2025, unless we requested a hearing before the Panel by December 31, 2024.

We requested a hearing before the Panel by December 31, 2024. As disclosed in a Form 8-K on March 13, 2025, on March 11, 2025, we received a letter from the Panel granting our request to continue listing our Common Stock on Nasdaq, subject to certain conditions. The Panel's decision provided us with an exception until June 22, 2025, to demonstrate compliance with the Minimum Stockholders' Equity Requirement (as defined below) for continued listing set forth in Nasdaq Listing Rule 5550(b). The Panel reviewed our compliance plan, which includes the continuation of fundraising efforts that began in 2024 and strategies for achieving long-term compliance with the Stockholders' Equity Requirement. As part of the conditions outlined in the Panel's decision, we are required to, on or before June 22, 2025:

- file a public disclosure describing the transactions undertaken to increase our equity and providing an indication of our equity following those transactions; and

- provide the Panel with an update on our fundraising plans and updated income projections for the next 12 months, with all underlying assumptions clearly stated.

On July 1, 2025, we received a letter from Nasdaq confirming that we have regained compliance with Nasdaq's minimum stockholders' equity requirement under Nasdaq Listing Rule 5550(b)(1) (the "Minimum Stockholders' Equity Requirement"). Nasdaq noted in its letter that to maintain compliance, we will have to raise additional funds, otherwise we will be below the Minimum Stockholders' Equity Requirement by the end of July.

Pursuant to Nasdaq Listing Rule 5815(d)(4)(B), we will be subject to a Mandatory Panel Monitor until July 1, 2026. If, within that one-year monitoring period, the Nasdaq Listing Qualifications staff (the "Staff") finds us again out of compliance with the Minimum Stockholders' Equity Requirement, notwithstanding Nasdaq Listing Rule 5810(c)(2), we 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 us to regain compliance with respect to that deficiency, nor would we 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 we 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.

On July 31, 2025, we received a letter from Nasdaq notifying us that we were not in compliance with the $1.00 per share minimum bid price requirement for continued inclusion on Nasdaq pursuant to Nasdaq Listing Rule 5550(a)(2).

This letter had no immediate effect on the listing of the Company's Common Stock on Nasdaq and we have 180 calendar days from the date of the notice, or until January 27, 2026, to regain compliance with the Bid Price Requirement.

There can be no assurance that we will be able to comply with the Stockholder's Equity Requirement or Bid Price Requirement, or maintain compliance with other Nasdaq listing requirements. If we fail to regain compliance with Nasdaq's continued listing standards during any period granted by the Panel, the Securities could be subject to delisting from Nasdaq, unless another exception is granted by Nasdaq.

If our Common Stock ultimately were to be delisted for any reason, it could negatively impact us by (i) reducing the liquidity and market price of our Common Stock; (ii) reducing the number of investors willing to hold or acquire our Common Stock, which could negatively impact our ability to raise equity financing; (iii) limiting our ability to use a registration statement to offer and sell freely tradable securities, thereby preventing us from accessing the public capital markets; and (iv) impairing our ability to provide equity incentives to our employees.

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

During the three months ended September 30, 2025, 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 September 30, 2025, 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

Exhibit No.	Description
4.1	Form of Pre-Funded Warrants to Purchase Common Stock (incorporated by reference to Exhibit 4.1 of Form 8-K filed on July 14, 2025)
4.2	Form of Common Stock Purchase Warrant to Purchase Common Stock (incorporated by reference to Exhibit 4.2 of Form 8-K filed on July 14, 2025)
4.3	Form of Placement Agent Warrant to Purchase Common Stock (incorporated by reference to Exhibit 4.3 of Form 8-K filed on July 14, 2025)
4.4	Form of Common Stock Purchase Warrant to Purchase Common Stock (incorporated by reference to Exhibit 4.1 to Form 8-K filed on August 1, 2025)
4.5	Form of Placement Agent Warrant to Purchase Common Stock (incorporated by reference to Exhibit 4.2 to Form 8-K filed on August 1, 2025)
10.1	Form of Securities Purchase Agreement dated July 10, 2025 (incorporated by reference to Exhibit 10.1 to Form 8-K filed on July 14, 2025)
10.2	Form of Securities Purchase Agreement dated July 31, 2025 (incorporated by reference to Exhibit 10.4 to Form 8-K filed on August 1, 2025)
31.1*	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.
31.2*	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.
32.1*	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.
32.2*	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.
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)

* 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: November 13, 2025 By: /s/ Eric Schlorff
Eric Schlorff
Chief Executive Officer
(Principal Executive Officer)

Date: November 13, 2025 By: /s/ Bradford Towne
Bradford Towne
Controller
(Principal Accounting Officer)

EXHIBIT 31.1

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: November 13, 2025

/s/ Eric Schlorff
Eric Schlorff
Chief Executive Officer

EXHIBIT 31.2

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: November 13, 2025

/s/ Eric Schlorff
Eric Schlorff
Interim Chief Financial Officer

EXHIBIT 32.1

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 nine months ended September 30, 2025, 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: November 13, 2025

/s/ Eric Schlorff
Eric Schlorff
Chief Executive Officer

EXHIBIT 32.2

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

I, Eric Schlorff, 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 nine months ended September 30, 2025, 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: November 13, 2025

/s/ Eric Schlorff
Eric Schlorff
Interim Chief Financial Officer