PROFOUND

Profound Medical Reports Strong Third Quarter 2025 Financial Results

TORONTO, Nov. 13, 2025 -- Profound Medical Corp. (NASDAQ:PROF; TSX:PRN) (“Profound” or the “Company”), a commercial-stage medical device company that develops and markets AI-powered, MRI-guided, incision-free therapies for the ablation of diseased tissue, today reported unaudited financial results for the third quarter ended September 30, 2025. Unless specified otherwise, all amounts in this press release are expressed in U.S. dollars and are presented in accordance with U.S. generally accepted accounting principles (U.S. GAAP).

Business Highlights

- Revenue grew 87% year-over-year to a record $5.3 million in the third quarter of 2025.
- Gross margin increased 1,119 basis points year-over-year to 74.3% in Q3-2025.
- The Company’s TULSA-PRO® qualified sales pipeline is also growing and currently stands at 93 new systems being classified within one of the “Verify, Negotiate and Contracting” stages.
- Profound’s TULSA-PRO installed base now stands at 70 and, due to its strong capital sales pipeline, the Company continues to expect to reach at least 75 installs by the end of the year.
- Profound continued to see a wide variety of prostate disease patients treated by its TULSA-PRO customers in the third quarter of 2025:
    - 79% were treated for prostate cancer only, 14% were hybrid patients suffering from both prostate cancer and benign prostatic hyperplasia (“BPH”), 4.5% were salvage, and 2.5% were men with BPH only;
    - For cancer grade, 10% were GG1, 53% were GG2, 28% were GG3, and 9% were GG4 & GG5;
    - By intention-to-treat, 45% were whole gland; 22% were sub-total but more than half the gland; 26% were hemi-ablations, and 7% were focal therapy; and
    - For prostate size, 11% were <20cc; 39% were 20-40cc; 29% were 40-60cc; 18% were 60-100cc; and 3% were over 100cc.
- In September 2025, Profound announced the launch of a first-of-its-kind TULSA-PROgram by Texas Prostate and Dallas Medical Center to meet the growing demand for advanced prostate treatment — without surgery. Under the program, Texas Prostate is now performing TULSA Procedures™ for men with prostate cancer and benign prostatic hyperplasia (“BPH”) in Dallas Medical Center’s state-of-the-art MRI suite. This model — bridging private-pay practices and Medicare-participating hospitals — is designed to allow more men to benefit from the TULSA Procedure’s versatility across the spectrum of prostate disease. Profound believes partnerships like this will accelerate adoption of the next generation of prostate care.
- In October 2025, Profound unveiled new, real-world data from the internationally recognized Busch Center. The data — marking the center’s milestone of 500 completed TULSA Procedures — demonstrate the procedure’s versatility and success in treating a broad spectrum of prostate diseases, severities, and aggressions using a unique incision-free, MRI-guided approach.
- As user interest in Profound’s technologies continues to build, the Company is deploying its own direct sales team in North America, while partnering with select strategic distribution partners to support the business potential and the customer base in other parts of the world:
    - Earlier this week, Profound regained exclusive distribution rights for TULSA-PRO in Canada.
    - Profound also announced entering into an exclusive distribution and supply agreement for its TULSA-PRO and Sonalleve® technologies in Saudi Arabi with Al Faisaliah Medical Systems Co. (FMS), a subsidiary of one of the Kingdom’s most prominent business conglomerates, Al Faisaliah Group (AFG).
    - Yesterday, Profound announced a strategic distribution agreement with Getz Healthcare to introduce TULSA-PRO in Australia and New Zealand.

“The theme of my presentation at the Stifel Healthcare Conference earlier this week was ***‘It’s Happening!’***,” said Arun Menawat, Profound’s CEO and Chairman. “As demonstrated by our strong revenue and TULSA Procedure volume growth, increased gross margin, improved bottom line, and rapidly expanding TULSA-PRO installed base, we were not only able to successfully navigate through an unusually challenging second quarter, but also delivered record results in Q3-2025. So far, that positive momentum has continued into the fourth quarter, and we look forward to updating investors as we progress.”

Summary Third Quarter 2025 Results

For the quarter ended September 30, 2025, Profound recorded revenue of approximately $5.3 million, with $4.1 million from recurring - non-capital revenue, which consists of the sale of TULSA-PRO® consumables, lease of capital equipment and services associated with extended warranties, and $1.2 million from the one-time sale of capital equipment. Third quarter 2025 revenue was up 87% from $2.8 million for the same three-month period a year ago.

Gross margin for the third quarter of 2025 was 74.3%, compared to 63.1% in the prior year period. Gross margin expansion in the 2025 third quarter was primarily due to manufacturing operating at higher efficiency rates based on improvements that have been implemented.

