UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2026
or

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

For the transition period from ___________to_________
Commission File Number: 001-39949

Hyperfine, Inc.
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**98-1569027** (IRS Employer Identification No.)
351 New Whitfield Street **Guilford, Connecticut** (Address of principal executive offices)	**06437** (Zip Code)

(866) 796-6767
(Registrant's telephone number, including area code)

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

Title of Each Class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, $0.0001 Par Value Per Share	**HYPR**	**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, a 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 ☒

As of August 3, 2026, the registrant had 90,993,381 shares of Class A common stock outstanding and 15,055,288 shares of Class B common stock outstanding.

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All brand names or trademarks appearing in this report are the property of their respective holders. Use or display by us of other parties' trademarks, trade dress, or products in this report is not intended to, and does not, imply a relationship with, or endorsements or sponsorship of, us by the trademark or trade dress owners. Unless the context requires otherwise, references in this report to the "Company," "we," "us," and "our" refer to Hyperfine, Inc. and its wholly-owned subsidiaries, including Hyperfine Operations, Inc., and Liminal Sciences, Inc., as the case may be.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that relate to future events or our future financial performance regarding, among other things, the plans, strategies and prospects, both business and financial, of the Company. These statements are based on the beliefs and assumptions of our management team. Although we believe that our plans, intentions and expectations reflected in or suggested by these forward-looking statements are reasonable, we cannot assure you that we will achieve or realize these plans, intentions or expectations. Forward-looking statements are inherently subject to risks, uncertainties and assumptions. Generally, statements that are not historical facts, including statements concerning possible or assumed future actions, business strategies, events or results of operations, are forward-looking statements. These statements may be preceded by, followed by or include the words "believes," "estimates," "expects," "projects," "forecasts," "may," "will," "should," "seeks," "plans," "scheduled," "anticipates" or "intends" or similar expressions. Forward-looking statements contained in this Quarterly Report on Form 10-Q include, but are not limited to, statements about:

- the success, cost and timing of our product development activities;
- the commercialization and adoption of our existing products and the success of our future product offerings, including the degree to which our products and services are accepted and used by healthcare professionals;
- the potential attributes and benefits of our products and services, including the clinical evidence supporting those benefits, and our ability to generate clinical evidence of the benefits of our products and services;
- our ability to obtain and maintain regulatory approval for our products, and any related restrictions and limitations of any approved product;
- our intellectual property rights;
- our ability to identify, in-license or acquire additional technology;
- our ability to maintain our existing licensing, manufacturing and supply agreements and to obtain adequate supply of products;
- our ability to compete with other companies currently marketing or engaged in the development of magnetic resonance imaging technologies, many of which have greater financial and marketing resources than us;
- the size and growth potential of the markets for our products and services, and the ability of our products and services to serve those markets, either alone or in partnership with others;
- our expansion plans and our ability to grow and manage growth profitably;
- the pricing of our products and services and reimbursement for medical procedures conducted using our products and services;
- changes in applicable laws or regulations;
- our history of losses and our ability to continue as a going concern;
- our estimates regarding expenses, revenue, capital requirements and needs for additional financing;
- our ability to raise financing in the future and the effects of future raises;
- our indebtedness under the Loan Agreement (as defined below) and our ability to comply with the covenants and other terms therein;
- our future performance, including our financial performance and performance obligations;
- our success in retaining or recruiting, or changes required in, our officers, key employees or directors;

- intense competition and competitive pressures from other companies in the industry in which we operate;
- market conditions and global and economic factors, such as inflation, geopolitical conflicts, and instability;
- the effect of legal, tax and regulatory changes;
- National Institutes of Health funding pressures; and
- the effect from U.S. export controls and tariffs.

These and other risks and uncertainties are described in greater detail under the caption “Risk Factors” in Item 1A of Part I of our Annual Report on Form 10-K for the fiscal year ended December 31, 2025 (the “2025 Annual Report on Form 10-K”), filed with the Securities and Exchange Commission (the “SEC”) on March 18, 2026, as updated and/or supplemented in subsequent filings with the SEC. The risks described under the heading “Risk Factors” are not exhaustive. New risk factors emerge from time to time, and it is not possible to predict all such risk factors, nor can we assess the impact of all such risk factors on our business or the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statements. Forward-looking statements are not guarantees of performance. You should not put undue reliance on these statements, which speak only as of the date hereof. All forward-looking statements attributable to the Company or persons acting on the Company's behalf are expressly qualified in their entirety by the foregoing cautionary statements. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

PART I — FINANCIAL INFORMATION

Item 1. Financial Statements

HYPERFINE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(in thousands, except share and per share amounts)

	June 30, 2026	December 31, 2025
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 43,458	$ 35,085
Restricted cash	1,306	957
Accounts receivable, less allowance of $495 and $1,372 as of June 30, 2026 and December 31, 2025, respectively	4,217	5,254
Unbilled receivables	1,572	1,268
Inventories	6,789	7,090
Prepaid expenses and other current assets	1,899	1,255
Total current assets	59,241	50,909
Property and equipment, net	2,262	2,549
Other long term assets	1,496	1,804
Total assets	**$ 62,999**	**$ 55,262**
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 2,422	$ 4,051
Deferred grant funding	1,306	957
Deferred revenue	1,661	1,544
Due to related parties	61	50
Accrued expenses and other current liabilities	4,179	5,130
Total current liabilities	9,629	11,732
Long-term debt, net	13,235	—
Warrant liabilities	2,542	1,730
Long term deferred revenue	835	729
Other noncurrent liabilities	—	66
Total liabilities	**26,241**	**14,257**
COMMITMENTS AND CONTINGENCIES (NOTE 14)		
STOCKHOLDERS' EQUITY		
Class A Common stock, $0.0001 par value per share; 600,000,000 shares authorized; 90,987,381 and 82,166,458 shares issued and outstanding at June 30, 2026 and December 31, 2025, respectively	9	8
Class B Common stock, $0.0001 par value per share; 27,000,000 shares authorized; 15,055,288 shares issued and outstanding at June 30, 2026 and December 31, 2025, respectively	2	2
Additional paid-in capital	384,684	371,011
Accumulated deficit	(347,937)	(330,016)
Total stockholders' equity	**36,758**	**41,005**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**$ 62,999**	**$ 55,262**

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

HYPERFINE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS (Unaudited)
(in thousands, except share and per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Sales				
Device	$ 3,170	$ 2,128	$ 6,427	$ 3,650
Service	734	568	1,380	1,183
Total sales	$ 3,904	$ 2,696	$ 7,807	$ 4,833
Cost of sales				
Device	$ 1,603	$ 1,097	$ 3,249	$ 2,082
Service	321	271	599	540
Total cost of sales	$ 1,924	$ 1,368	$ 3,848	$ 2,622
Gross profit	**1,980**	**1,328**	**3,959**	**2,211**
Operating Expenses:				
Research and development	$ 3,865	$ 4,541	$ 7,710	$ 9,578
General and administrative	3,907	3,859	8,037	8,067
Sales and marketing	2,677	2,523	5,239	5,063
Total operating expenses	**$ 10,449**	**$ 10,923**	**$ 20,986**	**$ 22,708**
Loss from operations	**$ (8,469)**	**$ (9,595)**	**$ (17,027)**	**$ (20,497)**
Interest income	272	239	526	556
Interest expense	(533)	—	(616)	—
Change in Fair Value of Warrant Liabilities	(571)	46	(812)	1,664
Other income (expense), net	3	85	8	(366)
Loss before provision for income taxes	**$ (9,298)**	**$ (9,225)**	**$ (17,921)**	**$ (18,643)**
Provision for income taxes	—	—	—	—
Net loss and comprehensive loss	**$ (9,298)**	**$ (9,225)**	**$ (17,921)**	**$ (18,643)**
Net loss per common share attributable to common stockholders, basic and diluted	$ (0.09)	$ (0.12)	$ (0.18)	$ (0.24)
Weighted-average shares used to compute net loss per share attributable to common stockholders, basic and diluted	99,797,156	78,077,118	98,751,951	76,893,733

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

HYPERFINE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (Unaudited)

(in thousands, except share amounts)

	Class A Common Stock		Class B Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount	Shares	Amount			
Balance, December 31, 2025	**82,166,458**	**$ 8**	**15,055,288**	**$ 2**	**$ 371,011**	**$ (330,016)**	**$ 41,005**
Net loss	—	—	—	—	—	(8,623)	(8,623)
Issuance of Class A common stock upon release of restricted stock units	575,651	—	—	—	—	—	—
Issuance of Class A common stock upon exercise of stock options	44,788	—	—	—	34	—	34
Issuance of Class A common stock under "at-the-market" (ATM) Sales Agreement, net	678,012	—	—	—	803	—	803
Issuance of warrants in connection with Loan Agreement, net	—	—	—	—	495	—	495
Stock-based compensation expense	—	—	—	—	647	—	647
Balance, March 31, 2026	**83,464,909**	**$ 8**	**15,055,288**	**$ 2**	**$ 372,990**	**$ (338,639)**	**$ 34,361**
Net loss	—	—	—	—	—	(9,298)	(9,298)
Issuance of Class A common stock upon release of restricted stock units	187,158	—	—	—	—	—	—
Issuance of Class A common stock upon exercise of stock options	203,547	—	—	—	220	—	220
Issuance of Class A common stock under "at-the-market" (ATM) Sales Agreement, net	7,131,767	1	—	—	10,571	—	10,572
Stock-based compensation expense	—	—	—	—	903	—	903
Balance, June 30, 2026	**90,987,381**	**$ 9**	**15,055,288**	**$ 2**	**$ 384,684**	**$ (347,937)**	**$ 36,758**

	Class A Common Stock		Class B Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount	Shares	Amount			
Balance, December 31, 2024	**58,076,261**	**$ 5**	**15,055,288**	**$ 2**	**$ 343,475**	**$ (294,442)**	**$ 49,040**
Net loss	—	—	—	—	—	(9,418)	(9,418)
Issuance of Class A common stock upon release of restricted stock units	29,135	—	—	—	—	—	—
Issuance of Class A common stock upon exercise of stock options	41,390	—	—	—	33	—	33
Issuance of Class A common stock under "at-the-market" (ATM) Sales Agreement, net	126,398	—	—	—	129	—	129
Issuance of Class A common stock with warrants under February 2025 Offering, net	4,511,278	1	—	—	2,384	—	2,385
Issuance of Class A common stock in connection with warrant exercise	100	—	—	—	—	—	—
Stock-based compensation expense	—	—	—	—	945	—	945
Balance, March 31, 2025	**62,784,562**	**$ 6**	**15,055,288**	**$ 2**	**$ 346,966**	**$ (303,860)**	**$ 43,114**
Net loss	—	—	—	—	—	(9,225)	(9,225)
Issuance of Class A common stock upon release of restricted stock units	26,608	—	—	—	—	—	—
Issuance of Class A common stock upon exercise of stock options	32,750	—	—	—	4	—	4
Issuance of Class A common stock under "at-the-market" (ATM) Sales Agreement, net	681,793	—	—	—	686	—	686
Stock-based compensation expense	—	—	—	—	547	—	547
Balance, June 30, 2025	**63,525,713**	**$ 6**	**15,055,288**	**$ 2**	**$ 348,203**	**$ (313,085)**	**$ 35,126**

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

HYPERFINE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(in thousands)

	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Cash flows from operating activities:		
Net loss	$ (17,921)	$ (18,643)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	538	512
Stock-based compensation expense	1,550	1,492
Loss on disposal of property and equipment, net	6	—
Change in fair value of warrant liabilities	812	(1,664)
Amortization of debt discount and issuance costs	129	—
Other	16	15
Changes in assets and liabilities:		
Accounts receivable, net	1,037	899
Unbilled receivables	(304)	457
Inventory	274	733
Prepaid expenses and other current assets	(669)	(749)
Other long term assets	170	(34)
Accounts payable	(1,603)	1,339
Deferred grant funding	349	130
Deferred revenue	223	(230)
Due to related parties	11	(2)
Accrued expenses and other current liabilities	(897)	(1,404)
Operating lease liabilities, net	3	(10)
Net cash used in operating activities	**$ (16,276)**	**$ (17,159)**
Cash flows from investing activities:		
Purchases of property and equipment	(272)	(992)
Net cash used in investing activities	**$ (272)**	**$ (992)**
Cash flows from financing activities:		
Proceeds from issuance of debt, net	$ 13,641	$ —
Proceeds from exercise of stock options	254	37
Proceeds from issuance of Class A common stock under “at-the-market” offering program, net	11,375	835
Proceeds from issuance of Class A common stock with warrants under February 2025 Offering, net	—	5,184
Net cash provided by financing activities	**$ 25,270**	**$ 6,056**
Net increase (decrease) in cash and cash equivalents and restricted cash	8,722	(12,095)
Cash, cash equivalents and restricted cash, beginning of period	36,042	37,673
Cash, cash equivalents and restricted cash, end of period	**$ 44,764**	**$ 25,578**
Reconciliation of cash, cash equivalents, and restricted cash reported in the balance sheets		
Cash and cash equivalents	$ 43,458	$ 25,420
Restricted cash	1,306	158
Total cash, cash equivalents and restricted cash	**$ 44,764**	**$ 25,578**
Supplemental disclosure of noncash information:		
Issuance of warrants in connection with Loan Agreement, net	**$ 495**	**$ —**
Initial measurement of warrant liabilities	**$ —**	**$ 2,858**
Unpaid purchase of property and equipment	**$ 5**	**$ 86**
Noncash acquisition of fixed assets	**$ 27**	**$ —**
Unpaid debt issuance and financing costs	**$ 15**	**$ 2**

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

1. ORGANIZATION AND DESCRIPTION OF BUSINESS

Hyperfine, Inc. (together with its subsidiaries, as applicable, "Hyperfine" or the "Company"), formerly known as HealthCor Catalio Acquisition Corp. ("HealthCor"), was incorporated as a Cayman Islands exempted company on November 18, 2020. The Company's legal name became Hyperfine, Inc. in connection with the closing (the "Closing") of the business combination with HealthCor on December 22, 2021 (the "Closing Date"). In connection with the Closing, Hyperfine, Inc., a Delaware corporation ("Legacy Hyperfine"), and Liminal Sciences, Inc., a Delaware corporation ("Liminal"), merged with and into separate wholly owned subsidiaries of HealthCor and became wholly-owned subsidiaries of the Company (the "Mergers"), and changed their names to Hyperfine Operations, Inc. and Liminal Operations, Inc., respectively. Liminal subsequently changed its name to Liminal Sciences, Inc.

