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

FORM 10-Q

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

For the quarterly period ended September 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: 001-38022



MATINAS BIOPHARMA HOLDINGS, INC.
(Exact name of registrant as specified in its charter)

Delaware	**No. 46-3011414**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

1545 Route 206 South, Suite 302
Bedminster, New Jersey 07921
(Address of principal executive offices) (Zip Code)

908-484-8805
(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
Common Stock	MTNB	NYSE American

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 November 11, 2026, there were 1,113,528 shares of the registrant's common stock, $0.0001 par value, outstanding.

MATINAS BIOPHARMA HOLDINGS, INC.
Form 10-Q
Quarter Ended September 30, 2026

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PART - I FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

Matinas BioPharma Holdings, Inc.
Condensed Consolidated Balance Sheets
(in thousands, except for share data)
Unaudited

	September 30, 2026	December 31, 2025
ASSETS:		
Current assets:		
Cash and cash equivalents	$ 1,936	$ 3,999
Restricted cash – security deposit	50	50
Prepaid expenses and other current assets	133	26
Total current assets	2,119	4,075
Leasehold improvements and equipment – net	—	138
Operating lease right-of-use assets	—	531
Financing lease right-of-use assets	—	4
In-process research and development	2,260	2,260
Restricted cash – security deposit	—	200
Total assets	$ 4,379	$ 7,208
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Current liabilities:		
Accounts payable	$ 775	$ 315
Accrued expenses	415	452
Operating lease liabilities – current	-	694
Financing lease liabilities – current	3	2
Total current liabilities	1,193	1,463
Deferred tax liability	257	257
Operating lease liabilities – net of current portion	—	653
Financing lease liabilities – net of current portion	1	5
Total liabilities	1,451	2,378
Stockholders' equity:		
Convertible preferred stock, par value $0.0001 per share, $1,000 stated value per share, 10,000,000 shares authorized at each of September 30, 2026 and December 31, 2025.		
2,171 and 3,155 shares of convertible preferred stock, designated Series C, outstanding at September 30, 2026 and December 31, 2025, respectively. Liquidation preference of $2,171 and $3,155 as of September 30, 2026 and December 31, 2025, respectively.	—	—
575 shares of convertible preferred stock, designated Series D, outstanding at September 30, 2026. Liquidation preference of $575 as of September 30, 2026.	—	—
Common stock par value $0.0001 per share, 500,000,000 shares authorized at September 30, 2026 and December 31, 2025; 1,100,281 and 427,079 shares issued and outstanding as of September 30, 2026 and December 31, 2025, respectively.*	—	—
Additional paid-in capital	225,848	215,617
Accumulated deficit	(222,920)	(210,787)
Total stockholders' equity	2,928	4,830
Total liabilities and stockholders' equity	$ 4,379	$ 7,208

* Adjusted to reflect the impact of the 1-for-15 reverse stock split effective September 28, 2026.

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

Matinas BioPharma Holdings, Inc.
Condensed Consolidated Statements of Operations
(in thousands, except for share and per share data)
Unaudited

	Three Months Ended September 30		Nine Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
Costs and expenses:				
Research and development	$ —	$ —	$ —	$ 85
General and administrative	1,742	1,577	5,232	5,275
Total operating expenses	1,742	1,577	5,232	5,360
Loss from operations	(1,742)	(1,577)	(5,232)	(5,360)
Other income (loss):				
Change in fair value of the warrant liability	—	—	—	(3,161)
(Loss) gain on disposal of assets	—	—	(138)	110
Gain on lease termination, net	—	—	368	—
Other income (expense), net	(23)	45	(10)	(22)
Other (loss) income, net	(23)	45	220	(3,073)
Net loss	(1,765)	(1,532)	(5,012)	(8,433)
Deemed dividend due to Series C Preferred down-round	(2,372)	—	(2,372)	—
Deemed dividend due to 2025 Warrant down-round	(1,208)	—	(1,208)	—
Deemed dividend due to issuance of inducement warrants	(3,541)	—	(3,541)	—
Deemed dividend relating to warrant exchange	—	(618)	—	(618)
Net loss attributable to common stockholders	$ (8,886)	$ (2,150)	$ (12,133)	(9,051)
Net loss per share – basic and diluted	$ (9.35)	$ (5.93)	$ (20.11)	$ (26.09)
Weighted average common shares outstanding:				
Basic and diluted *	950,612	362,388	603,476	346,969

* Adjusted to reflect the impact of the 1-for-15 reverse stock split effective September 28, 2026.

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

Matinas BioPharma Holdings, Inc.
Condensed Consolidated Statements of Stockholders' Equity
(in thousands, except for share data)
Unaudited

	Series C Convertible Preferred Stock		Series D Convertible Preferred Stock		Common Shares		Additional Paid-In	Accumulated	Total Stockholders'
	Shares	Amount	Shares	Amount	Shares*	Amount	Capital	Deficit	Equity
Balance at December 31, 2025	3,155	$ -	-	$ -	427,079	$ -	$ 215,617	$ (210,787)	$ 4,830
Share-based compensation	-	-	-	-	-	-	113	-	113
Net loss	-	-	-	-	-	-	-	(1,921)	(1,921)
Balance at March 31, 2026	3,155	$ -	-	$ -	427,079	$ -	$ 215,730	$ (212,708)	$ 3,022
Share-based compensation	-	-	-	-	-	-	104	-	104
Net loss	-	-	-	-	-	-	-	(1,326)	(1,326)
Balance at June 30, 2026	3,155	$ -	-	$ -	427,079	$ -	$ 215,834	$ (214,034)	$ 1,800
Conversion of Series C Preferred stock to common stock	(984)	-	-	-	187,428	-	-	-	-
Issuance of common stock upon exercise of warrants, net of issuance costs of $337	-	-	-	-	485,774	-	2,283	-	2,283
Issuance of Series D Preferred stock and warrants, net of stock issuance costs $65	-	-	575	-	-	-	510	-	510
Deemed dividend due to Series C Preferred down-round	-	-	-	-	-	-	2,372	(2,372)	-
Deemed dividend due to 2025 Warrant down-round	-	-	-	-	-	-	1,208	(1,208)	-
Deemed dividend due to issuance of inducement warrants	-	-	-	-	-	-	3,541	(3,541)	-
Share-based compensation	-	-	-	-	-	-	100	-	100
Net loss	-	-	-	-	-	-	-	(1,765)	(1,765)
Balance at September 30, 2026	2,171	$ -	575	$ -	1,100,281	$ -	$ 225,848	$ (222,920)	$ 2,928
Balance at December 31, 2024	-	$ -	-	$ -	339,132	$ -	$ 207,414	$ (199,824)	$ 7,590
Issuance of preferred stock and warrants in private placement, net of issuance costs $2	1,650	-	-	-	-	-	21	-	21
Share-based compensation	-	-	-	-	-	-	315	-	315
Net loss	-	-	-	-	-	-	-	(1,656)	(1,656)
Balance at March 31, 2025	1,650	$ -	-	$ -	339,132	$ -	$ 207,750	$ (201,480)	$ 6,270
Issuance of preferred stock and warrants in public offering, net of stock issuance costs $27	1,650	-	-	-	-	-	309	-	309
Reclassification of warrants from liability to equity	-	-	-	-	-	-	6,103	-	6,103
Share-based compensation	-	-	-	-	-	-	238	-	238
Net loss	-	-	-	-	-	-	-	(5,245)	(5,245)
Balance at June 30, 2025	3,300	$ -	-	$ -	339,132	$ -	$ 214,400	$ (206,725)	$ 7,675
Issuance of Common Stock in exchange for warrants	-	-	-	-	31,111	-	618	-	618
Deemed dividend	-	-	-	-	-	-	-	(618)	(618)
Issuance of Common Stock upon conversion of preferred stock	(145)	-	-	-	16,496	-	-	-	-
Issuance of Common Stock upon exercise of warrants	-	-	-	-	6,666	-	64	-	64
Share-based compensation	-	-	-	-	-	-	253	-	253
Net loss	-	-	-	-	-	-	-	(1,532)	(1,532)
Balance at September 30, 2025	3,155	$ -	-	$ -	393,405	$ -	$ 215,335	$ (208,875)	$ 6,460

* Adjusted to reflect the impact of the 1-for-15 reverse stock split effective September 28, 2026.

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

Matinas BioPharma Holdings, Inc.
Condensed Consolidated Statements of Cash Flows
(in thousands)
Unaudited

	Nine Months Ended September 30,	
	2026	**2025**
Cash flows from operating activities:		
Net loss	$ (5,012)	$ (8,433)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	—	29
Net loss (gain) on disposal of assets	138	(110)
Stock-based compensation expense	317	806
Change in operating lease right-of-use assets	83	329
Change in finance lease right-of-use assets	5	3
Gain on the termination of an operating lease	(368)	—
Change in fair value of warrant liability	—	3,161
Changes in operating assets and liabilities:		
Operating lease liabilities	(532)	(558)
Prepaid expenses and other current assets	(105)	524
Accounts payable	459	(15)
Accrued expenses and other liabilities	(36)	(1,238)
Net cash used in operating activities	(5,051)	(5,502)
Cash flows from investing activities:		
Proceeds from sale of assets	—	320
Net cash provided by investing activities	—	320
Cash flows from financing activities:		
Proceeds from private placement of Series D preferred stock and common stock warrants, net of issue costs of $65	510	—
Proceeds from private placement of Series C preferred stock and common stock warrants, net of issue costs of $29		3,271
Proceeds from the issuance of common stock upon exercise of warrants, net of issuance costs of $337	2,283	—
Net proceeds from exercise of warrants	—	64
Payments of finance lease liability – principal	(5)	(2)
Net cash provided by financing activities	2,788	3,333
Net decrease in cash, cash equivalents, and restricted cash	(2,263)	(1,849)
Cash, cash equivalents, and restricted cash at beginning of period	4,249	7,534
Cash, cash equivalents, and restricted cash at end of period	$ 1,986	$ 5,685
Reconciliation of cash, cash equivalents, and restricted cash:		
Cash and cash equivalents	$ 1,936	$ 5,435
Restricted cash	50	250
Total cash, cash equivalents, and restricted cash	$ 1,986	$ 5,685
Supplemental non-cash financing and investing activities:		
Reclassification of warrants from liability to equity	$ —	$ 6,103
Deemed dividend due to Series C Preferred down-round	$ 2,372	$ —
Deemed dividend due to 2025 Warrant down-round	$ 1,208	$ —
Deemed dividend due to issuance of inducement warrants	$ 3,541	$ —

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

Note 1 – Description of Business

Matinas BioPharma Holdings, Inc. (the "Company") is a Delaware corporation formed in 2013. The Company is the parent company of Matinas BioPharma, Inc. ("BioPharma"), and Matinas BioPharma Nanotechnologies, Inc. ("Nanotechnologies," formerly known as Aquarius Biotechnologies, Inc.), its operating subsidiaries. The Company is a clinical-stage biopharmaceutical company focused on delivering groundbreaking therapies using its lipid nanocrystal ("LNC") platform delivery technology ("LNC Platform").

The Company entered into the Business Combination Agreement (as defined below) and the Stock Purchase Agreement (as defined below) in July 2026. Subject to the terms and conditions in the agreements, (i) upon closing of the transactions contemplated by the Business Combination Agreement, the Company will become a wholly owned subsidiary of Pubco (as defined below) and (ii) upon closing of the transactions contemplated by the Stock Purchase Agreement, Azurity Pharmaceuticals, Inc., a Delaware corporation ("Azurity"), will acquire all of the issued and outstanding equity interests of Nanotechnologies. Following the closing of the Business Combination, the current business of GH Power (as defined below) is expected to become the primary business of the combined company, and the Company does not expect to continue its historical clinical-stage LNC Platform development activities as an independent, publicly traded company.