Total operating expenses in the third quarter of 2025 were approximately $12.8 million, compared with $10.8 million in the prior year period. The increase in operating expenses was primarily due to increased headcount, increased sales force, commission payments, and increased travel and infrastructure costs to support the Company's growth.

Third quarter 2025 net loss was approximately $8.0 million, or $0.26 per common share, a 15% improvement from a net loss of approximately $9.4 million, or $0.38 per common share, in the three months ended September 30, 2024.

Liquidity and Outstanding Share Capital

As at September 30, 2025, Profound had cash of approximately $24.8 million.

As at November 13, 2025, Profound had 30,193,592 common shares issued and outstanding.

For complete financial results, please see Profound's filings, which will be made available under Profound's profile at www.sedarplus.com, www.sec.gov and on Profound's website at www.profoundmedical.com under "Financial" in the Investors section. A hard copy of Profound's annual report can also be requested free of charge at the bottom of the Investors section of its website.

Conference Call Details

Profound Medical is pleased to invite all interested parties to participate in a conference call today at 4:30 pm ET during which time the results will be discussed.

To participate in the conference call by telephone, please pre-register via this link to receive the dial-in number and your unique PIN.

The call will also be broadcast live and archived on Profound's website in the Investors section here.

About Profound Medical Corp.

Profound is a commercial-stage medical device company that develops and markets AI-powered, MRI-guided, incision-free therapies for the ablation of diseased tissue. Profound is commercializing TULSA-PRO®, a technology that combines real-time MRI, AI-enhanced planning, robotically-driven transurethral ultrasound and closed-loop temperature feedback control. The TULSA Procedure™, performed using the TULSA-PRO system, has the potential of becoming a mainstream treatment modality across the entire prostate disease spectrum; ranging from low-, intermediate-, or high-risk prostate cancer; to hybrid patients suffering from both prostate cancer and benign prostatic hyperplasia ("BPH"); to men with BPH only; and also, to patients requiring salvage therapy for radio-recurrent localized prostate cancer. The TULSA Procedure employs real-time MR guidance for precision to preserve patients' urinary continence and sexual function, while killing the targeted prostate tissue via precise sound absorption technology that gently heats it to 55-57°C. The TULSA Procedure is an incision- and radiation-free "one-and-done" procedure performed in a single session that takes a few hours. Virtually all prostate shapes and sizes can be safely, effectively, and efficiently treated with the TULSA Procedure. There is no bleeding associated with the procedure; no hospital stay is required; and most TULSA patients report quick recovery to their normal routine. TULSA-PRO is CE marked, Health Canada approved, and 510(k) cleared by the U.S. Food and Drug Administration ("FDA").

Profound is also commercializing Sonalleve®, an innovative therapeutic platform that is CE marked for the treatment of uterine fibroids, adenomyosis, pain palliation of bone metastases, desmoid tumors and osteoid osteoma. Sonalleve has also been approved by the China National Medical Products Administration for the non-invasive treatment of uterine fibroids and has FDA approval under a Humanitarian Device Exemption for the treatment of osteoid osteoma. Profound is in the early stages of exploring additional potential treatment markets for Sonalleve where the technology has been shown to have clinical application, such as non-invasive ablation of abdominal cancers and hyperthermia for cancer therapy.

Forward-Looking Statements

This release includes forward-looking statements regarding Profound and its business which may include, but is not limited to, the expectations regarding the efficacy of Profound's technology in the treatment of prostate cancer, BPH, uterine fibroids, palliative pain treatment and osteoid osteoma; the extent and timing of Profound's completion of TULSA-PRO® system sales from its qualified sales pipeline; Profound's preliminary unaudited third quarter revenues; Profound's expectations for future revenues; and the success of Profound's commercialization strategy and activities for TULSA-PRO. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "is expected", "expects", "scheduled", "intends", "contemplates", "anticipates", "believes", "proposes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Such statements are based on the current expectations of the management of Profound. The forward-looking events and circumstances discussed in this release, may not occur by certain specified dates or at all and could differ materially as a result of known and unknown risk factors and uncertainties affecting the Company, including risks regarding the medical device industry, regulatory approvals, reimbursement, economic factors, the equity markets generally and risks associated with growth and competition. Although Profound has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. No forward-looking statement can be guaranteed. Other factors and risks that may cause actual results to differ materially from those set out in the forward-looking statements are described in Profound's Annual Report on Form 10-K and other filings made with U.S. and Canadian securities regulators, available at www.sedarplus.ca and www.sec.gov. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and Profound undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise, other than as required by law.