The Company is an innovative health technology business with a mission to revolutionize patient care globally through accessible, affordable, clinically relevant artificial intelligence ("AI")-powered portable ultra-low-field ("ULF") magnetic resonance ("MR") brain imaging. The Swoop® Portable MR Imaging® System ("Swoop® system") produces high-quality images at a significantly lower magnetic field strength than conventional magnetic resonance imaging ("MRI") scanners. The Swoop® system is designed to transform brain MR for the patient, the clinician and the provider, enabling a highly differentiated patient-friendly experience, timely imaging for clinicians, and favorable economics for healthcare administrators. The Swoop® system is a portable, ULF MRI device for producing images that display the internal structures of the head where full diagnostic examination is not clinically practical. When interpreted by a trained physician, these images provide information that can be useful in determining a diagnosis. Healthcare professionals can use the Swoop® system efficiently to make effective clinical diagnoses and decisions in various care settings where conventional MRI devices are inaccessible and/or when they are not readily available. The portable design of the Company's Swoop® system makes it safely and readily accessible anywhere in a hospital, clinic, physician's office, or patient care site and it does not require any special facilities accommodations. The easy to use, iPad-based interface makes its operation easy to learn and it does not require specialized MRI technicians to operate safely. ULF MR does not expose patients to harmful ionizing radiation and compares favorably in this regard to X-ray computed tomography or positron emission tomography.

The Company's Swoop® system received initial 510(k) clearance for brain imaging from the U.S. Food and Drug Administration (the "FDA") in 2020. In May 2025, the Company received 510(k) clearance from the FDA of its tenth-generation AI-powered software, Optive AI™ software. The tenth-generation software enhances each stage of image processing from noise cancellation and image acquisition to reconstruction and post processing and produces brain images with greater clarity, uniformity and sharper anatomical detail.

Obtaining 510(k) clearance from the FDA in late May 2025 for its new next-generation Swoop® scanner powered by Optive AI™ software was a very important milestone for the Company. The next-generation Swoop® system incorporates learnings from five years of real-world experience, features new hardware and is powered by Optive AI™ software. The next-generation Swoop® system incorporates innovations specifically engineered to deliver the highest signal-to-noise ratio, which, when paired with the Optive AI™ software, achieves exceptional image quality at low-field MRI, including improved resolution and uniformity, as well as faster acquisition times.

In December 2025, the Company received FDA clearance for the eleventh-generation AI-powered software. The eleventh-generation software includes a new multi-direction DWI sequence in its Optive AI™ software, and this software enhancement expands the Swoop® system's clinical capabilities by improving image quality and diagnostic confidence for stroke detection, including clearer visualization of smaller lesions and more reliable differentiation of infarcts. The multi-direction DWI sequence uses multi-direction signal acquisition, similar to techniques used in high-field MRI, and is designed to reduce artifacts that may obscure stroke pathology, while the existing single-direction DWI sequence remains available for extremely time-sensitive imaging where rapid acquisition is critical to meeting stroke treatment protocols.

Outside of the United States, the first-generation Swoop® system has received marketing authorization for brain imaging in several countries, including the European Union ("CE Mark"), the United Kingdom (UK Conformity Assessment ("UKCA Mark")), Canada, Australia, New Zealand and India. In October 2024 and February 2025, the Company received CE Mark and UKCA Mark approval for the ninth-generation of software, respectively. In August 2025, the Company received both CE Mark and UKCA Mark approvals for the Optive AI™ software. In March

2026, the Company achieved an important milestone and received both CE Mark and UKCA Mark approval for both the next-generation Swoop® scanner and the latest advancement in its Optive AI™ software. In December 2025, the Company received regulatory approval in India from the Central Drugs Standard Control Organization, authorizing commercialization of the first-generation Swoop® system throughout India. The Company's Optive AI™ software is currently available in the United States, Canada, United Kingdom, Europe, Australia, New Zealand and India markets and the next-generation Swoop® system is currently available in the United States and European markets.

All of the Company's revenue to date has been generated from sales of the Swoop® system and related services. The Company has an indirect wholly-owned subsidiary in the United Kingdom that did not have any significant operations during the three and six months ended June 30, 2026.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Principles of Consolidation

The accompanying condensed consolidated financial statements include the accounts of the Company and have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and pursuant to the accounting disclosure rules and regulations of the Securities and Exchange Commission (the "SEC") on a going concern basis, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. However, the Company has limited revenues and a history of negative working capital. The Company's existing capital resources, including the net proceeds from the recent offerings described below, are expected to be sufficient to fund the Company's operations for at least twelve months from the issuance date of these condensed consolidated financial statements. Unless and until the Company is able to generate a sufficient amount of revenue and generate positive operating cash flows, the Company expects to finance future cash needs through public and/or private offerings of equity securities and/or debt financings. If the Company is not able to obtain additional financing and/or substantially increase revenue from sales, in the longer term, it could result in a substantial doubt about the Company's ability to continue as a going concern.

Management believes the net proceeds from the recent offerings, described under Note 9 – "Debt" and Note 10 – "Stockholders' Equity", and the Company's anticipated revenue, provide sufficient liquidity to continue as a going concern. If additional funding is required, the Company plans to obtain working capital from either debt or equity financings from the sale of common stock, preferred stock, and/or convertible debentures. There can be no assurance that the Company will be able to obtain such working capital on acceptable terms or at all which could result in management concluding in the future that there is substantial doubt about the Company's ability to continue as a going concern.

The financial statements do not include any adjustments to the amount and classification of assets and liabilities that may be necessary should the Company not continue as a going concern.

These condensed consolidated financial statements should be read in conjunction with the financial statements and notes included in the Company's audited consolidated financial statements as of and for the years ended December 31, 2025 and 2024. The condensed consolidated balance sheet as of December 31, 2025 included herein was derived from the audited consolidated financial statements as of that date.

The accompanying unaudited condensed consolidated financial statements reflect all normal recurring adjustments necessary to present fairly the financial position, results of operations, and cash flows for the interim periods. The results for the three and six months ended June 30, 2026 are not necessarily indicative of the results to be expected for the year ending December 31, 2026 or any other period.

Except for the adoption of Accounting Standard Update ("ASU") 2025-05 as described under "Recently Issued Accounting Pronouncements Adopted" as described in this Note 2, there have been no material changes to the Company's significant accounting policies as described in the audited consolidated financial statements as of December 31, 2025 and 2024.

Risks and Uncertainties

The Company is subject to risks and uncertainties caused by events with significant geopolitical and macroeconomic impacts, including, but not limited to, the conflicts in Ukraine and the Middle East, inflation, tariffs and actions taken to counter such impacts.

The Company relies on single source manufacturers and suppliers for the supply of its products, including a single exclusive manufacturer for its Swoop® system. Additionally, the Company purchases raw materials from this manufacturer. Disruption from these manufacturers or suppliers has and could have a negative impact on the Company's business, financial position and results of operations in its condensed consolidated financial statements. The Company continues to critically review its liquidity and anticipated capital requirements in light of the significant uncertainty created by geopolitical and macroeconomic conditions.

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to concentration of credit risk consist principally of cash and cash equivalents. At June 30, 2026 and December 31, 2025, substantially all the Company's cash and cash equivalents were invested in three financial institutions, respectively. The Company also maintains balances in various operating accounts above federally insured limits. The Company has not experienced any losses on such accounts and does not believe it is exposed to any significant credit risk on cash and cash equivalents.

For the three months ended June 30, 2026, there were three customers that each represented 10% or more of total net revenue and contributed $553, $548 and $487 of revenue, respectively. For the six months ended June 30, 2026, there was one customer that represented 10% or more of total net revenue and contributed $948 of revenue. For the three months ended June 30, 2025, there were four customers that each represented 10% or more of total net revenue and contributed $402, $362, $321 and $310 of revenue, respectively. For the six months ended June 30, 2025, none of the Company's customers accounted for 10% or more of total net revenue. During the three months ended June 30, 2026 and 2025, U.S. revenue accounted for 70.3% and 81.8% of total revenue, respectively, while outside of the U.S. revenue accounted for 29.7% and 18.2% of total revenue, respectively. During the six months ended June 30, 2026 and 2025, U.S. revenue accounted for 75.9% and 67.6% of total revenue, respectively, while outside of the U.S. revenue accounted for 24.1% and 32.4% of total revenue, respectively.

As of June 30, 2026, there were four customers that each accounted for more than 10% of the Company's total gross accounts receivable in the amount of $852, $559, $494 and $483, respectively. As of December 31, 2025, there were three customers that each accounted for more than 10% of the Company's total gross accounts receivable in the amount of $1,346, $1,041, and $922, respectively.

Use of Estimates

The preparation of the condensed consolidated financial statements in conformity with U.S. GAAP requires the Company to make estimates and assumptions about future events that affect the amounts reported in its condensed consolidated financial statements and accompanying notes. Future events and their effects cannot be determined with certainty. On an ongoing basis, management evaluates these estimates and assumptions. Significant estimates and assumptions included:

- Revenue recognition, including determination of the timing and pattern of satisfaction of performance obligations, determination of the standalone selling price ("SSP") of performance obligations;
- Allowance for credit losses;
- Net realizable value (the estimated selling price less estimated costs of disposal and transportation) of inventory, and demand and future use of inventory;
- Assumptions underlying the fair value used in the calculation of stock-based compensation expense; and
- Valuation of warrants and other equity instruments, including assumptions used to estimate fair value at issuance.

The Company bases these estimates on historical and anticipated results and trends and on various other assumptions that the Company believes are reasonable under the circumstances, including assumptions as to future events. Changes in estimates are recorded in the period in which they become known. Actual results could differ from those estimates, and any such differences may be material to the Company's condensed consolidated financial statements.

Recently Issued Accounting Pronouncements Adopted

In July 2025, the Financial Accounting Standards Board ("FASB") issued ASU 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets* ("ASU 2025-05"), which provides a practical expedient and an accounting policy election related to the estimation of expected credit losses for current accounts receivable and current contract assets. The Company adopted this ASU on a prospective basis effective January 1, 2026 and elected the practical expedient, which permits the Company to assume that current economic conditions as of the balance sheet date will remain unchanged for the remaining life of current accounts receivable and current contract assets when estimating expected credit losses. The adoption did not have a material impact on its condensed consolidated financial statements and related disclosures.

Recently Issued Accounting Pronouncements Not Yet Adopted

In December 2025, the FASB issued ASU 2025-11, *Interim Reporting (Topic 270) Narrow—Scope Improvements,* which is intended to improve the navigability of the guidance in Accounting Standards Codification ("ASC") 270, Interim Reporting, and clarify when it applies. Under the amendments, an entity is subject to ASC 270 if it provides interim financial statements and notes in accordance with GAAP. ASU 2025-11 also addresses the form and content of such financial statements, interim disclosures requirements, and establishes a principle under which an entity must disclose events since the end of the last annual reporting period that have a material impact on the entity. ASU 2025-11 is effective for interim reporting periods within annual reporting periods beginning after December 15, 2027, with early adoption permitted. The Company does not expect the adoption of this ASU to have a material impact on its financial statements.

In September 2025, the FASB issued ASU 2025-06, *Intangibles—Goodwill and Other-Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software* ("ASU 2025-06"). ASU 2025-06 amends the existing standard to remove all references to prescriptive and sequential software development project stages. Under this guidance, eligible software development costs will begin capitalization when (i) management has authorized and committed to funding the software project and (ii) it is probable that the project will be completed and the software will be used to perform the function intended. In evaluating whether it is probable the project will be completed, management is required to consider whether there is significant uncertainty associated with the development activities of the software. This guidance is effective for fiscal years beginning after December 15, 2027, and for interim periods beginning after December 15, 2027, with early adoption permitted. ASU 2025-06 may be applied on a prospective basis, a modified basis for in-process projects, or a retrospective basis. The Company is currently in the process of evaluating the impact of this pronouncement on its condensed consolidated financial statements and related disclosures.