Note 2 – Liquidity, Plan of Operations, and Going Concern

The Company has experienced net losses and negative cash flows from operations each period since its inception. Through September 30, 2026, the Company had an accumulated deficit of $222,920. The Company's net loss for the nine months ended September 30, 2026 and 2025, was $5,012 and $8,433, respectively.

As of September 30, 2026, the Company had cash and cash equivalents of $1,936 and restricted cash of $50. The Company does not believe that the cash and cash equivalents on hand are sufficient to fund planned operations for a period of at least twelve months from the filing date of these financial statements. As a result, substantial doubt exists about the Company's ability to continue as a going concern. In July 2026, the Company announced a series of strategic transactions whereby the Company entered into the Business Combination Agreement with GH Power, and the Stock Purchase Agreement with Azurity for the sale of Nanotechnologies, owner of MAT2203. Additionally, also in July 2026, the Company received net proceeds of approximately $510 from the Series D Financing (as defined below) and approximately $2,283 from the Warrant Inducement (as defined below). See Note 12 for additional information affecting ongoing liquidity.

Business Combination.

On July 10, 2026, the Company, GH Power Inc., a corporation organized under the laws of Ontario ("GH Power"), 1001550000 Ontario Inc., a corporation organized under the laws of Ontario ("Pubco"), 1001550002 Ontario Inc., a corporation organized under the laws of Ontario and a wholly owned subsidiary of Pubco ("GH Power Merger Sub"), and MBH Merger Sub, Inc., a Delaware corporation and wholly owned subsidiary of Pubco ("Matinas Merger Sub"), entered into a Business Combination Agreement (the "Business Combination Agreement") pursuant to which, subject to the terms and conditions contained therein, (i) GH Power Merger Sub and GH Power will amalgamate to form one corporate entity and wholly owned subsidiary of Pubco by way of a plan of arrangement (the "Plan of Arrangement") under the Business Corporations Act (Ontario) (the "Amalgamation") and (ii) immediately following the effectiveness of the Amalgamation, Matinas Merger Sub will merge with and into the Company (the "Company Merger" and, together with the Amalgamation, the "Business Combination"), with the Company surviving the Company Merger as a direct wholly owned subsidiary of Pubco. Following the closing of the Business Combination (the "Closing"), the current business of GH Power is expected to become the primary business of the combined company, and the Company does not expect to continue its historical clinical-stage LNC Platform development activities as an independent, publicly traded company.

At the effective time of the Company Merger, (i) each share of the Company's common stock issued and outstanding immediately prior thereto will be converted into the right to receive one-tenth (0.1) of a common share of Pubco ("Pubco Common Shares"), (ii) each share of the Company's preferred stock will be converted into the right to receive such consideration on an as-converted to common stock basis, and (iii) each outstanding Company stock option and warrant will be assumed by Pubco and converted into an option or warrant, as applicable, to purchase Pubco Common Shares, subject to adjustment as set forth in the Business Combination Agreement. Upon the Closing, on a pro forma basis and subject to certain assumptions and adjustments set forth in the Business Combination Agreement and Plan of Arrangement, current equity holders of the Company (including the investors in the Series D Financing and the Warrant Inducement) are expected to own approximately 9% of the outstanding Pubco Common Shares and GH Power equity holders are expected to own approximately 91%, in each case calculated on a fully diluted basis using the treasury stock method and based on a valuation for the Company of $24,725 and a valuation for GH Power of $250,000. A former financial advisor to the Company is entitled to receive, in connection with the Closing, a cash fee of $2,000 and $2,000 of Pubco Common Shares. See Note 12 for additional information.

The Closing is subject to certain closing conditions, including, among other things, (i) completion of a financing by GH Power resulting in gross proceeds of at least $15,000, (ii) approval of the Company's stockholders and GH Power's stockholders, (iii) the effectiveness of a registration statement on Form F-4 to be filed by Pubco with the SEC, (iv) receipt of the requisite Ontario court orders, (v) the listing of the Pubco Common Shares on the NYSE, (vi) the absence of any legal prohibition on consummation of the transactions, and (vii) evidence that Pubco qualifies as a foreign private issuer. The Business Combination Agreement contains customary representations, warranties and covenants, including restrictions on the conduct of the Company's business and on its ability to solicit alternative acquisition proposals prior to the Closing, and, in specified circumstances, could require the Company to pay a termination fee of $1,000.

Stock Purchase Agreement.

On July 10, 2026, the Company and Azurity entered into a Stock Purchase Agreement (the "Stock Purchase Agreement") pursuant to which Azurity will purchase and acquire from the Company all of the issued and outstanding equity interests of Nanotechnologies (the "Stock Sale"). As consideration for the Stock Sale, Azurity agreed to pay the Company cash consideration of up to $21,500, with $4,000 due at the closing of the Stock Sale, subject to downward adjustment by the amount of Indebtedness (as defined in the Stock Purchase Agreement), and up to an additional $17,500 due upon the achievement of certain milestone events. The Company will also be eligible to receive a mid-single-digit royalty on Net Sales and Licensing Proceeds (each as defined in the Stock Purchase Agreement) generated on MAT2203. Pursuant to the terms of royalty rights certificates held by the former holders of the Company's Series A Preferred Stock, such holders are entitled to receive, in the aggregate, 7.5% of the amounts the Company receives from Azurity in connection with the Stock Sale, including the initial purchase price, milestone payments and royalty amounts.

The closing of the Stock Sale is subject to customary conditions, including approval of the Company's stockholders, and the Company's obligation to consummate the Stock Sale is conditioned upon the satisfaction of the conditions to the Closing of the Business Combination. The Company and Azurity have agreed to indemnify each other for breaches of their respective representations, warranties and covenants and certain other liabilities, subject to specified limitations.

There can be no assurance that the Business Combination or the Stock Sale will be consummated. If such transactions are not consummated the Company will need to secure substantial additional funding from other sources to continue its operations, and there can be no assurance that such funding will be available on acceptable terms, or at all. In such a case, the Board of Directors may decide to pursue a winddown, dissolution or other liquidation process. These condensed consolidated financial statements do not include any adjustments related to the recoverability and classification of asset amounts or the amounts and classification of liabilities that might be necessary if the Company is unable to continue as a going concern.

Note 3 – Summary of Significant Accounting Policies

Basis of presentation and principles of consolidation

The accompanying condensed consolidated financial statements, as of September 30, 2026 and for the three and nine months ended September 30, 2026, are unaudited and have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC") for interim financial statements. The condensed consolidated balance sheet as of December 31, 2025 was derived from audited financial statements but does not include all disclosures required by accounting principles generally accepted in the United States of America ("U.S. GAAP"). Certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to such rules and regulations. The Company believes that the disclosures are adequate to make the information presented not misleading.

In the opinion of management, the accompanying unaudited interim condensed consolidated financial statements reflect all adjustments necessary for a fair presentation of the Company's financial position as of September 30, 2026, and its results of operations, changes in stockholders' equity and cash flows for the interim periods presented. All such adjustments are of a normal recurring nature. The results of operations for the interim periods presented are not necessarily indicative of the results that may be expected for the full fiscal year or any future period.

The accompanying unaudited condensed consolidated financial statements include the consolidated accounts of the Company and its wholly owned subsidiaries, BioPharma, and Nanotechnologies and reflect the operations of the Company and its wholly owned subsidiaries. All intercompany transactions have been eliminated in consolidation. There have been no material changes to the Company's significant accounting policies described in Note 3 within the Company's Notes to Consolidated Financial Statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

The Company's management has considered all recent accounting pronouncements issued and believes that these recent pronouncements will not have a material effect on the Company's financial statements.

Reverse Stock Split

On September 28, 2026, the Company effected a 1-for-15 reverse stock split of its issued and outstanding common stock (the "2026 Reverse Stock Split"). The Company's common stock began trading on a split adjusted basis on September 28, 2026. No fractional shares were issued as a result of the 2026 Reverse Stock Split as stockholders otherwise entitled to a fractional share of common stock received a proportional cash payment.

Unless otherwise noted in these condensed consolidated financial statements, all shares of common stock, warrants convertible into shares of common stock, stock options, per share information, and related parameters specified in this quarterly report have been retroactively adjusted to reflect the 2026 Reverse Stock Split for all periods presented. Refer to Note 9 – *Stockholders' Equity* for additional information related to the 2026 Reverse Stock Split.

Segment and geographic information

Operating segments are defined as components of an enterprise about which separate discrete information is available for evaluation by the Chief Operating Decision Maker ("CODM"), or decision-making group, in deciding how to allocate resources and in assessing performance. The Company considers its chief executive officer to be the Company's CODM. The CODM manages its operations and allocates resources based on the Company's consolidated results and therefore operates as one segment.

The accounting policies of the Company's single operating and reportable segment are the same as those described in this Summary of Significant Accounting Policies. The Company's method for measuring segment profitability includes net income (loss), which the CODM uses to assess performance and make decisions for resource allocation, consistent with the measurement principles for net income (loss) as reported on the Company's condensed consolidated statement of operations. The significant assets and expenses regularly reviewed by the CODM are consistent with those reported on the Company's condensed consolidated balance sheet and condensed consolidated statement of operations. The measure of segment assets is reported in the condensed consolidated balance sheet as total assets. Segment revenues and expenses are identical to that disclosed in the accompanying condensed consolidated statement of operations.

Note 4 – Cash, Cash Equivalents and Restricted Cash

The Company considers all highly liquid financial instruments with original maturities of three months or less when purchased to be cash and cash equivalents. Cash and cash equivalents consist of cash in bank checking and savings accounts and money market funds that mature within three months of settlement date.

Cash, Cash Equivalents and Restricted Cash

The Company presents restricted cash with cash and cash equivalents in the condensed consolidated statements of cash flows. Restricted cash at September 30, 2026 and December 31, 2025 of $50 and $250, respectively, represents funds the Company is required to set aside as collateral, primarily for the Company's credit cards and one of the Company's operating leases at December 31, 2025.

Note 5 - Fair Value Measurements

The Company uses the fair value hierarchy to measure the value of its financial instruments. The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. Observable inputs reflect assumptions market participants would use in pricing an asset or liability based on market data obtained from independent sources, while unobservable inputs reflect a reporting entity's pricing based upon its own market assumptions. The basis for fair value measurements for each level within the hierarchy is described below:

- Level 1 – Quoted prices for identical assets or liabilities in active markets.
- Level 2 – Quoted prices for identical or similar assets and liabilities in markets that are not active; or other model-derived valuations whose inputs are directly or indirectly observable or whose significant value drivers are observable.
- Level 3 – Valuations derived from valuation techniques in which one or more significant inputs to the valuation model are unobservable and for which assumptions are used based on management estimates.

The Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible as well as counterparty credit risk in its assessment of fair value.

The carrying amounts of cash equivalents, current portion of restricted cash, prepaid expenses and other current assets, accounts payable, current portion of lease liabilities and accrued expenses approximate fair value due to the short-term nature of these instruments.

The Company did not have any financial assets or liabilities that were carried at fair value using the hierarchy as of September 30, 2026 and December 31, 2025.