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Profound Medical Corp.
CONDENSED CONSOLIDATED BALANCE SHEETS
(USD in thousands, except per share data)
(unaudited)

	September 30, 2025 $	**December 31, 2024 $**
Assets		
Current assets:		
Cash	24,826	54,912
Trade and other receivables, net	8,166	7,045
Inventory	8,337	5,801
Prepaid expenses and deposits	195	1,307
Total current assets	41,524	69,065
Property and equipment, net	338	425
Intangible assets, net	123	261
Right-of-use assets, net	240	396
Deferred tax assets, net	80	87
Total assets	42,305	70,234
Liabilities		
Current liabilities:		
Accounts payable	717	1,317
Accrued expenses and other current liabilities	3,972	2,835
Deferred revenue	434	419
Long-term debt	4,480	1,737
Lease liabilities	277	257
Income tax payable	58	-
Total current liabilities	9,938	6,565
Deferred revenue	148	49
Long-term debt	-	2,924
Lease liabilities	-	203
Other non-current liabilities	76	71

Total liabilities	10,162	9,812
Shareholders' equity		
Common shares, no par value, unlimited shares authorized, 30,193,592 and 30,039,809 issued and outstanding at September 30, 2025 and December 31, 2024, respectively	282,751	281,552
Additional paid-in capital	24,208	21,298
Accumulated other comprehensive income	4,750	2,742
Accumulated deficit	(279,566)	(245,170)
Total shareholders' equity	32,143	60,422
Total liabilities and shareholders' equity	42,305	70,234

Profound Medical Corp.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(USD in thousands, except per share data)
(unaudited)

	Three Months Ended September 30,		**Nine Months Ended September 30,**	
	2025 $	**2024 $**	**2025 $**	**2024 $**
Revenue				
Recurring - non-capital	4,066	2,653	7,428	5,552
Capital equipment	1,223	179	2,693	952
	5,289	2,832	10,121	6,504
Cost of sales	1,358	1,044	2,719	2,429
Gross profit	3,931	1,788	7,402	4,075
Operating expenses				
Research and development	5,418	4,166	16,324	12,316
Selling, general and administrative	7,426	6,620	24,963	16,476
Total operating expenses	12,844	10,786	41,287	28,792
Operating loss	8,913	8,998	33,885	24,717
Other (income) expenses				
Net finance (income) expense	(122)	(220)	(910)	(1,104)
Net foreign exchange (gain) loss	(935)	410	1,194	(980)
Total other (income) expenses	(1,057)	190	284	(2,084)
Net loss before income taxes	7,856	9,188	34,169	22,633
Income tax expense	100	177	219	236
Deferred tax expense	21	-	7	-
Total income tax expense	121	177	226	236
Net loss attributed to shareholders for the period	7,977	9,365	34,395	22,869
Other comprehensive (income) loss				
Item that may be reclassified to (income) loss				
Foreign currency translation adjustment	808	(584)	(2,008)	855

Net loss and other comprehensive loss for the period	8,785	8,781	32,387	23,724
Loss per share				
Basic and diluted net loss per common share	0.26	0.38	1.14	0.94
Basic and diluted weighted average common shares outstanding	30,104,497	24,534,964	30,119,569	24,427,960

Profound Medical Corp.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(USD in thousands, except per share data)
(unaudited)

	Nine Months Ended September 30,	
	2025 **$**	**2024** **$**
Cash flows from operating activities		
Net loss for the period	(34,395)	(22,869)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation of property and equipment	311	547
Amortization of intangible assets	140	151
Non-cash lease expense adjustment	(28)	(34)
Share-based compensation	4,109	2,139
Interest and accretion expense	58	467
Change in amortized cost of trade and other receivables	-	(238)
Changes in operating assets and liabilities:		
Trade and other receivables	(908)	781
Inventory	(2,593)	176
Prepaid expenses and deposits	1,158	1,056
Accounts payable, accrued expenses and other liabilities	338	169
Deferred revenue	101	67
Income taxes payable	58	14
Deferred tax liabilities	10	-
Net cash used in operating activities	(31,641)	(17,574)
Cash flows from financing activities		
Repayments of long-term debt	(290)	(1,819)
Issuance of commons shares	-	22,938
Payments of financing costs	-	(1,859)
Proceeds from the exercise of stock options	-	1
Net cash provided by (used in) financing activities	(290)	19,261
Net increase (decrease) in cash	(31,931)	1,687
Effect of exchange rate changes on cash	1,845	(777)
Cash, beginning of period	54,912	26,213
Cash, end of period	24,826	27,123