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses* ("ASU 2024-03"), which requires public entities to disclose additional information about specific expense categories in the notes to the financial statements on an interim and annual basis. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and for interim periods beginning after December 15, 2026, with early adoption permitted. The Company is currently in the process of evaluating the impact of this pronouncement on its condensed consolidated financial statements and related disclosures.

(all amounts are in thousands, except share and per share amounts)

3. REVENUE RECOGNITION

Disaggregation of Revenue

The Company disaggregates revenue from contracts with customers by product type. The Company believes that these categories best represent the payor types by nature, amount, timing and uncertainty of its revenue streams. The following table summarizes the Company's disaggregated revenues:

		Three Months Ended June 30,		Six Months Ended June 30,	
	Pattern of Recognition	**2026**	**2025**	**2026**	**2025**
Device	Point in time	$ 3,170	$ 2,128	$ 6,427	$ 3,650
Service	Over time	734	568	1,380	1,183
Total revenue		**$ 3,904**	**$ 2,696**	**$ 7,807**	**$ 4,833**

Contract Balances

Contract balances represent amounts presented in the condensed consolidated balance sheets when either the Company has transferred goods or services to the customer, or the customer has paid consideration to the Company under the contract. These contract balances include trade accounts receivable, unbilled receivables and deferred revenue. Deferred revenue represents consideration received from customers at the beginning of the service and support period for services that are transferred to the customer over the respective service and support period. The accounts receivable balances represent amounts billed to customers for goods and services where the Company has an unconditional right to payment of the amount billed. Unbilled receivables arise when performance obligations are satisfied for which revenue has been recognized but the customers have not been billed.

The following table provides information about receivables and deferred revenue from contracts with customers:

	June 30, 2026	**December 31, 2025**
Accounts receivable, net	$ 4,217	$ 5,254
Unbilled receivables - current	1,572	1,268
Unbilled receivables - non-current[(1)]	654	734
Deferred revenue	1,661	1,544
Long term deferred revenue	835	729

(1) Recorded in other long term assets in the Company's consolidated balance sheets. Unbilled receivables - non-current are based on the billing schedules for future billings beyond one year.

The Company recognizes a receivable when it has an unconditional right to payment, and payment terms range from 30 days to less than one year based on the terms agreed upon with the respective customer.

Accounts Receivable, Unbilled Services, and Deferred Revenue

Accounts receivable are recorded at net realizable value. The Company maintains an allowance for credit losses to reflect expected credit losses on current accounts receivable and current contract assets. In connection with the adoption of ASU 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets,* effective January 1, 2026, the Company elected the practical expedient that permits it to assume that current economic conditions as of the balance sheet date will remain unchanged for the remaining life of current accounts receivable and current contract assets when estimating expected credit losses. Unbilled receivables arise when performance obligations are satisfied for which revenue has been recognized but the customers have not been billed. Contractual provisions and payment schedules may or may not correspond to the timing of the performance of services under the contract.

Deferred revenue is a contract liability that consists of customer payments received in advance of performance and billings in excess of revenue recognized, net of revenue recognized from the balance at the beginning of the period.

The amount of revenue recognized during the three and six months ended June 30, 2026 that was included in the deferred revenue balance at the beginning of the period was $502 and $824, respectively.

The amount of revenue recognized during the three and six months ended June 30, 2025 that was included in the deferred revenue balance at the beginning of the period was $430 and $829, respectively.

Timing of Billing and Performance

Differences in the timing of revenue recognition and associated billings and cash collections result in recording of billed accounts receivable, unbilled accounts receivable (including contract assets), and deferred revenue on the consolidated balance sheet. Amounts are billed in accordance with the agreed-upon contractual terms, resulting in recording unbilled accounts receivable in instances where the right to bill is contingent solely on the passage of time, and contract assets in instances where the right to consideration is conditional on something other than the passage of time.

Revenue from Leasing Arrangements

Revenue from leasing arrangements is not subject to the revenue standard for contracts with customers and remains separately accounted for under ASC 842, "Leases" including leases for the three and six months ended June 30, 2026 and 2025. The Company recorded service revenue from lease arrangements of $43 and $44 for the three and six months ended June 30, 2026, respectively, and $25 and $46 for the three and six months ended June 30, 2025, respectively. The Company records revenue from the sale of hardware devices under sales-type leases as device revenue in an amount equal to the present value of minimum lease payments at the inception of the lease. Sales-type leases also produce financing income, which is included in device revenue in the consolidated statements of operations and comprehensive loss and is recognized at effective rates of return over the lease term.

Costs of Obtaining or Fulfilling Contracts

The Company incurs incremental costs of obtaining contracts with customers. Incremental costs of obtaining contracts, which include commissions paid as a result of obtaining contracts with customers, are capitalized to the extent that the Company expects to recover such costs. Capitalized costs are amortized in a pattern that is consistent with the Company's transfer to the customer of the related goods and services. Such costs are recorded in Other long term assets and were $561 and $548 as of June 30, 2026 and December 31, 2025, respectively. During the three and six months ended June 30, 2026, the Company recognized $333 and $574, respectively, in expense related to the amortization of the capitalized contract costs. During the three and six months ended June 30, 2025, the Company recognized $231 and $355, respectively, in expense related to the amortization of the capitalized contract costs.

Transaction Price Allocated to Remaining Performance Obligations

As of June 30, 2026 and December 31, 2025, the Company had remaining performance obligations amounting to $7,558 and $6,741, respectively. The Company expects to recognize approximately 19% of its remaining performance obligations as revenue in fiscal year 2026, and an additional 30% in fiscal year 2027 and 51% thereafter.

4. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair value.

The Company measures fair value as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants at the reporting date. The Company utilizes a three-tier hierarchy, which prioritizes the inputs used in the valuation methodologies in measuring fair value:

Level 1 — Valuations based on quoted prices in active markets for identical assets or liabilities that an entity has the ability to access.

(all amounts are in thousands, except share and per share amounts)

Level 2 — Valuations based on quoted prices for similar assets or liabilities, quoted prices for identical assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable data for substantially the full term of the assets or liabilities.

Level 3 — Valuations based on inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The carrying value of cash and cash equivalents, accounts payable and accrued expenses and other current liabilities approximates their fair values due to the short-term or on demand nature of these instruments.

Cash is measured at fair value on a recurring basis using Level 1 inputs. The Company had $44,764 and $36,042 of money market funds, demand deposit and savings accounts included in cash and cash equivalents and restricted cash as of June 30, 2026 and December 31, 2025, respectively. These assets were valued using quoted prices in active markets and accordingly were classified as Level 1. The Company had no assets or liabilities classified using Level 2 inputs and there were no transfers between fair value measurement levels during the three months ended June 30, 2026 and 2025. Other liabilities include warrant liabilities that are measured at fair value on a recurring basis using the Black-Scholes option pricing model; these inputs are considered Level 3 inputs within the fair value hierarchy. As of June 30, 2026 and December 31, 2025, the fair value of the warrant liabilities was $2,542 and $1,730, respectively.

The key assumptions used in the Black-Scholes option pricing model to fair value the common stock warrants liability are as follows:

	June 30, 2026	December 31, 2025
Stock Price	$ 1.35	$ 0.98
Risk Free interest rate	3.82%	3.65%
Expected dividend yield	—	—
Term (years)	3.62	4.12
Expected volatility	54.44%	60.00%

5. INVENTORIES

A summary of inventories is as follows:

	June 30, 2026	December 31, 2025
Raw materials	$ 2,898	$ 2,936
Finished goods	3,891	4,154
Total inventories	**$ 6,789**	**$ 7,090**

Manufacturing overhead costs primarily include management's best estimate and allocation of the labor costs incurred related to acquiring finished goods from the Company's contract manufacturer. Labor costs include wages, taxes and benefits for employees involved in warehousing, logistics coordination, material sourcing, and production planning activities.

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6. PROPERTY AND EQUIPMENT, NET

Property and equipment, net, is recorded at historical cost and consists of the following:

	June 30, 2026	December 31, 2025
Laboratory equipment	$ 1,027	$ 1,027
Research devices	1,928	1,823
Sales and marketing devices	286	400
Computer equipment	689	689
Construction in progress	373	383
Tooling	1,543	1,527
Trade show assets	295	295
Leased devices	313	181
Other	631	668
Gross property and equipment	7,085	6,993
Less: Accumulated depreciation and amortization	(4,823)	(4,444)
Property and equipment, net	**$ 2,262**	**$ 2,549**

Depreciation expense amounted to $264 and $538 for the three and six months ended June 30, 2026, respectively. Depreciation expense amounted to $283 and $512 for the three and six months ended June 30, 2025, respectively.

7. RIGHT-OF-USE (“ROU”) ASSETS AND LEASE LIABILITIES

The Company has operating leases for its corporate offices, including its Palo Alto, California lease agreement which was extended by an amendment in December 2025 and now expires on April 30, 2027, and a warehouse lease agreement in Guilford, Connecticut which was extended by six months in June 2025 and was set to expire on August 31, 2026. In May 2026, the Company entered into an amended and restated lease agreement for its Guilford, Connecticut facility, effective September 1, 2026, following the expiration of the existing Guilford warehouse lease. The amended and restated lease now includes the additional office and lab space previously occupied under a short-term arrangement and extends the term through August 31, 2028, including an option to renew for an additional two-year period, and will consolidate the Company’s Guilford operations under a single lease agreement. As of June 30, 2026 and December 31, 2025, the balance of operating lease ROU assets of $178 and $316, respectively, current lease liabilities of $178 and $248, respectively, and non-current lease liabilities of nil and $66, respectively, are included in the Company's condensed consolidated balance sheets in other long term assets, accrued expenses, other current liabilities and other noncurrent liabilities, respectively.

The weighted-average remaining lease term associated with the measurement of the Company's operating lease obligations is 10 months and an annual weighted-average discount rate is 10.0%.

Future minimum commitments due under the lease agreements as of June 30, 2026 are $112 for 2026 and $66 thereafter.

8. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities consist of the following:

	June 30, 2026	December 31, 2025
Bonuses	$ 1,584	$ 2,468
Contracted services	1,083	818
Legal fees	318	376
Payroll and related benefits	679	760
Operating lease liabilities	178	248
Other	337	460
Total accrued expenses and other current liabilities	**$ 4,179**	**$ 5,130**

9. DEBT

On March 18, 2026 (the “Closing Date”), the Company entered into a Loan and Security Agreement (the “Loan Agreement”) with Horizon Technology Finance Corporation (the “Lender”), as lender and collateral agent, providing for a senior secured term loan facility with an aggregate principal amount of up to $40,000. On the Closing Date, the Company borrowed $15,000. The remaining $25,000 may be borrowed prior to December 31, 2027, subject to the satisfaction of certain conditions set forth in the Loan Agreement. As of June 30, 2026, no additional amounts had been borrowed under the Loan Agreement.

Borrowings under the Loan Agreement bear interest at a variable rate equal to the prime rate plus 4.25%, with the prime rate subject to a floor of 6.50%, resulting in a minimum interest rate of 10.75%. The effective interest rate was 15.94% as of June 30, 2026. Interest is payable monthly in arrears. The term loan is payable on an interest-only basis for a period of 48 months from the Closing Date. Thereafter, principal and interest are payable in equal monthly installments through the maturity date of March 18, 2031. If certain performance milestones as specified in the Loan Agreement are satisfied, the Company may extend the interest-only period through the maturity date. The Company may prepay the term loan in full, subject to a repayment fee of 1%-3%.

The Company paid a commitment fee of $400 in connection with the execution of the Loan Agreement, which was reflected as a debt discount and presented as a reduction of the carrying amount of the term loan. Upon repayment in full of the term loan, the Company is required to pay a final payment fee equal to 5.0% of the aggregate original principal amount borrowed.

Interest expense related to the term loan includes stated interest, the amortization of debt issuance costs and debt discount, and the accretion of the final payment fee, each of which is recognized using the effective interest method over the contractual term of the loan.

The obligations under the Loan Agreement are guaranteed by the Company's wholly owned subsidiaries, Hyperfine Operations, Inc. and Liminal Sciences, Inc., and are secured by substantially all of the Company's and the guarantors' assets, subject to customary exceptions, including that intellectual property is excluded from the collateral at closing and until the first funding of any additional loan tranche following the Closing Date.

The Loan Agreement contains customary affirmative and negative covenants, including restrictions on indebtedness, liens, asset dispositions, investments and dividends. As of June 30, 2026, the Company was in compliance with all applicable covenants.