Note 6 – Leasehold Improvements and Equipment

Leasehold improvements and equipment, summarized by major category, consist of the following as of September 30, 2026 and December 31, 2025:

	September 30, 2026	December 31, 2025
Leasehold improvements	$ —	$ 166
Total	—	166
Less: accumulated depreciation and amortization	—	28
Leasehold improvements and equipment, net	$ —	$ 138

The Company's leasehold improvements were written down to salvage value at December 31, 2025. As a result, no depreciation expense was incurred during the nine months ended September 30, 2026. Depreciation and amortization expense for the nine months ended September 30, 2025 was $29. On April 7, 2026, the Company's operating lease for its Bridgewater facility was terminated. As a result of the lease termination, all remaining leasehold improvements associated with the leased premises were abandoned as of the termination date. Accordingly, the Company wrote off the related leasehold improvements and recognized a loss of $138. See Note 8 for additional information.

Note 7 – Accrued Expenses and Other Liabilities

Accrued expenses, summarized by major category, as of September 30, 2026 and December 31, 2025 consist of the following:

	September 30, 2026	December 31, 2025
Legal fees	$ 159	$ 75
Accounting fees	169	193
Board fees	52	—
Other	35	34
Payroll and incentives	—	150
Total	$ 415	$ 452

Note 8 – Leases

The Company has various lease agreements, including leases of office space, a laboratory and manufacturing facility, and various equipment. Some leases include purchase, termination or extension options for one or more years. These options are included in the lease term when it is reasonably certain that the option will be exercised.

The assets and liabilities from operating and finance leases are recognized at the lease commencement date based on the present value of remaining lease payments over the lease term using the Company's incremental borrowing rates or implicit rates, when readily determinable. The Company's operating leases do not provide implicit rates, therefore the Company utilized a discount rate based on its incremental borrowing rate to record the lease obligations. The Company's finance leases provide readily determinable implicit rates.

Operating lease obligations

On December 15, 2016, the Company entered into a 10-year, 3-month lease of laboratory and manufacturing space in Bridgewater, New Jersey. The lease began in August 2017. The monthly rent started at approximately $43, increasing to approximately $64 in the final year. To obtain the lease, the Company provided an initial security deposit of $586 which was subsequently reduced and was $200 at December 31, 2025. The Company filed a complaint against COE Bridgewater, LLC (its "Landlord") in the Superior Court of New Jersey, Somerset County, Chancery Division on July 11, 2025 alleging principally that Landlord illegally locked the Company out of its leased premises in Bridgewater, New Jersey. As a result of the illegal lockout, the Company sought (among other things) a declaration that the lease and all obligations thereunder, including rent, terminated as of the date of the lockout. On September 5, 2025, Landlord filed an answer with counterclaims, which it amended on December 12, 2025. In the counterclaims, Landlord sought a declaration that there was no lockout, or that the lockout was justified, and therefore the lease remains in effect. Landlord also sought damages for the Company's alleged failure to pay approximately $205 in rent (as of December 31, 2025) following the lockout, and alleged conversion of certain furniture, fixtures, and equipment ("FF&E") items within the premises belonging to Landlord. The matter was resolved by way of Termination of Lease and Release Agreement ("Settlement Agreement") effective April 7, 2026, pursuant to which the Company made a termination payment of $765 (which was satisfied with the $200 security deposit and a cash payment of $565) in return for discontinuation of the action, termination of the lease, and an exchange of mutual general releases. As a result of the lease termination, the Company recorded a gain of $368, and the Company exited the Bridgewater premises on April 29, 2026 pursuant to the terms of the Settlement Agreement.

The Company incurred lease expense for its operating leases of $3 and $168 for the three months ended September 30, 2026 and 2025, respectively, and $107 and $513 for the nine months ended September 30, 2026 and 2025, respectively. The Company incurred amortization expense on its operating lease right-of-use assets of $6 and $111 for the three months ended September 30, 2026 and 2025, respectively, and $83 and $329 for the nine months ended September 30, 2026 and 2025, respectively.

Finance Leases

The Company incurred interest expense on its finance leases of $0 for the three months ended September 30, 2026 and 2025 and $0 for the nine months ended September 30, 2026 and 2025, respectively. The Company incurred amortization expense on its finance lease right-of-use assets of $4 and $1 for the three months ended September 30, 2026 and 2025, respectively, and $5 and $3 for the nine months ended September 30, 2026 and 2025, respectively.

The following table presents information about the amount and timing of liabilities arising from the Company's operating leases and finance leases as of September 30, 2026:

Maturity of Lease Liabilities	Operating Lease Liabilities	Finance Lease Liabilities
Remainder of 2026	$ —	$ 1
2027	—	3
Total undiscounted lease payments	$ —	$ 4
Less: Imputed interest	—	—
Present value of lease liabilities	$ —	$ 4
Weighted average remaining lease term in years	—	1.2
Weighted average discount rate	—%	11.6%

The following table presents information about the amount and timing of liabilities arising from the Company's operating leases and finance leases as of December 31, 2025:

Maturity of Lease Liabilities	Operating Lease Liabilities	Finance Lease Liabilities
2026	$ 781	$ 4
2027	678	4
Total undiscounted operating lease payments	$ 1,459	$ 8
Less: Imputed interest	112	1
Present value of operating lease liabilities	$ 1,347	$ 7
Weighted average remaining lease term in years	1.8	1.9
Weighted average discount rate	8.4%	11.6%

Note 9 – Stockholders' Equity

As of September 30, 2026, in accordance with the Certificate of Incorporation, the Company is authorized to issue 500,000,000 shares of common stock and 10,000,000 shares of preferred stock, each share having a par value of $0.0001.

Reverse Stock Split

On September 28, 2026, the Company effected a 1-for-15 reverse stock split of its issued and outstanding common stock. The Company's common stock began trading on a split adjusted basis on September 28, 2026. No fractional shares were issued as a result of the 2026 Reverse Stock Split as stockholders otherwise entitled to a fractional share of common stock received a proportional cash payment. The 2026 Reverse Stock Split did not change the par value of the common stock or the authorized number of shares of common stock.

The 2026 Reverse Stock Split also affected the Company's outstanding stock-based awards, warrants, and other exercisable or convertible securities and resulted in the shares of common stock underlying such instruments being reduced and the exercise price or conversion price being increased proportionally by the 2026 Reverse Stock Split ratio. Unless otherwise noted in these condensed consolidated financial statements, all shares of common stock, warrants convertible into shares of common stock, stock options, per share information, and related parameters specified in this quarterly report have been retroactively adjusted to reflect the 2026 Reverse Stock Split for all periods presented.

Common Stock

At-The-Market Equity Offering

On July 2, 2020, the Company entered into an At-The-Market Sales Agreement (the "Sales Agreement") with BTIG, LLC ("BTIG"), pursuant to which the Company may offer and sell, from time to time, through BTIG, as sales agent and/or principal, shares of its common stock having an aggregate offering price of up to $50,000, subject to certain limitations on the amount of common stock that may be offered and sold by the Company set forth in the Sales Agreement. BTIG will be paid a 3% commission on the gross proceeds from each sale. The Company may terminate the Sales Agreement at any time; BTIG may terminate the Sales Agreement in certain limited circumstances. The Company did not sell any shares under the Sales Agreement during the nine months ended September 30, 2026 and 2025.

On July 23, 2026, pursuant to and in accordance with Section 12(a) of the Sales Agreement, BTIG notified the Company that BTIG is terminating the Sales Agreement effective immediately. The Company is not subject to any termination penalties or other expenses related to the termination of the Sales Agreement.

Preferred Stock

On February 13, 2025, the Company entered into a Securities Purchase Agreement (the "February 2025 Agreement") with certain investors pursuant to which the Company sold, in a private placement (the "Offering"), an aggregate of 3,300 shares of the Company's Series C Convertible Preferred Stock, par value $0.0001 per share (the "Series C Preferred Stock"), initially convertible into up to 375,427 shares of the Company's common stock with a stated value of $1,000 per share (the "Stated Value"), and warrants (the "2025 Warrants") to purchase up to an aggregate of 200% of the shares of common stock into which the shares of Series C Preferred Stock are initially convertible, or 750,854 shares of common stock, for an offering price of $1,000 per share of Series C Preferred Stock and accompanying 2025 Warrants in two equal tranches, the second of which closed on April 8, 2025.

Pursuant to the February 2025 Agreement, on February 13, 2025, the Company issued and sold in an initial closing of the Offering (the "Initial Closing"), 1,650 shares of Series C Preferred Stock, initially convertible into up to 187,714 shares of common stock, and accompanying 2025 Warrants, initially exercisable for up to 375,427 shares of common stock, for gross proceeds to the Company of $1.65 million. On April 4, 2025, the Company obtained stockholder approval ("Stockholder Approval") for the issuance of the Series C Preferred Stock and 2025 Warrants, as required by the rules and regulations of NYSE American LLC (the "NYSE American"), including Section 713 of the NYSE American Company Guide, and issued and sold, in a second closing of the Offering (the "Second Closing"), an additional 1,650 shares of Series C Preferred Stock, initially convertible into up to 187,714 shares of common stock, and accompanying 2025 Warrants, initially exercisable for up to 375,427 shares of common stock, for gross proceeds to the Company of $1.65 million.

On July 10, 2026, the Company entered into a Securities Purchase Agreement (the "Series D Purchase Agreement") with certain investors, pursuant to which the Company agreed to issue and sell, in a private placement (the "Series D Financing"), an aggregate of 575 shares of the Company's Series D Convertible Preferred Stock, par value $0.0001 per share (the "Series D Preferred Stock"), initially convertible into up to 109,524 shares of the common stock, with a stated value of $1,000 per share, together with warrants (the "Series D Warrants") to purchase up to an aggregate of 100% of the shares of common stock into which the shares of Series D Preferred Stock are initially convertible, or 109,524 shares of common stock, for aggregate gross proceeds of up to $575, at an offering price of $1,000 per share of Series D Preferred Stock and accompanying Series D Warrant. The Series D Financing closed on July 10, 2026 and the Company received net proceeds of $510 therefrom.

The Company is required to obtain stockholder approval (the "2026 Stockholder Approval") for the issuance of the shares of common stock issuable upon conversion of the Series D Preferred Stock and upon exercise of the Series D Warrants, the New Warrants and the Solicitation Agent Warrants (each as defined below), as may be required by the applicable rules and regulations of the NYSE American, including Section 713 of the NYSE American Company Guide. The Series D Preferred Stock will be convertible, at the option of the holder, at a conversion price of $5.25 per share, and the Series D Warrants will be exercisable at an exercise price of $5.25 per share and will expire five years, in each case from and after the date 2026 Stockholder Approval is received, subject to adjustment as provided in the applicable instruments.

As a result of the Series D Financing, the conversion price of the Series C Preferred Stock issued on February 13, 2025 and April 8, 2025 was adjusted from $8.79 to $5.25 pursuant to its stockholder-approved anti-dilution provisions. In accordance with ASC 260, *Earnings Per Share* ("ASC 260"), the Company recognized a deemed dividend of $2,372 attributable to the incremental value conveyed to the Series C Preferred Stockholders as a result of the adjustment. The deemed dividend was reflected as a reduction of income available to common stockholders in computing basic and diluted net loss per share, with an offsetting adjustment within stockholders' equity.

The Series C Preferred shares were valued on the date of adjustment using the Option Pricing Model back-solve framework with the following assumptions:

	Pre-Adjustment Assumptions
Expected volatility	140.05%
Risk-free interest rate	4.18%
Operating equity value on a consolidated basis	$ 16.3 million
Exercise price on an equity value basis	Respective Breakpoint value ranging from $3.2 million to $2.9 billion
Dividend yield	-%
Expected term	3.0

	Post-Adjustment Assumptions
Expected volatility	140.05%
Risk-free interest rate	4.18%
Operating equity value on a consolidated basis	$20.1 million
Exercise price on an equity value basis	Respective Breakpoint value ranging from $3.2 million to $2.9 billion
Dividend yield	-%
Expected term	3.0

Warrants

Series D Warrants:

The Series D Financing included the issuance of Series D Warrants to purchase up to 109,524 shares of common stock, as described above under “Preferred Stock”. The Series D Warrants have an exercise price of $5.25 per share, will become exercisable on the date 2026 Stockholder Approval is received (or such date that 2026 Stockholder Approval is no longer required under the rules of the applicable trading market) and will expire on the fifth anniversary of such date. As of September 30, 2026, Stockholder Approval had not been obtained and the Series D Warrants were not exercisable.

The following table summarizes the weighted-average assumptions, reflecting the value of the accompanying Series D Warrants as of July 10, 2026, used in calculating the Black Scholes fair value of the accompanying Series D warrants issued during the three and nine months ended September 30, 2026:

	Assumptions
Expected volatility	46.00%
Risk-free interest	4.25%
Stock price (pre-stock split)	$ 0.76
Exercise price (pre-stock split)	$ 0.35
Dividend yield	—%
Expected term (in years)	5.4

Series C Warrants:

As a result of the Series D Financing, the exercise price of the equity-classified 2025 Warrants was adjusted from $9.60 to $5.25. In accordance with ASC 260, the Company recognized a deemed dividend of $1,208, measured as the increase in the fair value of the 2025 Warrants immediately before and after the exercise-price adjustment. The deemed dividend was reflected as a reduction of income available to common stockholders in computing basic and diluted net loss per share, with an offsetting adjustment within stockholders’ equity.

The 2025 Warrants to purchase shares of common stock were valued on the date of modification using the Monte Carlo Simulation model with the following assumptions based on the valuation performed as of July 10, 2026:

	Pre-Adjustment Assumptions
Expected volatility	74.00%
Risk-free interest rate	4.25%
Stock price (pre-stock split)	$ 0.76
Exercise price (pre-stock split)	$ 0.64
Dividend yield	-%
Expected term (in years)	3.70

	Post Adjustment Assumptions
Expected volatility	74.00%
Risk-free interest rate	4.25%
Stock price (pre-stock split)	$ 0.76
Exercise price (pre-stock split)	$ 0.35
Dividend yield	-%
Expected term (in years)	3.70

As of September 30, 2026, the Company had total outstanding warrants to purchase 835,584 shares of common stock, 13,334 shares at an exercise price of $262.50 per share (the “2024 Warrants”) and the 2025 and 2026 Warrants consisting of 822,250 shares at an exercise price of $5.25.

The 2024 Warrants were exercisable beginning October 2, 2024, and expire on the five-and-one-half year anniversary of the date of issuance, or October 5, 2029.

The 2025 Warrants purchased in the Initial Closing became exercisable on April 4, 2025, the effective date of the Stockholder Approval and will expire five years from the effective date of the Stockholder Approval, or April 4, 2030. The 2025 Warrants purchased in the Second Closing were immediately exercisable and will expire on April 8, 2030. The 2025 Warrants contain a call provision pursuant to which, if the trailing five-day VWAP of the common stock is 300% higher than (i.e., 400% of) the initial exercise price, the Company may, by delivering a call notice within ten trading days thereafter, require the holders to exercise all or a portion of the unexercised 2025 Warrants within 30 trading days after receipt of the call notice, after which any portion of the called 2025 Warrants not exercised will be cancelled. The 2025 Warrants also contain anti-dilution provisions pursuant to which the exercise price is subject to reduction upon certain dilutive issuances of common stock or common stock equivalents at a price below the then-current exercise price.

On August 15, 2025, the Company entered into Warrant Exchange Agreements (the "Exchange Agreements") with certain holders (the "Exchanging Holders") of 2024 Warrants to purchase an aggregate of 31,112 shares of common stock. Pursuant to the Exchange Agreements, on August 15, 2025, the Company issued to the Exchanging Holders one share of common stock for each Warrant, for an aggregate of 31,111 shares of common stock (the "Exchange Shares"), in exchange for the 2024 Warrants (the "Exchange"), in reliance on an exemption from registration provided by Section 3(a)(9) of the Securities Act of 1933, as amended (the "Securities Act"). Following the consummation of the Exchange, the 2024 Warrants held by the Exchanging Holders were cancelled.

Inducement Warrants:

On July 10, 2026, the Company entered into inducement offer letter agreements (the "Inducement Letters") with certain holders (the "Warrant Holders") of 2025 Warrants to purchase up to an aggregate of 499,107 shares of common stock.

Pursuant to the Inducement Letters, the Warrant Holders agreed to exercise for cash all or a portion of their 2025 Warrants at the current exercise price of $5.25 per share in consideration for the Company's agreement to issue, in a private placement, new unregistered common stock purchase warrants (the "New Warrants") to purchase up to 499,107 shares of common stock (100% of the number of shares of common stock issued pursuant to each such exercise of 2025 Warrants) (such transaction, the "Warrant Inducement"). The Warrant Inducement closed on July 10, 2026. The Company received net proceeds of $2,283 from the Warrant Inducement.

The New Warrants have an exercise price of $5.25 per share, will become exercisable on the date 2026 Stockholder Approval is received and will expire on the fifth anniversary of such date. As of September 30, 2026, 2026 Stockholder Approval had not been obtained and the New Warrants were not exercisable. The New Warrants contain a call provision pursuant to which, if the trailing five-day VWAP of the common stock is 300% higher than (i.e., 400% of) the initial exercise price, the Company may, by delivering a call notice within ten trading days thereafter, require the holders to exercise all or a portion of the unexercised New Warrants within 30 trading days after receipt of the call notice, after which any portion of the called New Warrants not exercised will be cancelled. The New Warrants also contain anti-dilution provisions pursuant to which the exercise price is subject to reduction upon certain dilutive issuances of common stock or common stock equivalents at a price below the then-current exercise price, subject to a floor price of $1.05 per share.

In connection with the Warrant Inducement, the Company issued the New Warrants as consideration to induce the Warrant Holders to exercise their outstanding 2025 Warrants. The fair value of the New Warrants issued as an inducement, totaling $3,541, was recognized as a deemed dividend to the exercising Warrant Holders. The deemed dividend increased net loss attributable to common stockholders in the calculation of basic and diluted net loss per share. This deemed dividend was recognized separately from the deemed dividend arising from the down-round adjustment to the exercise price of the 2025 Warrants described above.

The New Warrants to purchase shares of common stock were valued on the date of issuance using the Monte Carlo Simulation model with the following assumptions based on the valuation performed as of July 10, 2026:

		Assumptions
Expected volatility		44.00%
Risk-free interest rate		4.33%
Stock price (pre-stock split)	$	0.76
Exercise price (pre-stock split)	$	0.35
Dividend yield		-%
Expected term (in years)		5.40

Solicitation Warrants:

The Company engaged ThinkEquity LLC (the "Solicitation Agent") to act as its exclusive warrant solicitation agent in connection with the transactions described above pursuant to that certain Warrant Solicitation Agent Agreement, by and between the Company and the Solicitation Agent, dated as of July 10, 2026 (the "Warrant Solicitation Agent Agreement"). Pursuant to the Warrant Solicitation Agent Agreement, the Company agreed to pay the Solicitation Agent a fee consisting of (i) a cash payment equal to 10% of the aggregate gross cash proceeds received by the Company from the Warrant Holders' exercise of the 2025 Warrants and (ii) warrants (the "Solicitation Agent Warrants") to purchase 24,956 shares of common stock (5% of the aggregate number of shares underlying the New Warrants issued to the Warrant Holders in connection with the transactions contemplated by the Inducement Letters).

The Solicitation Agent Warrants have an exercise price of $5.25 per share, will become exercisable on the date 2026 Stockholder Approval is received (or such date that 2026 Stockholder Approval is no longer required under the rules of the applicable trading market), and will expire on the fifth anniversary of such date. As of September 30, 2026, the 2026 Stockholder Approval had not been obtained and the Solicitation Agent Warrants were not exercisable. Pursuant to the Warrant Solicitation Agent Agreement, the Company also agreed to reimburse the Solicitation Agent for its reasonable legal and other expenses up to $50.

The following table summarizes the weighted-average assumptions used in calculating the Black Scholes fair value of the Solicitation Agent Warrants issued during the three and nine months ended September 30, 2026. The assumptions reflect the valuation of the Solicitation Agent Warrants as of July 10, 2026:

		Assumptions
Expected volatility		46.00%
Risk-free interest		4.25%
Stock price on date of issuance (pre-stock split)	$	0.76
Exercise price (pre-stock split)	$	0.35
Dividend yield		—%
Expected term (in years)		5.4

A summary of total warrants outstanding as of September 30, 2026 and December 31, 2025 is as follows:

	Shares
Outstanding at December 31, 2024	44,445
Issued	750,854
Exercised	(63,083)
Exchanged	(31,112)
Outstanding at December 31, 2025	701,104
Issued	633,587
Exercised	(499,107)*
Exchanged	—
Expired	—
Outstanding at September 30, 2026	835,584

- Includes 13,333 HEZBAY warrants held in abeyance.

Basic and diluted net loss per common share

Net loss per share information is determined using the two-class method. The two-class method determines net income (loss) per share for each class of common and participating securities according to dividends declared or accumulated and participation rights in undistributed earnings. The two-class method requires income (loss) available to common stockholders for the period to be allocated between common and participating securities based upon their respective rights to share in the earnings as if all income (loss) for the period had been distributed. The Company's convertible preferred stock and outstanding warrants participate in any dividends declared by the Company on common stock on a one-for-one basis and are therefore considered to be participating securities. The participating securities are not required to participate in the losses of the Company, and therefore during periods of loss there is no allocation required under the two-class method.

Under the two-class method, basic net loss per share attributable to common stockholders is computed by dividing the net loss attributable to common stockholders by the weighted-average number of shares of common stock outstanding during the period. Diluted net loss per share attributable to common stockholders is computed by dividing the diluted net loss attributable to common stockholders by the weighted average number of shares of common stock outstanding for the period including potential dilutive common shares. For purposes of this calculation, outstanding options and warrants to purchase common stock, and shares of convertible preferred stock are considered potential dilutive common shares. The Series D Preferred Stock, Series D Warrants, New Warrants and Solicitation Agent Warrants are not convertible or exercisable until 2026 Stockholder Approval is received. Because 2026 Stockholder Approval had not been obtained as of September 30, 2026, the shares of common stock issuable upon conversion or exercise of these securities are considered contingently issuable shares and are excluded from the computation of basic and diluted net loss per share until the contingency is satisfied, and are also antidilutive. The Company has generated net loss in all periods presented, and therefore the basic and diluted net loss per share attributable to common stockholders are the same as the inclusion of the potentially dilutive securities would be anti-dilutive.

For the three and nine months ended September 30, 2026 and 2025, diluted weighted average common shares outstanding are equal to basic weighted average common shares. The following potentially dilutive securities outstanding had an antidilutive impact and were therefore excluded from the computation of diluted weighted-average shares outstanding:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Options to purchase common stock	24,963	30,481	24,963	30,481
Convertible preferred stock upon conversion	523,048	358,931	523,048	358,931
Warrants to purchase common stock	835,584	757,521	835,584	757,521

Note 10 – Stock-based Compensation

2013 Plan

On August 2, 2013, the Company's Board of Directors (the "Board") adopted the 2013 Equity Compensation Plan (as amended to date, the "2013 Plan") pursuant to the terms described herein. The 2013 Plan was approved by the stockholders on August 7, 2013. Effective May 8, 2014, upon the approval of the Company's Board and its stockholders, the Company amended and restated the 2013 Plan, primarily to include "evergreen" provisions, which provided that the number of shares of common stock available for issuance under the 2013 Plan is subject to an automatic annual increase on January 1 of each year beginning in 2015; to amend the definition of "fair market value"; and to increase the limits on awards under the 2013 Plan. The 2013 Plan, which expired on May 7, 2024, provided for the granting of incentive stock options, non-qualified stock options, restricted stock units, performance units, and stock purchase rights.