In connection with the Loan Agreement, on the Closing Date the Company executed and delivered to the Lender (i) warrants to purchase up to an aggregate of 562,500 shares of the Company's Class A common stock at an exercise price of $1.20 per share (the “Initial Warrants”), which are immediately exercisable, and (ii) additional warrants to purchase up to an aggregate of 520,835 shares of Class A common stock at an exercise price of $1.20 per share (the “Additional Warrants”). The Additional Warrants will become exercisable only if and when the Company draws additional loan tranches under the Loan Agreement. All of these warrants expire seven years from the Closing Date.

The Initial Warrants were evaluated and classified as equity. Proceeds received at closing under the Loan Agreement were allocated between the term loan and the Initial Warrants using the relative fair value method. Accordingly, the relative fair value of the Initial Warrants at issuance of $545 was recorded to additional paid-in capital, with a corresponding amount recorded as a debt discount that reduces the carrying amount of the term loan. The debt discount is amortized to interest expense over the term of the loan using the effective interest method. Issuance costs incurred in connection with the Loan Agreement were allocated between the debt and equity components in proportion to the allocation of proceeds; the portion allocable to the equity-classified warrants of $50 was recorded as a reduction of additional paid-in capital.

Upon issuance, the Initial Warrants were recorded at their relative fair value using the Black-Scholes option-pricing model and the following assumptions: no dividend yield, expected volatility of 87.5%, risk free rate of 4.05%, and expected term of 7 years, equal to the life of the warrant.

The net carrying amount of the term loan was as follows:

(all amounts are in thousands, except share and per share amounts)

	As of June 30, 2026
Principal	$ 15,000
Add: accrued final payment fee	44
Less: unamortized debt discount	(1,809)
Long-term debt, net	$ 13,235
Current portion	$ —
Long-term portion	$ 13,235

10. STOCKHOLDERS' EQUITY

Common Stock At-the-Market Offering Program

On November 9, 2023, the Company filed a shelf registration statement on Form S-3 (File No. 333-275449), which became effective on November 22, 2023. The shelf registration statement permits the Company to sell, from time to time, up to $150,000 in aggregate value of its Class A common stock, preferred stock, debt securities, warrants, and/or units.

The shelf registration statement also included a prospectus supplement covering up to an aggregate of $50,000 in shares of Class A common stock that the Company could issue and sell from time to time through B. Riley Securities, Inc. ("B. Riley"), acting as its sales agent, pursuant to a sales agreement for its "at-the-market" equity program ("ATM") that it entered into with B. Riley in November 2023 (the "Sales Agreement"). On December 29, 2025, the Company filed a new prospectus supplement covering up to an aggregate of $50,000 in shares of Class A common stock that it may issue and sell from time to time, through B. Riley and BTIG, LLC ("BTIG") acting as its sales agents, pursuant to the amended and restated sales agreement that the Company entered into with B. Riley and BTIG on December 29, 2025 (the "Amended Sales Agreement"), for its ATM. The Amended Sales Agreement amends and restates the Sales Agreement to add BTIG as an additional sales agent. No other material terms of the ATM or Sales Agreement were amended. The offering of the Class A common stock pursuant to the prospectus supplement dated November 22, 2023 was also terminated such that no further offers or sales will be made pursuant to such prospectus supplement, effective as of December 29, 2025. Prior to the termination of the prospectus supplement dated November 22, 2023, effective as of December 29, 2025, the Company had issued and sold an aggregate of 3,464,325 shares of its Class A common stock under the Sales Agreement, for total gross proceeds of $4,350, before deducting commissions and other offering expenses, and net proceeds of $4,165, after deducting such commissions and expenses. As of June 30, 2026, a total of 7,809,779 shares of the Company's Class A common stock, for total gross proceeds of $11,667, before deducting commissions and other offering expenses, and net proceeds of $11,375, after deducting commissions and other offering expenses, were issued and sold under the Amended Sales Agreement.

The Company issued and sold an aggregate of 7,131,767 shares and 7,809,779 shares of Class A common stock under the Amended Sales Agreement during the three and six months ended June 30, 2026, respectively, for gross proceeds of $10,843 and $11,667, before deducting commissions and other offering expenses, respectively, resulting in net proceeds of $10,572 and $11,375, after deducting commissions and other expenses, respectively.

February 2025 Common Stock and Common Stock Warrants

On February 12, 2025, the Company closed the transactions pursuant to a securities purchase agreement with certain institutional investors (the "Investors"), in which the Company issued and sold, in a registered direct offering by the Company directly to the Investors (the "February 2025 Offering"): (i) 4,511,278 shares of the Company's Class A common stock and (ii) warrants to purchase up to 4,511,278 shares of the Company's Class A common stock (the "February 2025 Warrants"). Each share and accompanying February 2025 Warrant were sold together at a combined offering price of $1.33. Each February 2025 Warrant has an exercise price of $1.33 and expires on the five-year anniversary of the initial issuance date. The aggregate gross proceeds to the Company from the February 2025 Offering were $6,000 before deducting the placement agent's fees and offering expenses. The incremental issuance costs allocated to warrant liabilities were recorded as expenses in the Company's consolidated statements of operations in line item "other income (expense), net".

During the three and six months ended June 30, 2026, holders did not exercise any of the February 2025 Warrants.

(all amounts are in thousands, except share and per share amounts)

March 2026 Common Stock Warrants

In connection with the Loan Agreement, on the Closing Date, the Company issued the Initial Warrants, which are immediately exercisable, and the Additional Warrants, which are exercisable only upon the funding of future loan tranches. The Initial Warrants and the Additional Warrants expire seven years from the Closing Date.

During the three and six months ended June 30, 2026, holders did not exercise any of the Initial Warrants.

Equity Incentive Plans

Hyperfine Inc. 2021 Equity Incentive Plan and Inducement Option Grant

The Company’s equity incentive plans include the Company’s 2021 Equity Incentive Plan (the “Hyperfine Plan”). The Hyperfine Plan is administered by the Company's board of directors. The board of directors may grant restricted stock and options to purchase shares either as incentive stock options or non-qualified stock options. The option grants are subject to certain terms and conditions, option periods and conditions, exercise rights and privileges as set forth in the Hyperfine Plan. Effective January 1, 2026, the number of shares available for grant increased by 3,888,869 shares pursuant to the evergreen provision in the Hyperfine Plan that provides for an automatic annual increase in the number of shares available for grant under the Hyperfine Plan equal to the lesser of (i) 4% of the number of outstanding shares of common stock on the first day of the applicable fiscal year, and (ii) an amount determined by the administrator of the Hyperfine Plan, beginning in fiscal year 2022 and ending on the second day of fiscal year 2031. As of June 30, 2026, 6,409,893 shares of common stock remain available for issuance under the Hyperfine Plan.

In addition, the Company has made an inducement option grant outside of the Hyperfine Plan in accordance with Nasdaq Listing Rule 5635(c)(4).

Stock option activity

The following table summarizes the changes in the Company’s outstanding stock options for the six months ended June 30, 2026:

	Number of Options	Weighted Average Exercise Price
Outstanding at January 1, 2026	15,524,201	$ 1.36
Granted	683,400	$ 1.49
Exercised	(248,335)	$ 1.02
Forfeited / Cancelled / Expired	(270,557)	$ 1.28
Outstanding at June 30, 2026	15,688,709	$ 1.37

During the three and six months ended June 30, 2026, the Company granted stock options primarily to non-employee directors. The weighted-average grant date fair value of options granted during the three and six months ended June 30, 2026 was $0.80.

The Company utilized the Black-Scholes option pricing model for determining the estimated fair value for service awards. The Black-Scholes model requires the use of subjective assumptions which determine the fair value of stock-based awards. The assumptions used to value option grants to non-employee directors for the six months ended June 30, 2026:

	June 30, 2026
Risk Free interest rate	4.16% - 4.20%
Expected dividend yield	0%
Expected term	5.5
Expected volatility	54.04% - 54.08%

(all amounts are in thousands, except share and per share amounts)

Restricted stock unit activity

The following table summarizes the changes in the Company's outstanding RSUs for the six months ended June 30, 2026:

	Number of RSUs	Weighted Average Grant Date Fair Value
Outstanding at January 1, 2026	2,788,214	$ 0.76
Granted	4,052,278	$ 1.14
Released	(762,809)	$ 0.76
Forfeited	(155,799)	$ 0.88
Outstanding at June 30, 2026	5,921,884	$ 1.02

The Company's stock-based compensation expenses for the periods presented were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Cost of sales	$ 29	$ 48	$ 46	$ 66
Research and development	296	367	534	712
Sales and marketing	107	71	169	134
General and administrative	471	61	801	580
Total stock-based compensation expense	**$ 903**	**$ 547**	**$ 1,550**	**$ 1,492**

11. NET LOSS PER SHARE

Basic net loss per share is computed by dividing the net loss by the weighted-average number of shares of common stock of the Company outstanding during the period. Diluted net loss per share is computed by giving effect to all common equivalent shares of the Company, including outstanding stock options, RSUs, and warrants to the extent dilutive. Basic and diluted net loss per share was the same for each period presented as the inclusion of all common equivalent shares of the Company outstanding would have been anti-dilutive.

The following table presents the calculation of basic and diluted net loss per share for the Company's common stock:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Numerator:				
Net Loss	$ (9,298)	$ (9,225)	$ (17,921)	$ (18,643)
Numerator for Basic and Dilutive EPS – Loss available to common stockholders	**$ (9,298)**	**$ (9,225)**	**$ (17,921)**	**$ (18,643)**
Denominator:				
Common Stock	99,797,156	78,077,118	98,751,951	76,893,733
Denominator for Basic and Dilutive EPS - Weighted-average common stock	**99,797,156**	**78,077,118**	**98,751,951**	**76,893,733**
Basic and dilutive net loss per share	**$ (0.09)**	**$ (0.12)**	**$ (0.18)**	**$ (0.24)**

(all amounts are in thousands, except share and per share amounts)

Since the Company was in a net loss position for all periods presented, net loss per share attributable to Class A and Class B common stockholders was the same on a basic and diluted basis, as the inclusion of all common equivalent shares outstanding would have been anti-dilutive. Anti-dilutive common equivalent shares were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Outstanding options to purchase common stock	15,688,709	17,016,565	15,688,709	17,016,565
Outstanding RSUs	5,921,884	2,567,691	5,921,884	2,567,691
Warrants issued in connection with February 2025 Offering	4,257,419	4,511,178	4,257,419	4,511,178
Warrants issued in connection with Loan Agreement	562,500	—	562,500	—
Total anti-dilutive common equivalent shares	**26,430,512**	**24,095,434**	**26,430,512**	**24,095,434**

The Loan Agreement also provides for Additional Warrants to purchase up to an aggregate of 520,835 shares of Class A common stock, contingent on and exercisable only upon the funding of future term loan tranches under the Loan Agreement. As no additional term loan tranches had been drawn as of June 30, 2026, no shares were issuable under the Additional Warrants as of June 30, 2026, and such Additional Warrants were excluded from the table above.

12. INCOME TAXES

The Company accounts for income taxes under ASC 740, “Income Taxes” (“ASC 740”). ASC 740 requires the recognition of deferred tax assets and liabilities for both the expected impact of differences between the financial statement and tax basis of assets and liabilities and for the expected future tax benefit to be derived from tax loss and tax credit carry forwards. ASC 740 additionally requires a valuation allowance to be established when it is more likely than not that all or a portion of deferred tax assets will not be realized.

Income taxes for the three and six months ended June 30, 2026 are recorded at the Company’s estimated annual effective income tax rate, subject to adjustments for discrete events, if they occur. The Company’s estimated annual effective tax rate was 0% for each of the three and six months ended June 30, 2026. The primary reconciling items between the federal statutory rate of 21% for these periods and the Company’s overall effective tax rate of 0% were related to the effects of stock-based compensation, and the valuation allowance recorded against the full amount of its net deferred tax assets.

A valuation allowance is required when it is more likely than not that some portion or all of the Company’s deferred tax assets will not be realized. The realization of deferred tax assets depends on the generation of sufficient future taxable income during the period in which the Company’s related temporary differences become deductible. The Company has recorded a full valuation allowance against its net deferred tax assets as of June 30, 2026 and 2025 since management believes that based on the earnings history of the Company, it is more likely than not that the benefits of these assets will not be realized.

13. RELATED PARTY TRANSACTIONS

The Company utilizes and subleases office and lab space in Connecticut from 4Catalyzer Corporation (“4C”), a related party, under a month-to-month arrangement that continues through August 31, 2026. The Company does not expect to renew this arrangement with 4C; instead, beginning September 1, 2026, the space will be incorporated into the Company’s direct lease arrangement for its Guilford, Connecticut facility with the unrelated landlord. A total of approximately $80 and $163 was paid during the three and six months ended June 30, 2026, respectively, and a total of approximately $115 and $203 was paid during the three and six months ended June 30, 2025, respectively.