As of September 30, 2026, there were 23,714 awards, including both restricted stock grants and option grants, issued and exercised under the 2013 Plan and no remaining shares available for grant under the 2013 Plan.

2025 Plan

On April 30, 2025, the Company's Board, subject to the approval of its stockholders, which was received on June 23, 2025, adopted a new 2025 Equity Incentive Plan (the "2025 Plan") to succeed the 2013 Plan. The general purpose of the 2025 Plan is to provide an incentive to its employees, directors, consultants and advisors by enabling them to share in the future growth of our business. The term of the 2025 Plan is 10 years. The 2025 Plan includes the "evergreen" provisions, which provides that the number of shares of common stock available for issuance under the 2025 Plan is subject to an automatic annual increase on January 1 of each year beginning in 2026. Therefore, an additional 17,083 shares were automatically made available for issuance on the first trading day of 2026, which represented 4.0% of the number of shares outstanding on December 31, 2025. As of the date of this filing, these shares have not been registered.

The maximum number of shares of common stock of the Company that are available for issuance under the 2025 Plan is 67,952 shares. As of September 30, 2026, there were 60,186 remaining shares available for grant under the 2025 Plan.

The Company recognized stock-based compensation expense for stock options in its condensed consolidated statements of operations as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Research and Development	$ —	$ —	$ —	$ 85
General and Administrative	100	253	317	721
Total	$ 100	$ 253	$ 317	$ 806

Stock Options

The following table summarizes the activity for the Company's stock options for the nine months ended September 30, 2026:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Contractual Term (Years)	Aggregate Intrinsic Value (a)
Outstanding at December 31, 2025	30,481	$ 521.40	6.5	$ —
Granted	—	—		—
Exercised	—	—		—
Forfeited	(850)	234.15		—
Expired	(4,668)	690.15		—
Outstanding at September 30, 2026	24,963	$ 499.65	6.04	$ —
Exercisable at September 30, 2026	20,472	$ 593.40	5.58	$ —

(a) The aggregate intrinsic value in the above table was calculated on the positive difference, if any, between the closing price per share of the Company's common stock on September 30, 2026 of $2.33 and the split-adjusted per share exercise price of the underlying options.

As of September 30, 2026, unamortized stock-based compensation for stock options outstanding was $290 and is expected to be recognized over a weighted average period of 1.23 years. Total unrecognized compensation cost will be adjusted for future forfeitures, if necessary.

Note 11 – Related Party Transactions

2026 Series D Financing

On July 10, 2026, HEZBAY Holdings LLC ("HEZBAY"), a current holder of more than 5% of the Company's common stock, purchased 500 shares of Series D Preferred Stock and Series D Warrants to purchase 95,239 shares of common stock in the Series D Financing. See Note 9 for additional information.

2026 Warrant Inducement

On July 10, 2026, the Company entered into the Inducement Letters with the Warrant Holders of its Existing Warrants. Pursuant to the Inducement Letters, the Warrant Holders agreed to exercise for cash all or a portion of their 2025 Warrants at the current exercise price of $5.25 per share in consideration for the Company's agreement to issue New Warrants to purchase up to 499,107 shares of common stock (100% of the number of shares of common stock issued pursuant to each such exercise of 2025 Warrants), in a private placement in accordance with Section 4(a)(2) of the Securities Act. The Warrant Inducement closed on July 10, 2026. See Note 9 for additional information.

- HEZBAY exercised its Existing Warrants for 100,432 shares of common stock. In consideration for the exercise, the Company issued to HEZBAY New Warrants to purchase 100,433 shares of common stock.

- Adam K. Stern, a current holder of more than 5% of the Company's common stock, serves as the General Partner of AKS Family Partners, LP ("AKS Family Partners") and the Trustee of Stern Aegis Ventures LLC Defined Benefit Plan for the Benefit of Adam K. Stern ("Stern Aegis Ventures DBP"). Mr. Stern has voting and investment control over the securities held by each of AKS Family Partners and Stern Aegis Ventures DBP. AKS Family Partners exercised its 2025 Warrants for 22,980 shares of common stock. In consideration, the Company issued to AKS Family Partners New Warrants to purchase 22,981 shares of common stock. Stern Aegis Ventures DBP exercised its 2025 Warrants for 42,022 shares of common stock. In consideration, the Company issued to Stern Aegis Ventures DBP New Warrants to purchase 42,023 shares of common stock.

- Pembroke & Partners LLC ("Pembroke"), a current holder of more than 5% of the Company's common stock, exercised its 2025 Warrants for 47,619 shares of common stock. In consideration, the Company issued to Pembroke & Partners LLC New Warrants to purchase 47,620 shares of common stock.

- Platinum Point Capital LLC, a current holder of more than 5% of the Company's common stock, exercised its 2025 Warrants for 20,000 shares of common stock. In consideration, the Company issued to Platinum Point Capital LLC New Warrants to purchase 20,000 shares of common stock.

Certain holders of the Company's Series C Convertible Preferred Stock and 2025 Warrants are related parties. During the three months ended September 30, 2026, the Company recognized deemed dividends of $3.6 million associated with the down-round adjustments to the Series C Convertible Preferred Stock and 2025 Warrants, of which

$1.7 million was attributable to related parties. In addition, the Company recognized deemed dividends of $3.5 million associated with the Warrant Inducement, of which $1.7 million was attributable to related parties.

2025 Offering

On February 13, 2025, the Company entered into the February 2025 Agreement with certain investors pursuant to which the Company agreed to issue and sell, in a private placement, an aggregate of 3,300 shares of Series C Preferred Stock, initially convertible into up to 375,427 shares of common stock, with a stated value of $1,000 per share, and 2025 Warrants to purchase up to an aggregate of 200% of the shares of common stock into which the shares of Series C Preferred Stock are initially convertible, or 750,854 shares of common stock, for an offering price of $1,000 per share of Series C Preferred Stock and accompanying 2025 Warrants.

Pursuant to the February 2025 Agreement the Company issued and sold, in an initial closing, 1,650 shares of Series C Preferred Stock, initially convertible into up to 187,714 shares of common stock, and accompanying 2025 Warrants, initially exercisable for up to 375,427 shares of common stock, for gross proceeds of $1.65 million. On April 4, 2025, the Company obtained stockholder approval for the issuance of the Series C Preferred Stock and 2025 Warrants, as required by the rules and regulations of NYSE American, including Section 713 of the NYSE American Company Guide, and issued and sold, in a second closing, an additional 1,650 shares of Series C Preferred Stock, initially convertible into up to 187,714 shares of common stock, and accompanying 2025 Warrants, initially exercisable for up to 375,427 shares of common stock, for gross proceeds of $1.65 million.

- Sanitam Partners LLC, a former holder of more than 5% of the Company's common stock, purchased 1,406 shares of Series C Preferred Stock and 2025 Warrants to purchase 319,910 shares of common stock in the Offering.
- Pembroke purchased 984 shares of Series C Preferred Stock and 2025 Warrants to purchase 223,891 shares of common stock in the Offering.
- Platinum Point purchased 410 shares of Series C Preferred Stock and 2025 Warrants to purchase 93,288 shares of common stock in the Offering.
- HEZBAY purchased 500 shares of Series C Preferred Stock and 2025 Warrants to purchase 113,766 shares of common stock in the Offering.

Note 12 – Subsequent Events

The Company has evaluated subsequent events through November 16, 2026 and has concluded that no events or transactions have occurred that require disclosure in the accompanying condensed consolidated financial statements which significantly affect or may significantly affect the results of the operations of the Company, except for the following:

On November 3, 2026, the Company and a former financial advisor to the Company (the "Advisor") terminated the agreement between the Company and the Advisor. That agreement provided for, among other things, the payment to the Advisor of up to $2.0 million in cash and up to $2.0 million in stock in connection with the closing of certain business combinations. In connection with the termination, the Company paid the Advisor $563 in cash, and the Company and the Advisor exchanged mutual releases, subject to certain contingencies.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read together with our financial statements and the related notes and the other financial information included elsewhere in this Quarterly Report on Form 10-Q. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those discussed below and elsewhere in this Quarterly Report on Form 10-Q, in our Annual Report on Form 10-K for the year ended December 31, 2025 and in other reports we file with the Securities and Exchange Commission (the "SEC"), particularly those under "Risk Factors." Dollars in tabular format are presented in thousands, except per share data, or as otherwise indicated.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This report on Form 10-Q contains forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 under 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"). Forward-looking statements include statements with respect to our beliefs, plans, objectives, goals, expectations, anticipations, assumptions, estimates, intentions and future performance, and involve known and unknown risks, uncertainties and other factors, which may be beyond our control, and which may cause our actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. All statements other than statements of historical fact are statements that could be forward-looking statements. You can identify these forward-looking statements through our use of words such as "may," "can," "anticipate," "assume," "should," "indicate," "would," "believe," "contemplate," "expect," "seek," "estimate," "continue," "plan," "point to," "project," "predict," "could," "intend," "target," "potential" and other similar words and expressions of the future.

There are a number of important factors that could cause the actual results to differ materially from those expressed in any forward-looking statement made by us. These factors include, but are not limited to:

- our ability to satisfy the conditions to the closing of the Business Combination (as defined below) and the Stock Sale (as defined below), including obtaining the stockholder approval required to complete such transactions;
- our ability to meet expectations regarding the timing and completion of the Business Combination and Stock Sale;
- the timing and costs of consummating the Business Combination and Stock Sale;
- our ability to complete the Business Combination, the Stock Sale, or one or more other strategic transactions, that will maximize our assets or otherwise provide value to stockholders;
- our ability to raise capital when needed;
- our ability to maintain or protect the validity of our patents and other intellectual property;
- our ability to regain and maintain compliance with the continued listing requirements of the NYSE American LLC (the "NYSE American"); and
- the factors listed under the heading "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2025, elsewhere in this report and other reports that we file with the SEC.

All forward-looking statements are expressly qualified in their entirety by this cautionary notice. You are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date of this report or the date of the document incorporated by reference into this report. We have no obligation, and expressly disclaim any obligation, to update, revise or correct any of the forward-looking statements, whether as a result of new information, future events or otherwise. We have expressed our expectations, beliefs and projections in good faith, and we believe they have a reasonable basis. However, we cannot assure you that our expectations, beliefs or projections will result or be achieved or accomplished.

Overview

We are a clinical-stage biopharmaceutical company focused on delivering groundbreaking therapies using our lipid nanocrystal (LNC) platform delivery technology (LNC Platform). Our lead product candidate is MAT2203 (oral amphotericin B), a highly potent antifungal drug which, by virtue of LNC delivery, has been made oral, safe, and well-tolerated for prolonged administration in patients with life-threatening invasive fungal infections. Following the successful EnACT Phase 2 trial in the treatment of cryptococcal meningitis, MAT2203 is now positioned for a single, Phase 3 registration trial (the "ORALTO trial") in support of a New Drug Application (NDA) for the treatment of invasive aspergillosis in patients with limited treatment options. In July 2026, we entered into the Business Combination Agreement with GH Power and the Stock Purchase Agreement with Azurity described below under "Business Combination" and "Stock Purchase Agreement." Following the completion of the Business Combination, the current business of GH Power is expected to become the primary business of the combined company, and we do not expect to continue our historical LNC Platform development activities as an independent, publicly traded company.