Hyperfine entered into a Master Services Agreement (the "Master Services Agreement") with 4C effective as of July 7, 2021 pursuant to which Hyperfine may engage 4C to provide services such as general administration, facilities, information technology, financing, legal, human resources and other services, through future statements of work and under terms and conditions to be determined by the parties with respect to any services to be provided. The Company paid an aggregate of $17 and $33 during the three and six months ended June 30, 2026, respectively, and the Company paid an aggregate of $33 and $58 during the three and six months ended June 30, 2025, respectively, under the Master Services Agreement. As of June 30, 2026 and December 31, 2025, there were $61 and $50 due to 4C, respectively, for expenses paid on the Company's behalf. These payables are included in due to related parties on the condensed consolidated balance sheet.

14. COMMITMENTS AND CONTINGENCIES

Commitments

The Company sponsors a 401(k) defined contribution plan covering all eligible U.S. employees. Contributions to the 401(k) plan are discretionary. The Company did not make any matching contributions to the 401(k) plan for the three and six months ended June 30, 2026 or 2025.

During 2020 and 2021, the Company was awarded multiple grants totaling $4,910 from the Bill & Melinda Gates Foundation ("BMGF") for the provision and equipping of sites with the Company's portable MR brain imaging system to enable the performance of a multi-site study focused on optimizing diagnostic image quality. These grants were designed to provide data to validate the use of the Swoop® system in measuring the impact of maternal anemia, malnutrition, infection and birth-related injury. All of these grants were designed to support the deployment of a total of 25 Swoop® system devices and other services to investigators, which commenced in the spring of 2021 and was completed by February 2024. In May 2023, the Company was awarded an additional $3,354 grant from the BMGF to continue to develop a scalable approach to measuring neurodevelopment via low-field MRI in neonates, infants, and young children in low-to-middle income countries through February 2026. In November 2025, the Company was awarded an additional $3,662 grant from the BMGF to support continued technical innovation using its AI-powered portable MRI platform, with a focus on neonatal brain imaging and objective assessment of neurodevelopment in resource-constrained settings, with funding extending to March 2028. The funds were accounted for as restricted cash with a corresponding credit to deferred grant funding. Any grant funds, plus any interest income, that have not been used for, or committed to, the project must be returned promptly to the BMGF upon expiration of or termination of the agreement. During the three and six months ended June 30, 2026, the Company completed and fulfilled grant deliverables and milestones amounting to $618 and $1,081, respectively, and received cash grant funding of $1,415. As of June 30, 2026, the Company recorded restricted cash of $1,306 with an offset to deferred grant funding in the Company's condensed consolidated balance sheet. As of June 30, 2026 and December 31, 2025, there were no grant fund amounts that were required to be returned under the terms of the project.

Purchase Commitments

The Company's purchase commitments and obligations include all open purchase orders and contractual obligations in the ordinary course of business, including commitments with contract manufacturers and suppliers, for which the Company has not received the goods or services. A majority of these purchase obligations are due within a year. Although open purchase orders are considered enforceable and legally binding, the terms generally allow the Company the option to cancel, reschedule, and adjust its requirements based on the Company's business needs prior to the delivery of goods or performance of services.

Contingencies

The Company is, from time to time, a party to litigation that arises in the normal course of its business operations. The Company is not presently a party to any litigation for which it believes a loss is probable requiring an amount to be accrued or a possible loss contingency requiring disclosure.

The Company has indemnification obligations under some agreements that the Company enters into with other parties in the ordinary course of business, including business partners, investors, contractors, and the Company's officers, directors and certain employees. The Company has agreed to indemnify and defend the indemnified party against claims and related losses suffered or incurred by the indemnified party from actual or threatened third-party claims because of the Company's activities or non-compliance with certain representations and warranties made by the Company. It is not possible to determine the maximum potential loss under these indemnification provisions due to the Company's limited history of prior indemnification claims and the unique facts and circumstances involved in any particular case. The Company has not recorded any liability under such indemnification provisions within its condensed consolidated balance sheets. The Company is not aware of any claims or other circumstances that would give rise to material payments from the Company under such indemnification provisions.

15. REPORTABLE SEGMENTS AND GEOGRAPHIC INFORMATION

The Company operates in one business segment, which includes all activities related to production, supply, service and commercialization of the Swoop® system. The determination of a single business segment is consistent with the consolidated financial information regularly provided to the Company's chief operating decision maker ("CODM"). The Company's CODM is its Chief Executive Officer, who reviews consolidated net loss to measure segment profit or loss, allocate resources, and assess performance. The CODM is regularly provided with consolidated net loss and the following expense categories included in consolidated net loss: cost of sales, research and development, sales and marketing, and general and administrative expenses. The Company considers these expense categories to be significant segment expenses. Other segment items include interest income, interest expense, changes in fair value of warrant liabilities, other income (expense), net, and provision for income tax, as presented in the accompanying condensed consolidated statements of operations. The CODM is also regularly provided with total assets on a consolidated basis, as presented in the accompanying condensed consolidated balance sheets, to assess performance and allocate resources.

All of the Company's long-lived assets are located in the United States. Non-U.S. revenue is attributed to revenue from customers located in foreign countries. Other than revenue recognized in non-U.S. countries of $1,159 and $1,885 for the three and six months ended June 30, 2026, respectively, and $492 and $1,566 for the three and six months ended June 30, 2025, respectively, all of the revenues during these periods were earned in the United States. Since the Company has a single reportable segment, all required financial segment information is provided in the consolidated financial statements.

16. SUBSEQUENT EVENTS

The Company has evaluated subsequent events through the date the condensed consolidated financial statements were issued and has determined that there were no subsequent events required to be disclosed.

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

The following discussion and analysis provides information which management believes is relevant to an assessment and understanding of our condensed consolidated results of operations and financial condition. The discussion should be read in conjunction with the unaudited condensed consolidated financial statements and notes thereto contained in this Quarterly Report on Form 10-Q and the consolidated financial statements and notes thereto for the year ended December 31, 2025 contained in our 2025 Annual Report on Form 10-K. This discussion contains forward-looking statements and involves numerous risks and uncertainties, including, but not limited to, those described in the "Risk Factors" sections of our 2025 Annual Report on Form 10-K, as updated and/or supplemented in subsequent filings with the SEC. Actual results may differ materially from those contained in any forward-looking statements. Unless the context otherwise requires, references to "we," "us," "our," and "the Company" are intended to mean the business and operations of Hyperfine, Inc. and its consolidated subsidiaries. The unaudited condensed consolidated financial statements for the three and six months ended June 30, 2026 and 2025, respectively, present the financial position and results of operations of Hyperfine, Inc. and its wholly owned subsidiaries.

Overview

We are an innovative health technology business with a mission to revolutionize patient care globally through accessible, affordable, clinically relevant artificial intelligence ("AI")-powered portable ultra-low-field ("ULF") magnetic resonance ("MR") brain imaging. Our Swoop® Portable MR Imaging® System ("Swoop® system") produces high-quality images at a significantly lower magnetic field strength than conventional magnetic resonance imaging ("MRI") scanners. Our Swoop® system is designed to transform brain MR for the patient, the clinician and the provider, enabling a highly differentiated patient-friendly experience, timely imaging for clinicians, and favorable economics for healthcare administrators. The Swoop® system is a portable, ULF MRI device for producing images that display the internal structures of the head where full diagnostic examination is not clinically practical. When interpreted by a trained physician, these images provide information that can be useful in determining a diagnosis. Healthcare professionals can use the Swoop® system efficiently to make effective clinical diagnoses and decisions in various care settings where conventional MRI devices are inaccessible and/or when they are not readily available. The portable design of our Swoop® system makes it safely and readily accessible anywhere in a hospital, clinic, physician's office, or patient care site and it does not require any special facilities accommodations. The easy to use, iPad-based interface makes its operation easy to learn and it does not require specialized MRI technicians to operate safely. ULF MR does not expose patients to harmful ionizing radiation and compares favorably in this regard to X-ray computed tomography ("CT") or positron emission tomography ("PET").

The demand for MR imaging has been increasing due to the aging population and the rising prevalence of neurological, neurodegenerative, and cardiovascular conditions, and also the trends towards decentralized healthcare in mature, as well as low- and middle-income countries. Healthcare professionals and insurers recognize MR imaging as an effective, non-invasive diagnostic tool for evaluating and ongoing monitoring of patients at risk of or with neurological conditions. The Swoop® system is the next-generation brain imaging scanner designed to increase access to MRI in a cost-effective and workflow efficient manner. We believe our market opportunity is significant considering the multiple sites of care where the Swoop® system brings clinical and economic value. We estimate in the United States alone that our total addressable market for Swoop® system device placements is more than $16 billion.

Despite their advantages, many healthcare institutions worldwide lack the facilities, specialized technicians, and capital necessary to acquire, maintain, and staff expensive conventional MRI devices. The Swoop® system is the first FDA-cleared, portable, ULF, MR brain imaging system that is capable of providing imaging at multiple sites of care, such as intensive care units ("ICUs"), emergency departments, procedural rooms, clinics or physicians' offices, and can inform the timely detection, diagnosis, monitoring, and treatment of acute and chronic neurological conditions inside and outside the hospital. We designed the Swoop® system to address the limitations of conventional MRI technologies and make brain MR imaging accessible nearly anywhere in a timely manner, closer to the patient, across professional healthcare settings. We believe the adoption of the Swoop® system by healthcare professionals has potential clinical and economic benefits throughout healthcare systems in both high and low resource settings.

The Swoop® system is AI-powered and integrates deep learning, Optive AI™, a form of AI in the denoising and reconstruction pipeline of the sequences. We offer T1, T2, diffusion-weighted imaging ("DWI"), and fluid-attenuated inversion recovery ("FLAIR") sequences, in both fast and high resolution modes. Scanning time varies based on protocols but on average a full brain scan takes around 25 minutes. The integration of deep learning does not require any additional steps from the user. As a result, deep learning can enhance the image quality and, consequently, the diagnostic value of images generated at ULF. Our proprietary Optive AI™ models are designed to improve ULF image quality, while reducing the impact of scan artifacts. The Optive AI™ models are validated by expert radiologists. The Swoop® system is used clinically every day as the first mover in the field of AI-powered portable MRI, and the installed base continues to expand globally. The learnings from this market experience have served to improve our hardware, software, AI, and denoising algorithms resulting in the image quality and performance improvements of our product over the eleven generations of software since our initial clearance. As we move forward, we are continuously investing in improving our AI-powered image quality and leveraging each imaging-focused software release to further improve the Swoop® system performance and clinical utility.

Our Swoop® system received initial 510(k) clearance for brain imaging from the U.S. Food and Drug Administration (the "FDA") in 2020. In May 2025, we received 510(k) clearance from the FDA for our tenth-generation AI-powered software, Optive AI™ software. The tenth-generation software enhances each stage of image processing from noise cancellation and image acquisition to reconstruction and post processing and produces brain images with greater clarity, uniformity and sharper anatomical detail.

Obtaining 510(k) clearance from the FDA in late May 2025 for our new next-generation Swoop® scanner powered by Optive AI™ software was a very important milestone for us. The next-generation Swoop® system incorporates learnings from five years of real-world experience, features new hardware and is powered by Optive AI™ software. The next-generation Swoop® system incorporates innovations specifically engineered to deliver the highest signal-to-noise ratio, which, when paired with the Optive AI™ software, achieves exceptional image quality at low-field MRI, including improved resolution and uniformity, as well as faster acquisition times.

In December 2025, we received FDA clearance for the eleventh-generation AI-powered software. The eleventh-generation software includes a new multi-direction DWI sequence in our Optive AI™ software, and this software enhancement expands the Swoop® system's clinical capabilities by improving image quality and diagnostic confidence for stroke detection, including clearer visualization of smaller lesions and more reliable differentiation of infarcts. The multi-direction DWI sequence uses multi-direction signal acquisition, similar to techniques used in high-field MRI, and is designed to reduce artifacts that may obscure stroke pathology, while the existing single-direction DWI sequence remains available for extremely time-sensitive imaging where rapid acquisition is critical to meeting stroke treatment protocols.

Outside of the United States, the first-generation Swoop® system has received marketing authorization for brain imaging in several countries, including the European Union ("CE Mark"), the United Kingdom (UK Conformity Assessment ("UKCA Mark")), Canada, Australia, New Zealand and India. In October 2024 and February 2025, we received CE Mark and UKCA Mark approval for the ninth-generation of software, respectively. In August 2025, we received both CE Mark and UKCA Mark approvals for our Optive AI™ software. In March 2026, we achieved an important milestone and received both CE Mark and UKCA Mark approval for both the next-generation Swoop® scanner and the latest advancement in our Optive AI™ software. In December 2025, we received regulatory approval in India from the Central Drugs Standard Control Organization ("CDSCO"), authorizing commercialization of the first-generation Swoop® system throughout India.

Key Performance Metrics

Management reviews and analyzes several key performance measures, including total revenues and total Swoop® system units sold. These measures are reviewed and analyzed to evaluate our business performance, identify trends affecting our business, allocate capital, and make strategic decisions.

Total revenues were $3.9 million and $7.8 million for the three and six months ended June 30, 2026, respectively, as compared to revenue of $2.7 million and $4.8 million for the three and six months ended June 30, 2025, respectively, primarily driven by an increase in units sold and an increase in average selling price. See "Results of Operations - Sales" below for further information. Total Swoop® system units sold were 12 units and 22 units for the three and six months ended June 30, 2026, respectively, as compared to 8 units and 14 units, for the three and six months ended June 30, 2025, respectively. We launched our next-generation Swoop® system powered by Optive AI™ software in mid-2025.

Factors Affecting Results of Operations

The following factors have been important to our business and we expect them to impact our results of operations and financial condition in future periods:

Technical innovation

We have developed our Swoop® system through extensive research and development activities. Moreover, our team is dedicated to clinical support programs designed to integrate the Swoop® system into an array of diverse healthcare environments, workflow, and applications. We believe that, from our commercial and clinical experience, we are gaining invaluable insights into the Swoop® system's clinical utility. We believe these learnings will enable us to further improve our product and develop new services and tools in the future. We are continuously improving our image quality and imaging capabilities. Building upon this foundation and our expertise in ULF brain imaging, we plan to develop new imaging applications, broadening the range of clinical uses for our proprietary technology. Additionally, we are leveraging our strengths in AI and cloud technology to explore the Swoop® system's role as a brain imaging clinical decision support platform. While these technical innovations may increase our research and development expenses, we expect them to have a positive impact on our results of operations and profitability in the future.

Commercialization efforts of the Swoop® system

Our results have included revenue from the United States and outside the United States. Our Swoop® system received initial 510(k) clearance from the FDA in 2020. Initially, we have been focused on executing contracts with U.S. hospitals and hospital systems. We have built a direct sales and field support organization in the United States that works in strong collaboration to increase adoption, support successful implementations and support routine use at customer sites. We are expanding our commercial focus beyond our initial call point of critical care in the hospital into hospital emergency departments, hospital-based neurology clinics and outside the hospital in neurology offices. This commercial expansion is supported by the product launch of our next-generation Swoop® system powered by our Optive AI™ software.

Expand sales in international markets

The countries outside of the United States in which we have begun commercializing our first-generation Swoop® system include Canada, certain European and Middle Eastern markets, Australia, New Zealand and India. We obtained a Medical Device License issued by Health Canada, UKCA Mark in the United Kingdom, CE Mark in the EU, and regulatory authorization in Australia and New Zealand. The Swoop® system CE Mark and UKCA Mark approval of the ninth-generation AI-powered Swoop® system software in October 2024 and February 2025, and CE Mark and UKCA Mark approval for our Optive AI™ software in August 2025, enable a broader international commercial expansion of the Swoop® system, bringing cutting-edge brain imaging technology to new global markets. The Swoop® system received CE Mark and UKCA Mark approval in March 2026 for both the next-generation Swoop® scanner and the latest version of our Optive AI™ software, enabling commercialization in Europe of the exceptional low-field MRI image quality recently commercialized in the United States. Further, we are executing on a global expansion strategy, broadening access to MR brain imaging in regions with large populations, low penetration of MRI, and significant unmet healthcare needs. In December 2025, we received regulatory approval in India from the CDSCO, authorizing commercialization of the first-generation Swoop® system throughout India.

Our commitment to the vision of providing affordable and accessible imaging that enables earlier detection and timely management of health conditions worldwide is furthermore advanced by grant funding from the Bill and Melinda Gates Foundation ("BMGF"). Through our engagement with the BMGF, we have deployed the Swoop® system in low-middle income settings without readily-accessible MRI technology. During 2020 and 2021, we were awarded multiple grants totaling $4.9 million from the BMGF for the provision and equipping of sites with our portable MR brain imaging system to enable the performance of a multi-site study focused on optimizing diagnostic image quality. These grants were designed to provide data to validate the use of the Swoop® system in measuring the impact of maternal anemia, malnutrition, infection and birth-related injury. These grants were designed to support the deployment of a total of 25 Swoop® system devices and other services to investigators, which commenced in the spring of 2021 and was completed by February 2024. In May 2023, we were awarded an additional $3.4 million grant from the BMGF to continue to develop a scalable approach to measuring neurodevelopment via low-field MRI in neonates, infants, and young children in low-to-middle income countries through February 2026. In November 2025, we were awarded a further $3.7 million grant from the BMGF to support continued technical innovation using our AI-powered portable MRI platform, with a focus on neonatal brain imaging and objective assessment of neurodevelopment in resource-constrained settings through March 2028. This funding supports ongoing collaboration with academic and clinical partners to advance AI-based image processing and analysis capabilities designed to improve image quality and diagnostic reliability in neonatal and early childhood imaging. During the three and six months ended June 30, 2026, we completed and fulfilled grant deliverables and milestones amounting to $0.6 million and $1.1 million, respectively.

Results of Operations

The following is a discussion of our results of operations for the periods shown below, and our accounting policies are described under *"Summary of Significant Accounting Policies"* in Note 2 to our unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q.

Comparison of the Three and Six Months Ended June 30, 2026 and 2025 ($ Amounts shown in tables in thousands)

($ Amounts in thousands)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Change %	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025	Change %
Sales						
Device	$ 3,170	$ 2,128	49.0%	$ 6,427	$ 3,650	76.1%
Service	734	568	29.2%	1,380	1,183	16.7%
Total sales	$ 3,904	$ 2,696	44.8%	$ 7,807	$ 4,833	61.5%
Cost of Sales						
Device	$ 1,603	$ 1,097	46.1%	$ 3,249	$ 2,082	56.1%
Service	321	271	18.5%	599	540	10.9%
Cost of sales	$ 1,924	$ 1,368	40.6%	$ 3,848	$ 2,622	46.8%
Gross profit	**1,980**	**1,328**	49.1%	**3,959**	**2,211**	79.1%
Operating expenses:						
Research and development	$ 3,865	$ 4,541	(14.9)%	$ 7,710	$ 9,578	(19.5)%
General and administrative	3,907	3,859	1.2%	8,037	8,067	(0.4)%
Sales and marketing	2,677	2,523	6.1%	5,239	5,063	3.5%
Total operating expenses	**$ 10,449**	**$ 10,923**	(4.3)%	**$ 20,986**	**$ 22,708**	(7.6)%
Loss from operations	**$ (8,469)**	**$ (9,595)**	(11.7)%	**$ (17,027)**	**$ (20,497)**	(16.9)%
Interest income	$ 272	$ 239	13.8%	$ 526	$ 556	(5.4)%
Interest expense	(533)	—	NM	(616)	—	NM
Change in fair value of warrant liabilities	(571)	46	NM	(812)	1,664	NM
Other income (expense), net	3	85	NM	8	(366)	NM
Loss before provision for income taxes	**$ (9,298)**	**$ (9,225)**	0.8%	**$ (17,921)**	**$ (18,643)**	(3.9)%
Provision for income taxes	—	—		—	—	
Net loss and comprehensive loss	**$ (9,298)**	**$ (9,225)**	0.8%	**$ (17,921)**	**$ (18,643)**	(3.9)%

NM - Not meaningful

Sales

	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Change Amount	Change %	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025	Change Amount	Change %
Device	$ 3,170	$ 2,128	$ 1,042	49.0%	$ 6,427	$ 3,650	$ 2,777	76.1%
Service	734	568	166	29.2%	1,380	1,183	197	16.7%
Total sales	$ 3,904	$ 2,696	$ 1,208	44.8%	$ 7,807	$ 4,833	$ 2,974	61.5%

Device sales increased by $1.0 million, or 49.0%, for the three months ended June 30, 2026 compared to the three months ended June 30, 2025. The increase was driven primarily by an increase in units sold.

Service sales increased by $0.2 million, or 29.2%, for the three months ended June 30, 2026 compared to the three months ended June 30, 2025. The increase was driven primarily by continued growth in the installed base as well as non-recurring revenue items.

Device sales increased by $2.8 million, or 76.1%, for the six months ended June 30, 2026 compared to the six months ended June 30, 2025. The increase was driven primarily by an increase in units sold and an increase in average selling price.

Service sales increased by $0.2 million, or 16.7%, for the six months ended June 30, 2026 compared to the six months ended June 30, 2025. The increase was driven primarily by continued growth in the installed base as well as non-recurring revenue items.

Cost of sales

	Three Months Ended June 30,		Change		Six Months Ended June 30,		Change	
	2026	2025	Amount	%	2026	2025	Amount	%
Device	$ 1,603	$ 1,097	$ 506	46.1%	$ 3,249	$ 2,082	$ 1,167	56.1%
Service	321	271	50	18.5%	599	540	59	10.9%
Total cost of sales	$ 1,924	$ 1,368	$ 556	40.6%	$ 3,848	$ 2,622	$ 1,226	46.8%
Percentage of revenue	49.3%	50.7%			49.3%	54.3%		

Cost of device sales increased by $0.5 million, or 46.1%, for the three months ended June 30, 2026 compared to the three months ended June 30, 2025. This increase was driven primarily by increased costs associated with higher sales volume.

Cost of service sales was relatively flat for the three months ended June 30, 2026 compared to the three months ended June 30, 2025.

Cost of device sales increased by $1.2 million, or 56.1%, for the six months ended June 30, 2026 compared to the six months ended June 30, 2025. This increase was driven primarily by increased costs associated with higher sales volume.

Cost of service sales was relatively flat for the six months ended June 30, 2026 compared to the six months ended June 30, 2025.

Research and development

	Three Months Ended June 30,		Change		Six Months Ended June 30,		Change	
	2026	2025	Amount	%	2026	2025	Amount	%
Research and development	$ 3,865	$ 4,541	$ (676)	(14.9)%	$ 7,710	$ 9,578	$ (1,868)	(19.5)%

Research and development expenses decreased by $0.7 million, or 14.9%, for the three months ended June 30, 2026 compared to the three months ended June 30, 2025. This decrease was driven primarily by a $0.4 million increase in grant fulfillment credits and a $0.3 million decrease in salary and benefits, due to lower headcount.

Research and development expenses decreased by $1.9 million, or 19.5%, for the six months ended June 30, 2026 compared to the six months ended June 30, 2025. This decrease was driven primarily by a $1.2 million decrease in salary and benefits, including stock-based compensation due to lower headcount and a $0.7 million increase in grant fulfillment credits.

General and administrative

	Three Months Ended June 30,		Change		Six Months Ended June 30,		Change	
	2026	2025	Amount	%	2026	2025	Amount	%
General and administrative	$ 3,907	$ 3,859	$ 48	1.2%	$ 8,037	$ 8,067	$ (30)	(0.4)%

General and administrative expenses were relatively flat for the three months ended June 30, 2026 compared to the three months ended June 30, 2025.

General and administrative expenses were relatively flat for the six months ended June 30, 2026 compared to the six months ended June 30, 2025.

Sales and marketing

	Three Months Ended June 30,		Change		Six Months Ended June 30,		Change	
	2026	2025	Amount	%	2026	2025	Amount	%
Sales and marketing	$ 2,677	$ 2,523	$ 154	6.1%	$ 5,239	$ 5,063	$ 176	3.5%

Sales and marketing expenses increased by $0.2 million, or 6.1%, for the three months ended June 30, 2026 compared to the three months ended June 30, 2025. This increase was driven primarily by higher commercial investments to support growth initiatives and expanded commercial execution activities.

Sales and marketing expenses increased by $0.2 million, or 3.5%, for the six months ended June 30, 2026 compared to the six months ended June 30, 2025. This increase was driven primarily by higher commercial investments to support growth initiatives and expanded commercial execution activities.

Interest income

	Three Months Ended June 30,		Change		Six Months Ended June 30,		Change	
	2026	2025	Amount	%	2026	2025	Amount	%
Interest income	$ 272	$ 239	$ 33	13.8%	$ 526	$ 556	$ (30)	(5.4)%

Interest income was relatively flat for the three months ended June 30, 2026 compared to the three months ended June 30, 2025.

Interest income was relatively flat for the six months ended June 30, 2026 compared to the six months ended June 30, 2025.

Interest expense

	Three Months Ended June 30,		Change		Six Months Ended June 30,		Change	
	2026	2025	Amount	%	2026	2025	Amount	%
Interest expense	$ (533)	$ —	$ (533)	NM	$ (616)	$ —	$ (616)	NM

Interest expense increased by $0.5 million for the three months ended June 30, 2026 compared to the three months ended June 30, 2025. The increase was driven primarily by interest incurred on the Loan Agreement (as defined below) entered into in March 2026, including stated interest and non-cash amortization of debt discount and issuance costs.

Interest expense increased by $0.6 million for the six months ended June 30, 2026 compared to the six months ended June 30, 2025. The increase was driven primarily by interest incurred on the Loan Agreement entered into in March 2026, including stated interest and non-cash amortization of debt discount and issuance costs.

Change in fair value of warrant liabilities

	Three Months Ended June 30,		Change		Six Months Ended June 30,		Change	
	2026	2025	Amount	%	2026	2025	Amount	%
Change in fair value of warrant liabilities	$ (571)	$ 46	$ (617)	NM	$ (812)	$ 1,664	$ (2,476)	NM

Change in fair value of warrant liabilities decreased by $0.6 million for the three months ended June 30, 2026 compared to the three months ended June 30, 2025. This decrease was driven by non-cash change in fair value of warrant liabilities related to warrants issued in connection with the February 2025 Offering.