For the nine-month periods ended September 30, 2026 and 2025, our net loss was $5,012 and $8,433, respectively. We have incurred losses for each period from our inception and expect to incur additional losses for the foreseeable future. We will seek to fund our operations through public or private equity offerings, debt financing, government or other third-party funding, collaborations and licensing arrangements. Adequate additional financing may not be available to us on acceptable terms, or at all. Our failure to raise capital as and when needed would have a negative impact on our financial condition and our ability to pursue our business strategy and continue as a going concern. We will need to generate significant revenues to achieve profitability, and we may never do so.

Business Combination

On July 10, 2026, we, GH Power Inc., a corporation organized under the laws of Ontario ("GH Power"), 1001550000 Ontario Inc., a corporation organized under the laws of Ontario ("Pubco"), 1001550002 Ontario Inc., a corporation organized under the laws of Ontario and a wholly owned subsidiary of Pubco ("GH Power Merger Sub") and MBH Merger Sub, Inc., a Delaware corporation and wholly owned subsidiary of Pubco ("Matinas Merger Sub"), entered into a Business Combination Agreement (the "Business Combination Agreement") pursuant to which, subject to the terms and conditions contained in the Business Combination Agreement, (i) GH Power Merger Sub and GH Power will amalgamate to form one corporate entity and wholly owned subsidiary of Pubco by way of a plan of arrangement (the "Plan of Arrangement") under the Business Corporations Act (Ontario) (the "Amalgamation") and (ii) immediately following the effectiveness of the Amalgamation, Matinas Merger Sub will merge with and into us (the "Company Merger" and together with the Amalgamation, the "Business Combination"), with us surviving the Company Merger as a direct wholly owned subsidiary of Pubco.

Stock Purchase Agreement

On July 10, 2026, we and Azurity Pharmaceuticals, Inc., a Delaware corporation ("Azurity"), entered into a Stock Purchase Agreement (the "Stock Purchase Agreement") pursuant to which Azurity will purchase and acquire from us all of the issued and outstanding equity interests (the "Stock Sale") of Matinas BioPharma Nanotechnologies, Inc. (f/k/a Aquarius Biotechnologies Inc.), a Delaware corporation and our wholly owned subsidiary ("Nanotechnologies"). As consideration for the Stock Sale, Azurity agreed to pay us cash consideration of up to $21,500, with $4,000 due to us at the closing of the Stock Sale, subject to downward adjustment by the amount of Indebtedness (as defined in the Stock Purchase Agreement), and up to an additional $17,500 due upon the achievement of certain milestone events set forth in the Stock Purchase Agreement. We will also be eligible to receive a mid-single-digit royalty on Net Sales (as defined in the Stock Purchase Agreement) and Licensing Proceeds (as defined in the Stock Purchase Agreement) generated on MAT2203. Pursuant to the terms of royalty rights certificates held by the former holders of the Company's Series A Preferred Stock, the holders thereof are entitled to receive, in the aggregate, 7.5% of the amounts the Company receives from Azurity in connection with the Stock Sale, including the initial purchase price, milestone payments and royalty amounts described above.

Additional information about the Business Combination Agreement and the Stock Purchase Agreement is set forth in our Current Report on Form 8-K filed with the SEC on July 13, 2026.

Financial Operations Overview

General and Administrative Expenses

General and administrative expenses for the nine months ended September 30, 2026 and 2025 were $5,232 and $5,275, respectively. General and administrative expenses consist principally of salaries and related costs for personnel in executive and finance functions. Other general and administrative expenses include facility costs, insurance, investor relations expenses, professional fees for legal, patent review, consulting and accounting/audit services. We anticipate that our general and administrative expenses during 2026 will increase slightly compared to expenses incurred during 2025 as the corporate strategy continues to evolve.

Change in fair value of warrant liability

On February 13, 2025, and April 8, 2025, we issued shares of our Series C Convertible Preferred Stock, par value $0.0001 per share (the "Series C Preferred Stock"), and warrants to purchase shares of common stock (the "2025 Warrants") in a private placement. The 2025 Warrants were initially classified as a liability upon each issuance date with the fair value estimated using a Monte Carlo simulation model. The terms of the 2025 Warrants were amended after issuance enabling the reclassification of the 2025 Warrants as equity.

A loss of $3,161 was recognized for the nine months ended September 30, 2025, representing the change in fair value of the warrant liability between the issuance dates of February 13, 2025 and April 8, 2025 and the amendment date of June 26, 2025. There was no warrant liability at September 30, 2026.

(Loss)/gain on disposal of assets, net

During the nine months ended September 30, 2026 and 2025, we recognized a loss on disposal of assets of $138 and a gain on disposal of assets of $110, respectively. In 2026, assets with a net book value of $138 were written off in connection with the termination of the Bridgewater lease in April 2026. In 2025, we sold equipment with a net book value of $210 for proceeds of $320, resulting in a gain on disposal of $110.

Other income/(expense), net

Other expense, net was $10 for the nine months ended September 30, 2026, compared with other expense, net of $22 for the nine months ended September 30, 2025. The period-over-period change was immaterial.

Application of Critical Accounting Policies and Accounting Estimates

A critical accounting policy is one that is both important to the portrayal of our financial condition and results of operations and requires management's most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain.

For a description of our significant accounting policies, refer to "Note 3 – *Summary of Significant Accounting Policies*" in our 2025 Form 10-K. Of these policies, the following are considered critical to an understanding of our unaudited condensed consolidated financial statements as they require the application of the most difficult, subjective and complex judgments: (i) Other intangible assets, and (ii) Warrants.

Recent Accounting Pronouncements

Refer to Note 3 within the Company's Notes to Consolidated Financial Statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025 and Note 3 to the unaudited condensed consolidated financial statements included herein for a discussion of recently adopted accounting pronouncements and their expected impact on our financial position and results of operations.

Current Operating Trends

Currently we are focused on consummating the Business Combination and the Stock Sale while conserving our cash until such transactions are completed.

Results of Operations

Comparison of the three months ended September 30, 2026 to the three months ended September 30, 2025

The following tables summarize our operating expenses for the periods presented:

	Three Months Ended September 30,	
	2026	**2025**
Expenses:		
Research and development	$ —	$ —
General and administrative	1,742	1,577
Operating Expenses	$ 1,742	$ 1,577

Research and Development expenses. We did not have any Research and Development expenses for the three months ended September 30, 2026 and 2025, respectively.

General and Administrative expenses. General and Administrative (G&A) expenses for the three months ended September 30, 2026 and 2025 were $1,742 and $1,577, respectively. The increase in G&A expenses was primarily attributable to higher legal and consulting fees primarily related to corporate strategic initiatives, partially offset by lower personnel-related costs resulting from reduced headcount and lower operating lease expense following the termination of our Bridgewater lease.

Comparison of the nine months ended September 30, 2026 to the Nine Months Ended September 30, 2025

The following tables summarize our operating expenses for the periods presented:

	Nine Months Ended September 30,	
	2026	2025
Expenses:		
Research and development	$ —	$ 85
General and administrative	5,232	5,275
Operating Expenses	$ 5,232	$ 5,360

Research and Development expenses. R&D expenses for the nine months ended September 30, 2026 and 2025 were $0 and $85, respectively. The decrease in R&D expenses was primarily attributable to the decrease in clinical trial consulting costs related to the pause of our MAT2203 development program and in headcount costs resulting from our reduction in force.

General and Administrative expenses. G&A expenses for the nine months ended September 30, 2026 and 2025 were $5,232 and $5,275, respectively. The decrease in G&A expenses was primarily attributable to lower personnel-related costs resulting from reduced headcount and lower operating lease expense following the termination of our Bridgewater lease, partially offset by higher legal and consulting fees primarily related to corporate strategic initiatives.

Liquidity and capital resources

Sources of Liquidity

We have funded our operations since inception primarily through private placements of our preferred stock and our common stock and common stock warrants. As of September 30, 2026, we have raised a total of $173,532 in gross proceeds and $159,388, net proceeds, from sales of our equity securities.

As of September 30, 2026, we had cash and cash equivalents, excluding restricted cash, totaling $1,936.

2026 Private Placement

On July 10, 2026, we entered into a Securities Purchase Agreement (the "Series D Purchase Agreement") with certain investors, pursuant to which we agreed to issue and sell, in a private placement (the "Series D Financing"), an aggregate of 575 shares of our Series D Convertible Preferred Stock, par value $0.0001 per share (the "Series D Preferred Stock"), initially convertible into up to 109,524 shares of common stock, with a stated value of $1,000 per share, together with warrants (the "Series D Warrants") to purchase up to an aggregate of 100% of the shares of common stock into which the shares of Series D Preferred Stock are initially convertible, or 109,524 shares of common stock, for aggregate gross proceeds of up to $575, at an offering price of $1,000 per share of Series D Preferred Stock and accompanying Series D Warrant. The Series D Financing closed on July 10, 2026.

As a result of the Series D Financing, the exercise price of the 2025 Warrants was adjusted from $9.60 to $5.25 pursuant to the terms of the anti-dilution provisions contained therein and previously approved by our stockholders. In addition, the conversion price of our Series C Preferred Stock, issued on February 13, 2025 and April 8, 2025, was adjusted from $8.79 to $5.25 pursuant to the terms of the anti-dilution provisions contained therein and previously approved by our stockholders.

2026 Warrant Inducement

On July 10, 2026, we entered into inducement offer letter agreements (the "Inducement Letters") with certain holders (the "Warrant Holders") of our 2025 Warrants to purchase up to an aggregate of 499,107 shares of common stock, issued to the Warrant Holders on February 13, 2025 and April 8, 2025.

Pursuant to the Inducement Letters, the Warrant Holders agreed to exercise, for cash, all or a portion of their 2025 Warrants at the current exercise price of $5.25 per share in consideration for our agreement to issue, in a private placement, new unregistered common stock purchase warrants (the "New Warrants") to purchase up to 499,107 shares of common stock (100% of the number of shares of common stock issued pursuant to each such exercise of 2025 Warrants) (such transaction, the "Warrant Inducement"). The Warrant Inducement closed on July 10, 2026 and 2025 Warrants to purchase the 499,107 shares were exercised. As a result, we received net proceeds of $2,283 from the Warrant Inducement.

We engaged ThinkEquity LLC (the "Solicitation Agent") to act as our exclusive warrant solicitation agent in connection with the transactions described above pursuant to that certain Warrant Solicitation Agent Agreement, by and between us and the Solicitation Agent, dated as of July 10, 2026 (the "Warrant Solicitation Agent Agreement"). Pursuant to the Warrant Solicitation Agent Agreement, we agreed to pay the Solicitation Agent a fee consisting of (i) a cash payment equal to 10% of the aggregate gross cash proceeds received by us from the Warrant Holders' exercise of the 2025 Warrants and (ii) warrants (the "Solicitation Agent Warrants") to purchase 24,956 shares of common stock at an exercise price of $5.25 per share (5% of the aggregate number of shares underlying the New Warrants issued to the Warrant Holders in connection with the transactions contemplated by the Inducement Letters). The Solicitation Agent Warrants are exercisable beginning on the date stockholder approval is received and expire on the fifth anniversary of such date, and, unlike the New Warrants, do not contain a call provision or dilutive issuance price protection. Pursuant to the Warrant Solicitation Agent Agreement, we also agreed to reimburse the Solicitation Agent for its reasonable legal and other expenses up to $50.

2025 Private Placement

On February 13, 2025, we entered into a securities purchase agreement (the "February 2025 Agreement") with a certain group of investors, pursuant to which we agreed to issue and sell, in a private placement, an aggregate of 3,300 shares of Series C Preferred Stock, initially convertible into up to 375,427 shares of our common stock, with a stated value of $1,000 per share, and 2025 Warrants to purchase up to an aggregate of 200% of the shares of common stock into which the shares of Series C Preferred Stock are initially convertible, or 750,854 shares of common stock, for an offering price of $1,000 per share of Series C Preferred Stock and accompanying 2025 Warrants.

Pursuant to the February 2025 Agreement, on February 13, 2025, we issued and sold in an initial closing 1,650 shares of Series C Preferred Stock, initially convertible into up to 187,714 shares of common stock, and accompanying 2025 Warrants, initially exercisable for up to 375,427 shares of common stock, for gross proceeds of $1.65 million. On April 4, 2025, we obtained stockholder approval for the issuance of the Series C Preferred Stock and 2025 Warrants, as required by the rules and regulations of NYSE American, including Section 713 of the NYSE American Company Guide, and issued and sold, in a second closing, an additional 1,650 shares of Series C Preferred Stock, initially convertible into up to 187,714 shares of common stock, and accompanying 2025 Warrants, initially exercisable for up to 375,427 shares of common stock, for gross proceeds of $1.65 million.

2024 Registered Direct Offering

On April 5, 2024, we closed a registered direct offering of 44,444 shares of our common stock and warrants to purchase up to an aggregate of 44,445 additional shares of common stock, at a combined purchase price of $225.00 per share and accompanying warrant. We generated gross proceeds of approximately $10,000 and net proceeds of approximately $9,179, after deducting underwriting discounts and commissions and other offering expenses.

On August 15, 2025, we entered into Warrant Exchange Agreements (the "Exchange Agreements") with certain holders (the "Exchanging Holders") of warrants at an exercise price of $262.50 per share (the "2024 Warrants") to purchase an aggregate of 31,112 shares of common stock. Pursuant to the Exchange Agreements, on August 15, 2025, we issued to the Exchanging Holders one share of common stock for each 2024 Warrant, for an aggregate of 31,111 shares of common stock.

2020 At-The-Market Sales Agreement

On July 2, 2020, we entered into an At-The-Market Sales Agreement (the "Sales Agreement") with BTIG, LLC ("BTIG"), pursuant to which we may offer and sell, from time to time, through BTIG, as sales agent and/or principal, shares of our common stock having an aggregate offering price of up to $50 million, subject to certain limitations on the amount of common stock that may be offered and sold by us set forth in the Sales Agreement. BTIG will be paid a 3% commission on the gross proceeds from each sale. We may terminate the Sales Agreement at any time; BTIG may terminate the Sales Agreement in certain limited circumstances. We did not sell any shares under the Sales Agreement during the nine months ended September 30, 2026 and 2025. On July 23, 2026, pursuant to and in accordance with Section 12(a) of the Sales Agreement, BTIG notified us that BTIG is terminating the Sales Agreement, effective immediately. We are not subject to any termination penalties or other expenses related to the termination of the Sales Agreement.

Cash Flows

The following table sets forth the primary sources and uses of cash, cash equivalents and restricted cash for each of the periods set forth below:

	Nine Months Ended September 30,	
	2026	**2025**
Cash used in operating activities	$ (5,051)	$ (5,502)
Cash provided by (used in) investing activities	—	320
Cash provided by financing activities	2,788	3,333
Net decrease in cash and cash equivalents and restricted cash	$ (2,263)	$ (1,849)

Operating Activities

Net cash used in operating activities was $5,051 and $5,502 for the nine-month periods ended September 30, 2026 and 2025, respectively. Net losses of $5,012 and $8,433 for the nine-month periods ended September 30, 2026 and 2025, respectively, were partially offset by working capital adjustments due to the timing of receipts and payments in the ordinary course of business, adjustments for non-cash stock-based compensation expense and change in fair value of the warrant liability.

Investing Activities

Net cash provided by investing activities was $0 and $320 for the nine-month periods ended September 30, 2026 and 2025, respectively. The $320 in cash flows from investing activities for the nine months ended September 2025 reflects the non-recurring sale of assets during the period then ended.

Financing Activities

Net cash provided by financing activities was $2,788 for the nine months ended September 30, 2026 as compared to $3,333 for the same period ended in 2025. The decrease in cash provided by financing activities is primarily due to the lower net proceeds realized from the sale of our Series D Preferred Stock combined with the exercise of warrants of $2,793 during the nine months ended September 30, 2026 as compared to the net proceeds realized from the sale of our Series C Preferred Stock of $3,271 during the nine months ended September 30, 2025.

Funding Requirements and Other Liquidity Matters

We do not believe that our existing cash and cash equivalents will be sufficient to fund our operating expenses and capital requirements for a period of at least the next twelve months from the filing date of this Quarterly Report. As a result, substantial doubt exists about our ability to continue as a going concern.

As more fully described in Note 2 of the footnotes to the financial statements, on July 10, 2026 we entered into the Business Combination Agreement with GH Power and the Stock Purchase Agreement for the sale of Nanotechnologies, the owner of MAT2203. Additionally, we received net proceeds of approximately $510 from the Series D Financing and approximately $2,283 from the Warrant Inducement. There can be no assurance that the sale of Nanotechnologies and Business Combination with GH Power will be consummated. If such transactions are not consummated, the Company will need to secure substantial additional funding from other sources to continue its operations, and there can be no assurance that such funding will be available on acceptable terms, or at all. In such a case, the Board of Directors may decide to pursue a winddown, dissolution or other liquidation process.

Off-Balance Sheet Arrangements

We did not have during the periods presented, and we do not currently have, any off-balance sheet arrangements, as defined under SEC rules, such as relationships with unconsolidated entities or financial partnerships, which are often referred to as structured finance or special purpose entities, established for the purpose of facilitating financing transactions that are not required to be reflected on our balance sheets.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Not applicable.

Item 4. CONTROLS AND PROCEDURES.

Disclosure Controls and Procedures:

As of September 30, 2026, under the supervision and with the participation of our principal executive officer and principal financial officer, we have evaluated, the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on that evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of September 30, 2026.

Our disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed in the reports that we filed or submitted under the Exchange Act is recorded, processed, summarized and reported within time periods specified by the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to our management, including principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting identified in connection with the above evaluation that occurred during the third quarter of 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.

The Company filed a complaint against its Landlord in the Superior Court of New Jersey, Somerset County, Chancery Division on July 11, 2025 alleging principally that Landlord illegally locked the Company out of its leased premises in Bridgewater, New Jersey. As a result of the illegal lockout, the Company sought (among other things) a declaration that the lease and all obligations thereunder, including rent, terminated as of the date of the lockout. On September 5, 2025, Landlord filed an answer with counterclaims, which it amended on December 12, 2025. In the counterclaims, Landlord sought a declaration that there was no lockout, or that the lockout was justified, and therefore the lease remains in effect. Landlord also sought damages for the Company's alleged failure to pay approximately $205 in rent (as of December 31, 2025) following the lockout, and alleged conversion of certain furniture, fixtures, and equipment (FF&E) items within the premises belonging to Landlord. The matter was resolved by way of the Settlement Agreement effective April 7, 2026, pursuant to which the Company (among other things) made a termination payment of $765 (which was satisfied with the $200 security deposit and a cash payment of $565) in return for discontinuation of the action, termination of the lease, and an exchange of mutual general releases. The Company exited the Bridgewater premises on April 29, 2026 pursuant to the terms of the Settlement Agreement.

Item 1A. RISK FACTORS.

Except as set forth below, there were no material changes from the risk factors set forth under Part I, Item 1A., "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025. You should carefully consider the risk factors contained in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025 in addition to the other information set forth in this report which could materially affect our business, financial condition or future results. The risks and uncertainties described in this report and in our Annual Report on Form 10-K for the year ended December 31, 2025, as well as other reports and statements that we file with the SEC, are not the only risks and uncertainties facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also have a material adverse effect on our financial position, results of operations or cash flows.

We could be delisted from the NYSE American, which could seriously harm the trading price of our common stock, the liquidity of our stock, our ability to raise capital and our ability to consummate the Business Combination.

Our common stock is listed on the NYSE American. We must satisfy the continued listing requirements of the NYSE American to maintain the listing of our common stock on the NYSE American.

On April 2, 2026, we received a written notice (the "Notice") from NYSE American indicating that we are not in compliance with the NYSE American continued listing standards set forth in Section 1003(a)(i) of the NYSE American Company Guide (the "Company Guide") requiring a company to have stockholders' equity of at least $2,000 if it has reported losses from continuing operations and/or net losses in two of its three most recent fiscal years, Section 1003(a)(ii) of the Company Guide requiring a company to have stockholders' equity of at least $4,000 if it has reported losses from continuing operations and/or net losses in three of its four most recent fiscal years and Section 1003(a)(iii) of the Company Guide requiring a company to have stockholders' equity of at least $6,000 if it has reported losses from continuing operations and/or net losses in its five most recent fiscal years. As of December 31, 2025, we had stockholders' equity of $4,830 and had losses in the most recent five fiscal years ended December 31, 2025. The Notice also indicates that we are not currently eligible for any exemption in Section 1003(a) of the Company Guide. We are now subject to the procedures and requirements of Section 1009 of the Company Guide. We had until May 2, 2026 to submit a plan (the "Plan") of actions we have taken or will take to regain compliance with the continued listing standards and may be eligible for up to 18 months from receipt of the Notice (the "Cure Period") to regain compliance.

On June 24, 2026, we received an additional written notice (the "June Notice") from NYSE American indicating noncompliance with Section 1003(a)(ii) of the NYSE American Company Guide, which requires stockholders' equity of at least $4,000 for companies that have reported losses from continuing operations and/or net losses in three of their four most recent fiscal years. This additional noncompliance was based on our reported stockholders' equity of $3,022 as of March 31, 2026 and losses from continuing operations and/or net losses in five of our most recent fiscal years ended December 31, 2025. In the June Notice, NYSE American accepted the Plan and granted us a plan period through October 2, 2027 (the "Plan Period," and such date, the "Plan Period Deadline") to regain compliance. During the Plan Period, we will be subject to periodic review by the NYSE American on our progress with the goals and initiatives outlined in the Plan. We intend to take all reasonable measures available to regain compliance with Sections 1003(a)(ii) and (iii) of the Company Guide during the Plan Period. If we do not regain compliance with the NYSE American listing standards by the Plan Period Deadline, or if we do not make progress consistent with the Plan during the Plan Period, then NYSE American staff may initiate delisting proceedings as appropriate.

There can be no assurance that we will be able to regain compliance with the stockholders' equity requirements within the Plan Period or at all. In addition, we may be unable to maintain compliance with other continued listing requirements, including any minimum trading price or market capitalization requirements. Even if we regain compliance with the stockholders' equity requirement or any other continued listing standard, there can be no assurance that we will be able to maintain compliance with the NYSE American's continued listing requirements in the future, and our common stock may be delisted from the NYSE American, which could reduce the liquidity of our common stock materially and result in a corresponding material reduction in the price of our common stock.