Change in fair value of warrant liabilities decreased by $2.5 million for the six months ended June 30, 2026 compared to the six months ended June 30, 2025. This decrease was driven by non-cash change in fair value of warrant liabilities related to warrants issued in connection with the February 2025 Offering.

Other income (expense), net

	Three Months Ended June 30,		Change		Six Months Ended June 30,		Change	
	2026	2025	Amount	%	2026	2025	Amount	%
Other income (expense), net	$ 3	$ 85	$ (82)	NM	$ 8	$ (366)	$ 374	NM

Other income (expense), net decreased by $0.1 million for the three months ended June 30, 2026 compared to the three months ended June 30, 2025. This decrease was mainly driven by unfavorable impact from foreign exchange.

Other income (expense), net increased by $0.4 million for the six months ended June 30, 2026 compared to the six months ended June 30, 2025. This increase was mainly driven by financing costs allocated to warrant liabilities during the six months ended June 30, 2025.

Liquidity and Capital Resources

We have funded our operations primarily with proceeds from the issuance of common stock, preferred stock, and warrants and the establishment of a debt facility. We have incurred significant cash burn and recurring net losses, which include a net loss of $9.3 million and $17.9 million for the three and six months ended June 30, 2026, respectively, and an accumulated deficit of $347.9 million as of June 30, 2026. As of June 30, 2026, we had cash and cash equivalents of $43.5 million. As we continue to invest in research and development of our products and sales and marketing, we expect to continue to incur negative cash flows from operations and recurring net losses for the foreseeable future until such time that our product and services sales generate enough gross profit to cover our operating expenses. However, we can provide no assurance that our product and service sales will generate a net profit in the future or that our cash resources will be sufficient to continue our commercialization and development activities.

In November 2023, we filed a shelf registration statement on Form S-3 (the "Shelf Registration Statement") with the SEC pursuant to which we registered for sale up to $150 million of any combination of our Class A common stock, preferred stock, debt securities, warrants, rights and/or units from time to time and at prices and on terms that we may determine. The Shelf Registration Statement also included a prospectus covering up to an aggregate of $50.0 million in shares of Class A common stock that we could issue and sell from time to time, through B. Riley Securities, Inc. ("B. Riley"), acting as our sales agent, pursuant to the Sales Agreement for our "at-the-market" equity program ("ATM"). In December 2025, the Sales Agreement with B. Riley was amended and restated ("Amended Sales Agreement") to add BTIG, LLC ("BTIG") as an additional sales agent and we filed a new prospectus supplement covering up to an aggregate of $50.0 million in shares of Class A common stock that we may issue and sell from time to time, through B. Riley and BTIG acting as our sales agents. The offering of our Class A common stock pursuant to the prospectus supplement dated November 22, 2023 was also terminated such that no further offers or sales will be made pursuant to such prospectus supplement, effective as of December 29, 2025. We are not obligated to make any sales of Class A common stock under the ATM. Prior to the termination of the prospectus supplement dated November 22, 2023, effective as of December 29, 2025, we had issued and sold an aggregate of 3,464,325 shares of our Class A common stock under the Sales Agreement, for total gross proceeds of $4.4 million, before deducting commissions and other offering expenses, and net proceeds of $4.2 million, after deducting such commissions and expenses. As of June 30, 2026, an aggregate of 7,809,779 shares of Class A common stock had been issued and sold under the Amended Sales Agreement, for gross proceeds of $11.7 million, before deducting commissions and other offering expenses, resulting in net proceeds of $11.4 million, after deducting commissions and other offering expenses. We issued and sold an aggregate of 7,131,767 shares and 7,809,779 shares of Class A common stock under the Amended Sales Agreement during the three and six months ended June 30, 2026, respectively, for gross proceeds of $10.8 million and $11.7 million, before deducting commissions and other offering expenses, respectively, resulting in net proceeds of $10.6 million and $11.4 million, after deducting commissions and other expenses, respectively.

On February 12, 2025, we closed the transactions pursuant to a securities purchase agreement with certain institutional investors (the "Investors"), in which we issued and sold, in a registered direct offering directly to the Investors (the "February 2025 Offering"): (i) 4,511,278 shares of our Class A common stock and (ii) warrants to purchase up to 4,511,278 shares of our Class A common stock (the "February 2025 Warrants"). Each share and accompanying February 2025 Warrant were sold together at a combined offering price of $1.33. The aggregate gross proceeds from the February 2025 Offering were $6.0 million before deducting the placement agent's fees and offering expenses, and net proceeds of $5.2 million, after deducting placement agent's fees and offering expenses.

On October 17, 2025, we closed an underwritten public offering (the "October 2025 Offering"), in which we issued and sold 14,000,000 shares of our Class A common stock at a public offering price of $1.25 per share, pursuant to an Underwriting Agreement (the "Underwriting Agreement") with Lake Street Capital Markets, LLC, as the underwriter. On October 17, 2025, we received gross proceeds of $17.5 million from the October 2025 Offering, before deducting underwriting discounts and commissions and other offering expenses, and net proceeds of approximately $15.8 million, after deducting underwriting discounts and commissions and other offering expenses.

Under the terms of the Underwriting Agreement, the underwriter was granted a 30-day option to purchase up to an additional 2,100,000 shares of Class A common stock at the public offering price, less underwriting discounts and commissions (the "Underwriter Option"). The underwriter exercised the Underwriter Option on October 21, 2025, and on October 23, 2025 we received additional gross proceeds of $2.6 million and additional net proceeds of approximately $2.4 million, after deducting underwriting discounts and commissions and other offering expenses.

In the aggregate, we issued and sold 16,100,000 shares of Class A common stock in the October 2025 Offering. In December 2025, our aggregate gross proceeds from the October 2025 Offering, including the gross proceeds from the exercise of the Underwriter Option, were $20.1 million, and aggregate net proceeds were approximately $18.2 million, after deducting underwriting discounts and commissions and other offering expenses.

On March 18, 2026 (the "Closing Date"), we entered into a Loan and Security Agreement (the "Loan Agreement") with Horizon Technology Finance Corporation pursuant to which we obtained a senior secured term loan facility with aggregate principal availability of up to $40.0 million. At closing, we borrowed $15.0 million, and the remaining $25.0 million is available to draw prior to December 31, 2027, subject to the satisfaction of certain conditions set forth in the Loan Agreement. The proceeds from the term loan are intended to be used for working capital and general corporate purposes.

Borrowings under the term loan bear interest at a variable rate equal to the prime rate plus 4.25%, subject to a minimum interest rate of 10.75%. The term loan provides for interest-only payments for 48 months from the closing date, followed by equal monthly payments of principal and interest through the maturity date of March 18, 2031.

Our obligations under the Loan Agreement are guaranteed by our wholly owned subsidiaries and are secured by substantially all of our assets, subject to customary exceptions, including that intellectual property is excluded from the collateral at closing and until the first funding of any additional loan tranche following the Closing Date. The Loan Agreement contains customary affirmative and negative covenants, including limitations on additional indebtedness and certain other transactions. As of June 30, 2026, we were in compliance with all applicable covenants.

In connection with the Loan Agreement, we issued warrants to purchase up to an aggregate of 562,500 shares of Class A common stock at an exercise price of $1.20 per share (the “Initial Warrants”), which are immediately exercisable, and warrants to purchase up to an aggregate of 520,835 shares of Class A common stock at an exercise price of $1.20 per share (the “Additional Warrants”), which are exercisable only upon the funding of future loan tranches. All of these warrants expire seven years from the Closing Date.

Our ability to access capital when needed is not assured and, if capital is not available when, and in the amounts needed, we could be required to delay, scale back or abandon some or all of our development programs, commercialization of our products, and other operations which could materially harm our operations, financial condition and operating results. We expect that our existing cash and cash equivalents, together with proceeds from the sales of our products and services, will enable us to conduct our planned operations for at least the next 12 months. Factors that could accelerate cash needs include: (i) delays in achieving scientific and technical milestones; (ii) unforeseen capital expenditures and fabrication costs related to manufacturing; (iii) changes we may make in our business or commercialization and hiring strategy; (iv) costs of running a public company; (v) higher inflation and increases in product transportation and labor costs; (vi) the effects of the tariffs; and (vii) other items affecting our forecasted level of expenditures and use of cash resources including potential acquisitions.

We expect to use our cash to further invest in the development of our products and services, commercial expansion, and for working capital and general corporate purposes.

Our future cash requirements will depend on many factors, including market adoption of our products; the cost and timing of establishing additional sales, marketing and distribution capabilities; the cost of our research and development activities; our ability to enter into and maintain collaborations; the cost and timing of potential future regulatory clearances or approvals for our products; and the effect of competing technological and market developments. We cannot assure you that we will be able to obtain additional funds on acceptable terms, or at all. If we raise additional funds by issuing equity or equity-linked securities, our stockholders may experience dilution. Future debt financing, if available, may involve covenants restricting our operations or our ability to incur additional debt. Any debt or equity financing that we raise may contain terms that are not favorable to us or our stockholders. If we raise additional funds through collaboration and licensing arrangements with third parties, it may be necessary to relinquish some rights to our technologies or our products, or grant licenses on terms that are not favorable to us. If we do not have or are not able to obtain sufficient funds, we may have to delay development or commercialization of our products. We also may have to reduce marketing, customer support or other resources devoted to our products and services or cease operations.

Cash

As of June 30, 2026, we had cash and cash equivalents of $43.5 million. Our future capital requirements may vary from those currently planned and will depend on various factors including further development costs, commercialization strategy, regulatory developments, supply constraints, manufacturing costs and international expansion. If we need additional funds and are unable to obtain funding on a timely basis, we may need to curtail significantly our product development and commercialization efforts to provide sufficient funds to continue our operations, which could adversely affect our business prospects.

Cash flows

The following table summarizes our cash flows for the periods indicated:

	Six Months Ended June 30,	
(In thousands)	**2026**	**2025**
Net cash used in operating activities	$ (16,276)	$ (17,159)
Net cash used in investing activities	(272)	(992)
Net cash provided by financing activities	25,270	6,056
Net increase (decrease) in cash, cash equivalents, and restricted cash	**$ 8,722**	**$ (12,095)**

Net cash used in operating activities

For the six months ended June 30, 2026, net cash used in operating activities of $16.3 million was due primarily to a net loss of $17.9 million and changes in operating assets and liabilities of $1.4 million, partially offset by non-cash items of $3.0 million. Non-cash items were primarily stock-based compensation expense of $1.6 million, loss on change in fair value of warrant liabilities of $0.8 million, depreciation expense of $0.5 million and amortization of debt discount and issuance costs of $0.1 million. Changes in operating assets and liabilities were driven primarily by a decrease in accounts payable of $1.6 million, a decrease in accrued expenses and other current liabilities of $0.9 million reflecting the timing of annual employee bonus payments, an increase in prepaid expenses and other current assets of $0.7 million primarily related to the timing of annual insurance premium renewals, partially offset by a decrease in accounts receivable and unbilled receivables of $0.7 million, an increase in deferred grant funding of $0.3 million, a decrease in inventory of $0.3 million, a decrease in other long-term assets of $0.2 million, and an increase in deferred revenue of $0.2 million.

For the six months ended June 30, 2025, net cash used in operating activities of $17.1 million was due primarily to a net loss of $18.6 million, partially offset by non-cash items of $0.4 million and changes in operating assets and liabilities of $1.1 million. Non-cash items were primarily stock-based compensation expense of $1.5 million and depreciation expense of $0.5 million, partially offset by gain on change in fair value of warrant liabilities of $1.7 million. Changes in operating assets and liabilities were driven primarily by a decrease in accounts receivable and unbilled receivables of $1.4 million, an increase in accounts payable of $1.3 million, a decrease in inventory of $0.7 million, partially offset by a decrease in accrued expenses and other current liabilities of $1.4 million primarily due to annual bonus payout and a decrease in deferred revenue of $0.2 million.

Net cash used in investing activities

For the six months ended June 30, 2026, net cash used in investing activities of $0.3 million was from fixed assets purchased.

For the six months ended June 30, 2025, net cash used in investing activities of $1.0 million was from fixed assets purchased.

Net cash provided by financing activities

For the six months ended June 30, 2026, net cash provided by financing activities was $25.3 million which consisted primarily of proceeds from issuance of debt net of debt issuance costs of $13.6 million, proceeds from the issuance of Class A common stock under the Amended Sales Agreement of $11.4 million and proceeds from stock options exercises of $0.3 million.

For the six months ended June 30, 2025, net cash provided by financing activities of $6.0 million which consisted primarily of proceeds from issuance and sale of the shares and warrants in the February 2025 Offering, net of offering discounts and other costs of $5.2 million, proceeds from issuance of the shares under the Sales Agreement of $0.8 million.

Contractual obligations

We sponsor a 401(k) defined contribution plan covering all eligible U.S. employees. Contributions to the 401(k) plan are discretionary. We did not make any matching contributions to the 401(k) plan for the three and six months ended June 30, 2026 or 2025.