In addition, delisting could harm our ability to raise capital through alternative financing sources on terms acceptable to us, or at all, and may result in the potential loss of confidence by investors, employees, suppliers, customers and business development opportunities. Such a delisting likely would impair your ability to sell or purchase our common stock when you wish to do so. Further, if we were to be delisted from the NYSE American, our common stock may no longer be recognized as a "covered security," and we would be subject to regulation in each state in which we offer our securities. Delisting can also lead to a determination that our common stock is a "penny stock" which will require brokers trading in our common stock to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our common stock. Thus, delisting from the NYSE American could adversely affect our ability to raise additional financing through the public or private sale of equity securities, would significantly impact the ability of investors to trade our securities and would negatively impact the value and liquidity of our common stock.

In addition, our continued listing on the NYSE American is a condition to the closing of the Business Combination. If we are delisted from the NYSE American prior to the consummation of the Business Combination, we may be unable to satisfy the conditions to the closing of the Business Combination or the Stock Sale, which could result in the termination of such transactions. If the Business Combination and Stock Sale are not consummated and we are unable to secure substantial additional funding from other sources to continue our operations, the Board of Directors may decide to pursue a winddown, dissolution or other liquidation process, in which case our stockholders may receive little or no value for their shares of common stock.

The announcement and pendency of the proposed Business Combination and Stock Sale may adversely affect our business, financial condition and results of operations.

On July 10, 2026, we entered into the Business Combination Agreement and the Stock Purchase Agreement. Completion of the proposed Business Combination and Stock Sale is subject to the satisfaction of various conditions, including the receipt of approvals from our stockholders. There is no assurance that all of the various conditions will be satisfied, or that the Business Combination or the Stock Sale will be completed on the proposed terms, within the expected timeframe, or at all. Our entry into the Business Combination Agreement and the Stock Purchase Agreement, our obligations thereunder, and the conditions to completion of such transactions give rise to inherent risks and uncertainties, including:

- the failure to obtain necessary stockholder approvals in connection with the transactions contemplated by the Business Combination and the Stock Sale;
- the failure to satisfy required closing conditions or complete the Business Combination or the Stock Sale in a timely manner or at all, which may also result in unanticipated expenditures of funds and other resources and/or reduce the benefit of such transactions, even if ultimately consummated;
- the risk that if consummation of the Business Combination or the Stock Sale is delayed or not completed at all for any reason, we will have expended time and resources that could have otherwise been spent on our existing business and the pursuit of other opportunities that could have been beneficial to us, and our ongoing business and financial results may therefore be adversely affected;
- the fact that the Business Combination Agreement restricts us from entering into certain corporate transactions and taking other specified actions without the consent of GH Power, and generally requires us to use commercially reasonable efforts to carry on our business in the ordinary course through the completion of the Business Combination, and that these restrictions could be in place for an extended period of time if completion of the Business Combination is delayed and could prevent us from pursuing attractive business opportunities that may arise prior to the completion of the Business Combination;
- the risk that litigation relating to the Business Combination or the Stock Sale, if any, including any proceeding to specifically enforce our obligations under the Business Combination Agreement or the Stock Purchase Agreement, could result in an injunction preventing the completion of such transactions and/or substantial costs;

- the fact that the Business Combination Agreement limits our ability to pursue alternatives to the Business Combination, may discourage other companies from trying to acquire us and, in specified circumstances, could require us to pay a $1.0 million termination fee;
- the potential impact of the Business Combination and the Stock Sale on our stock price;
- we may experience negative reactions from the financial markets, including adverse effects on the trading price of our common stock, which could affect our ability to secure sufficient financing in the future on attractive terms (or at all), and from our vendors, regulators and employees;
- the Business Combination Agreement and the Stock Purchase Agreement place certain restrictions on the operation of our business prior to the closing of the Business Combination and the Stock Sale, respectively, which may prevent us from making certain acquisitions, taking certain other specified actions, or otherwise pursuing business opportunities during the pendency of such transactions that we would have made, taken, or pursued if these restrictions were not in place;
- matters relating to the Business Combination and the Stock Sale, including integration and transition planning, will require substantial commitments of time and resources by our management and the expenditure of significant funds in the form of fees and expenses, which would otherwise have been devoted to day-to-day operations and other opportunities that may have been beneficial to us as an independent company;
- the incurrence of significant pre- and post-transaction costs in connection with the Business Combination and the Stock Sale that are, and will be, incurred regardless of whether such transactions are completed, including, among others, fees paid to financial, legal and accounting advisors and filing fees; and
- the occurrence of any event giving rise to the right of a party to terminate the Business Combination Agreement or the Stock Purchase Agreement.

Our stockholders will have a reduced ownership and voting interest following the Business Combination and will exercise less influence over management.

Following completion of the Business Combination, our current stockholders are expected to own approximately 9% of the outstanding Pubco Common Shares, subject to adjustment as set forth in the Business Combination Agreement. Consequently, our stockholders, as a group, will have reduced ownership and voting power in Pubco compared to their current ownership and voting power in us and will be able to exercise less collective influence over our management and policies than they currently exercise.

Failure to consummate the Business Combination and Stock Sale within the expected timeframe or at all could have a material adverse impact on our business, financial condition and results of operations and could result in a winddown, dissolution or other liquidation process.

There can be no assurance that the proposed Business Combination and Stock Sale will be consummated. The consummation of the transactions contemplated by the Business Combination Agreement and the Stock Purchase Agreement is subject to the fulfillment or waiver (if permitted by law) of certain customary closing conditions, including, without limitation, approval of our stockholders. There can be no assurance that these and other conditions to closing will be satisfied in a timely manner or at all. If the Business Combination and Stock Sale are not consummated, we will need to secure substantial additional funding from other sources to continue our operations, and there can be no assurance that such funding will be available on acceptable terms, or at all. In such a case, the Board of Directors may decide to pursue a winddown, dissolution or other liquidation process, in which case our stockholders may receive little or no value for their shares of common stock.

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

None.

Item 3. DEFAULTS UPON SENIOR SECURITIES.

None.

Item 4. MINE SAFETY DISCLOSURES.

Not applicable.

Item 5. OTHER INFORMATION.

Rule 10b5-1 Trading Arrangements and Non-Rule 10b5-1 Trading Arrangements

During the fiscal quarter ended September 30, 2026, none of our officers or directors, as those terms are defined in Rule 16a-1(f), adopted or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as those terms are defined in Item 408 of Regulation S-K.

Item 6. EXHIBITS.

See the Exhibit Index following the signature page to this Quarterly Report on Form 10-Q for a list of exhibits filed or furnished with this report, which Exhibit Index is incorporated herein by reference.

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.

MATINAS BIOPHARMA HOLDINGS, INC.

BY:

/s/ Jerome D. Jabbour

Dated: November 16, 2026

Jerome D. Jabbour
Chairman, Chief Executive Officer, President & Interim Chief Financial Officer
(Principal Executive Officer and Principal Financial and Accounting Officer)

EXHIBIT INDEX

#2.1	Business Combination Agreement, dated as of July 10, 2026, by and among Matinas BioPharma Holdings, Inc., GH Power Inc., 1001550000 Ontario Inc., 1001550002 Ontario Inc. and MBH Merger Sub, Inc. (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed with the SEC on July 13, 2026).
#^2.2	Stock Purchase Agreement, dated as of July 10, 2026, by and between Matinas BioPharma Holdings, Inc. and Azurity Pharmaceuticals, Inc. (incorporated by reference to Exhibit 2.2 to the Company's Current Report on Form 8-K filed with the SEC on July 13, 2026).
3.1	Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to Amendment No. 1 to the Company's Registration Statement on Form S-1 filed with the SEC on February 7, 2014).
3.2	Bylaws (incorporated by reference to Exhibit 3.2 to Amendment No. 1 to the Company's Registration Statement on Form S-1 filed with the SEC on February 7, 2014).
3.3	Certificate of Amendment of Certificate of Incorporation, dated October 29, 2015 . (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on November 5, 2015).
3.4	Certificate of Amendment of Certificate of Incorporation, dated August 30, 2024 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on September 3, 2024).
3.5	Form of Certificate of Designation of Series C Convertible Preferred Stock (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on February 13, 2025).
3.6	Amendment No. 1 to the Bylaws (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on May 2, 2025).
3.7	Certificate of Amendment of Certificate of Incorporation, dated August 6, 2025 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on August 6, 2025).
3.8	Certificate of Designation of Series D Convertible Preferred Stock (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on July 13, 2026).
4.1	Form of Warrant (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed with the SEC on July 13, 2026).
4.2	Form of New Warrant (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed with the SEC on July 13, 2026).
4.3	Form of Solicitation Agent Warrant (incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed with the SEC on July 13, 2026).
10.1	Form of Company Voting Agreement (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on July 13, 2026).
10.2	Form of GH Power Voting Agreement (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on July 13, 2026).
10.3	Form of Securities Purchase Agreement (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the SEC on July 13, 2026).
10.4	Form of Inducement Letter (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K filed with the SEC on July 13, 2026).
10.5	Warrant Solicitation Agent Agreement, dated July 10, 2026, by and between Matinas BioPharma Holdings, Inc. and ThinkEquity LLC (incorporated by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K filed with the SEC on July 13, 2026).
†10.6	Fourth Amendment to Employment Agreement, dated as of July 10, 2026, between the Company and Jerome D. Jabbour (incorporated by reference to Exhibit 10.6 to the Company's Current Report on Form 8-K filed with the SEC on July 13, 2026).
*31.1	Certification of Principal Executive Officer and Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
**32.1	Section 1350 Certification
*101.1	Inline XBRL Instance Document.
*101.2	Inline XBRL Taxonomy Extension Schema Document.
*101.3	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
*101.4	Inline XBRL Taxonomy Extension Definition Linkbase Document.
*101.5	Inline XBRL Taxonomy Extension Label Linkbase Document.
*101.6	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed herewith.

** The information in this exhibit is furnished and deemed not filed with the SEC for purposes of Section 18 of the Exchange Act, and is not to be incorporated by reference into any filing of Matinas BioPharma Holdings, Inc. under the Securities Act or the Exchange Act, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

† Indicates a management contract or compensation plan, contract or arrangement.

Schedules have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company hereby undertakes to furnish copies of any of the omitted schedules upon request by the SEC.

^ Pursuant to Item 601(b)(2)(ii) of Regulation S-K promulgated by the SEC, certain portions of this exhibit have been redacted because the registrant customarily and actually treats such omitted information as private or confidential and because such omitted information is not material.

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER AND PRINCIPAL FINANCIAL OFFICER

I, Jerome D. Jabbour, certify that:

1. I have reviewed this report on Form 10-Q of Matinas BioPharma Holdings, 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. I am 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 my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me 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 my 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 my 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. I have disclosed, based on my 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: November 16, 2026

By: */s/ Jerome D. Jabbour*
Name: Jerome D. Jabbour
Title: Chairman, Chief Executive Officer, President and Interim Chief Financial Officer
(Principal Executive Officer and Principal Financial Officer)

Exhibit 32.1

SECTION 1350 CERTIFICATION

Pursuant to 18 U.S.C. §1350 as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Matinas BioPharma Holdings, Inc. (the "Company") hereby certifies that to his knowledge and in his capacity that the Company's quarterly report on Form 10-Q to which this certification is attached (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 16, 2026

By: */s/ Jerome D. Jabbour*
Name: Jerome D. Jabbour
Title: Chairman, Chief Executive Officer, President and Interim Chief Financial Officer
(Principal Executive Officer and Principal Financial Officer)

This certification shall not be deemed "filed" for any purpose, nor shall it be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act. A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Matinas BioPharma Holdings, Inc. and will be retained by Matinas BioPharma Holdings, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.