Through our engagement with the BMGF, we have deployed and continue to deploy the Swoop® system in low-middle income settings without readily-accessible MRI technology. The multiple grants provided by our research partnership with the BMGF, which commenced funding in the spring of 2020, support the deployment of 25 Swoop® systems and accessories to investigators. The ongoing investigation is designed to provide data to validate the potential use of the Swoop® system in measuring the impact of maternal anemia, malnutrition, infection, and birth-related injury. In May 2023, we were awarded an additional three-year grant from the BMGF to continue to develop a scalable approach to measuring neurodevelopment via ULF brain imaging in neonates, infants, and young children in low-to-middle income countries. In November 2025, we were awarded an additional grant from the BMGF to support continued technical innovation using our AI-powered portable MRI platform, with a focus on neonatal brain imaging and objective assessment of neurodevelopment in resource-constrained settings, with funding extending into March 2028.

Our purchase commitments and obligations include all open purchase orders and contractual obligations in the ordinary course of business, including commitments with contract manufacturers and suppliers, for which we have not received the goods or services. A majority of these purchase obligations are due within a year. Although open purchase orders are considered enforceable and legally binding, the terms generally allow us the option to cancel, reschedule, and adjust our requirements based on our business needs prior to the delivery of goods or performance of services.

We had no other significant contractual obligations as of June 30, 2026.

For information on contingencies, refer to Note 14 in the notes to our unaudited condensed consolidated financial statements for the three and six months ended June 30, 2026 and 2025 included elsewhere in this Quarterly Report on Form 10-Q.

Critical Accounting Policies and Significant Judgments and Estimates

Our management's discussion and analysis of our financial condition and results of operations is based on our condensed consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these condensed consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements, as well as the reported revenue generated, and expenses incurred during the reporting periods. Our estimates are based on our historical experience and various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about items that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Except as described in Note 2 “Summary of Significant Accounting Policies – Recently Issued Accounting Pronouncements Adopted”, to our unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q, there have been no material changes to our critical accounting policies and estimates as compared to the critical accounting policies and estimates disclosed in our 2025 Annual Report on Form 10-K.

Recently Issued Accounting Pronouncements

A description of recently issued accounting pronouncements that may potentially impact our financial position and results of operations is disclosed in Note 2 to our unaudited condensed consolidated financial statements and notes thereto for the three and six months ended June 30, 2026 and 2025 included elsewhere in this Quarterly Report on Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risk in the ordinary course of business. Market risk represents the risk of loss that may impact our results of operations or financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily a result of fluctuations in interest rates, inflation risk, and foreign exchange risk. We do not hold, issue or enter into any financial instruments for speculative or trading purposes. We do not have significant exposure to foreign currencies.

Interest Rate Risk

Our cash, cash equivalents and restricted cash as of June 30, 2026 consisted of $44.8 million in money market funds, demand deposit and savings accounts. Such interest-earning instruments carry a degree of interest rate risk. The goals of our investment policy are liquidity and capital preservation. We believe that we do not have any material exposure to changes in the fair value of these assets as a result of changes in interest rates due to the short-term nature of our cash equivalents. Based on our balance sheet position at June 30, 2026, the annualized effect of a 0.5 percentage point decrease in interest rates would be to decrease earnings before income taxes by $0.2 million.

In March 2026, we entered into a $15.0 million variable-rate term loan bearing interest at the prime rate plus 4.25 percentage points, subject to a prime rate floor of 6.50 percentage points, resulting in a minimum interest rate of 10.75%. As of June 30, 2026, the outstanding principal balance was $15.0 million. Based on our balance sheet position at June 30, 2026, a 0.5 percentage point increase in the prime rate above the floor would increase annual interest expense on the term loan by approximately $0.1 million. We do not currently use interest rate hedging instruments to manage this exposure.

Inflation Risk

We do not believe that inflation has had a material effect on our business, financial condition, or results of operations, other than its impact on the general economy. Nonetheless, if our costs were to become subject to inflationary pressures, we might not be able to fully offset such higher costs through price increases. Our inability or failure to do so could harm our business, financial condition, and results of operations.

Foreign Exchange Risk

We operate our business primarily within the United States and currently execute the majority of our transactions in U.S. dollars. We have not utilized hedging strategies with respect to such foreign exchange exposure. This limited foreign currency translation risk is not expected to have a material impact on our condensed consolidated financial statements.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our principal executive officer and principal financial officer evaluated the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of June 30, 2026. Based upon that evaluation, our principal executive officer and principal financial officer have concluded that, as of June 30, 2026, the end of the period covered by this report, our disclosure controls and procedures were effective at a reasonable assurance level to ensure 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’s rules and forms, and is accumulated and communicated to our management, including our principal executive officer and principal financial officer, or persons performing similar functions, 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 identified in connection with the evaluation of such internal control that occurred during the three and six months ended June 30, 2026, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

We are not currently a party to any material legal proceedings.

Item 1A. Risk Factors

Our business, results of operations and financial condition are subject to various risks and uncertainties including the risk factors described under the caption “Risk Factors” in our 2025 Annual Report on Form 10-K. There have been no material changes in our risk factors from those described in our 2025 Annual Report on Form 10-K. We may disclose changes to risk factors or additional risk factors from time to time in our future filings with the SEC.

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

Unregistered Sales of Equity Securities and Use of Proceeds

Not applicable.

Issuer Purchases of Equity Securities

Not applicable.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

10b5-1 Trading Arrangements

From time to time, our officers (as defined in Rule 16a-1(f) of the Exchange Act) and directors may enter into Rule 10b5-1 or non-Rule 10b5-1 trading arrangements (as each such term is defined in Item 408 of Regulation S-K). During the three and six months ended June 30, 2026, none of our officers or directors adopted, modified or terminated any such trading arrangements.

Item 6. Exhibits

See Exhibit Index.

EXHIBIT INDEX

Exhibit Number	Exhibit Description	Filed Herewith	Incorporated by Reference herein from Form or Schedule	Filing Date	SEC File/ Reg. Number
10.1+	Nonemployee Director Compensation Policy.	X			
31.1	Certification of the Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	X			
31.2	Certification of the Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	X			
32**	Certifications of the Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	X			
101.INS	Inline XBRL Instance Document - The instance document does not appear in the Interactive Data File because its Inline XBRL tags are embedded within the Inline XBRL document.	X			
101.SCH	Inline XBRL Taxonomy Extension Schema Document.	X			
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101).	X			

+ Management contract or compensatory plan or arrangement.

** The certifications attached as Exhibit 32 that accompany this Quarterly Report on Form 10-Q are not deemed filed with the Securities and Exchange Commission and are not to be incorporated by reference into any filing of Hyperfine, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Form 10-Q, irrespective of any general incorporation language contained in such filing.

SIGNATURES

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

	HYPERFINE, INC.
Date: August 6, 2026	By: /s/ Maria Sainz
	Maria Sainz President and Chief Executive Officer
Date: August 6, 2026	By: /s/ Brett Hale
	Brett Hale Chief Administrative Officer, Chief Financial Officer, Treasurer and Corporate Secretary

Exhibit 10.1

HYPERFINE, INC.

NONEMPLOYEE DIRECTOR COMPENSATION POLICY

(As Amended June 3, 2026)

The Board of Directors of Hyperfine, Inc. (the "Company") has approved the following Nonemployee Director Compensation Policy (this "Policy") to provide an inducement to obtain and retain the services of qualified persons to serve as members of the Company's Board of Directors. The Policy establishes compensation to be paid to nonemployee directors of the Company.

Applicable Persons

This Policy shall apply to each director of the Company who is not an employee of the Company or any Affiliate (each, an "Outside Director"). "Affiliate" shall mean an entity which is a direct or indirect parent or subsidiary of the Company, as determined pursuant to Section 424 of the Internal Revenue Code of 1986, as amended.

Compensation

A. Equity Grants

1. Annual Grants

Each Outside Director shall be granted, automatically and without any action on the part of the Board of Directors, under the Company's 2021 Equity Incentive Plan or a successor plan (the "Equity Plan"), non-qualified stock options ("Options") to purchase 157,700 shares of the Company's Class A common stock, par value $0.0001 per share (the "Common Stock"), each year beginning in 2026 on the first business day after the Company's annual meeting of stockholders (the "Annual Grant").

2. Initial Grants for Newly Appointed or Elected Directors

Each new Outside Director shall be granted, under the Equity Plan, a number of restricted stock units ("RSUs") (each RSU relating to one share of Common Stock) or other equity award, as determined by the Board of Directors in connection with the initial appointment or election of such Outside Director to the Board of Directors, on the first business day after the date that the Outside Director is first appointed or elected to the Board of Directors (the "Initial Grant" and, together with the Annual Grants, the "Outside Director Grants").

3. Annual Grants to Chairperson

The Chairperson shall be granted, automatically and without any action on the part of the Board of Directors, under the Equity Plan, Options to purchase 52,600 shares of Common Stock, which for 2026 shall be granted on June 3, 2026 and for each year beginning in 2027 shall be granted on the first business day after the Company's annual meeting of stockholders (the "Annual Chairperson Grant").

4. Terms of Outside Director Grants

Unless otherwise specified by the Board of Directors or the Compensation Committee at the time of grant, each Outside Director Grant shall: (i) vest, in the case of (A) an Annual Grant and an Annual Chairperson Grant, at the end of the "Directors' Compensation Year," which shall be defined as the period beginning on the date of each regular Annual Stockholders Meeting and ending on the date of the next regular Annual Stockholders Meeting, subject to the Outside Director's continued service on the Board of Directors through the applicable Directors' Compensation Year, and (B) an Initial Grant, in equal annual installments over three years from the date of the grant, subject to the Outside Director's continued service on the Board of Directors on the applicable vesting dates; and (ii) be granted under the Company's standard form of agreement unless on or prior to the date of grant the Board of Directors or the Compensation Committee shall determine that other terms or conditions shall be applicable.

B. Cash Fees

1. Annual Cash Fees

Each Outside Director will receive an annual cash retainer fee in the amount of $50,000, and the following additional annual cash fees shall be paid to the Outside Directors serving on the Audit Committee, Compensation Committee, Nominating and Corporate Governance Committee and Strategy Committee, as applicable (collectively, the "Annual Fees").

Committee of Board of Directors	**Annual Retainer Amount for Chair**	**Annual Retainer Amount for Other Members**
Audit Committee	$ 20,000	$ 10,000
Compensation Committee	$ 15,000	$ 7,500
Nominating and Corporate Governance Committee	$ 10,000	$ 5,000
Strategy Committee	$ 15,000	$ 10,000

2. Payment Terms for All Cash Fees

Annual Fees payable to Outside Directors shall be paid quarterly in arrears as soon as practicable following the last business day of each fiscal quarter.

Following an Outside Director's first election or appointment to the Board of Directors, such Outside Director shall receive his or her cash compensation prorated during the first fiscal quarter in which he or she was initially appointed or elected for the number of days during which he or she provides service. If an Outside Director dies, resigns, or is removed during any quarter, he or she shall be entitled to a cash payment on a prorated basis through his or her last day of service that shall be paid as soon as practicable following the last business day of the fiscal quarter.

Expenses

Upon presentation of documentation of such expenses reasonably satisfactory to the Company, each Outside Director shall be reimbursed for his or her reasonable out-of-pocket business expenses incurred in connection with attending meetings of the Board of Directors and Committees thereof or in connection with other business related to the Board of Directors. Each Outside Director shall abide by the Company's travel and other expense policies applicable to Company personnel.

Amendments

The Compensation Committee or the Board of Directors shall review this Policy from time to time to assess whether any amendments in the type and amount of compensation provided herein should be adjusted in order to fulfill the objectives of this Policy.

Exhibit 31.1

CERTIFICATIONS UNDER SECTION 302

I, Maria Sainz, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Hyperfine, Inc.;
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(s) 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(s) 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 the registrant’s board of directors (or persons performing the equivalent functions):
    a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
    b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: August 6, 2026

/s/ Maria Sainz
Maria Sainz
President and Chief Executive Officer
(principal executive officer)

Exhibit 31.2

CERTIFICATIONS UNDER SECTION 302

I, Brett Hale, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Hyperfine, Inc.;
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(s) 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(s) 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 the registrant's board of directors (or persons performing the equivalent functions):
   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 6, 2026

/s/ Brett Hale

Brett Hale
Chief Administrative Officer, Chief Financial Officer, Treasurer and Corporate Secretary
(principal financial officer)

Exhibit 32

CERTIFICATIONS UNDER SECTION 906

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of Hyperfine, Inc., a Delaware corporation (the "Company"), does hereby certify, to such officer's knowledge, that:

The Quarterly Report for the quarter ended June 30, 2026 (the "Form 10-Q") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 6, 2026	/s/ Maria Sainz Maria Sainz President and Chief Executive Officer (principal executive officer)
Dated: August 6, 2026	/s/ Brett Hale Brett Hale Chief Administrative Officer, Chief Financial Officer, Treasurer and Corporate Secretary (principal financial officer)