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

FORM 10-Q

(Mark One)

X **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: 001-38634

Reviva Pharmaceuticals Holdings, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**85-4306526**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
10080 N. Wolfe Road, Suite SW3-200 **Cupertino, CA**	**95014**
(Address of principal executive offices)	(Zip Code)

(408) 501-8881
(Registrant's telephone number, including area code)

Not applicable
(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
N/A*	N/A*	N/A*

*The registrant's common stock is currently quoted on the OTCQB Venture Market operated by OTC Markets Group Inc. under the symbol "RVPH", with such OTC quotation having commenced on May 14, 2026 upon the common stock's suspension from The Nasdaq Capital Market ("Nasdaq"), and Nasdaq filing a Form 25 on July 10, 2026 to effect the delisting of the Company's common stock from Nasdaq.

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 X 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 X 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 X	Smaller reporting company X
	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 Act). Yes ☐ No X

As of November 10, 2026 the number of outstanding shares of the registrant's common stock, par value $0.0001 per share, was 13,110,377.

REVIVA PHARMACEUTICALS HOLDINGS, INC.
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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

REVIVA PHARMACEUTICALS HOLDINGS, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

	September 30, 2026	December 31, 2025
Assets		
Cash and cash equivalents	$ 17,458,418	$ 14,438,792
Prepaid clinical trial costs	819,721	—
Prepaid expenses and other current assets	279,186	664,685
Total current assets	18,557,325	15,103,477
Non-current prepaid clinical trial costs	—	819,721
Total Assets	$ 18,557,325	$ 15,923,198
Liabilities and Stockholders' Equity		
Liabilities		
Short-term debt	$ 44,388	$ 406,875
Accounts payable	2,476,554	3,009,074
Accrued clinical expenses	2,103,213	2,582,094
Accrued compensation	654,575	485,899
Other accrued liabilities	199,234	791,611
Total current liabilities	5,477,964	7,275,553
Total Liabilities	5,477,964	7,275,553
Commitments and contingencies (Note 6)		
Stockholders' Equity		
Common stock, par value of $0.0001; 515,000,000 shares authorized; 13,110,377 and 5,872,865 shares issued and outstanding as of September 30, 2026 and December 31, 2025, respectively	12,378	11,655
Preferred Stock, par value of $0.0001; 10,000,000 shares authorized; 0 shares issued and outstanding as of September 30, 2026 and December 31, 2025	—	—
Additional paid-in capital	205,147,658	192,773,942
Accumulated deficit	(192,080,675)	(184,137,952)
Total stockholders' equity	13,079,361	8,647,645
Total Liabilities and Stockholders' Equity	$ 18,557,325	$ 15,923,198

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

REVIVA PHARMACEUTICALS HOLDINGS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
Operating expenses				
Research and development	$ 1,198,460	$ 2,131,444	$ 4,028,164	$ 9,969,736
General and administrative	1,234,058	1,898,397	4,293,849	6,671,254
Total operating expenses	2,432,518	4,029,841	8,322,013	16,640,990
Loss from operations	(2,432,518)	(4,029,841)	(8,322,013)	(16,640,990)
Other income (expense)				
(Loss) gain on remeasurement of warrant liabilities	—	(27,816)	—	44,504
Interest expense	(1,174)	(2,605)	(10,762)	(19,022)
Interest income	135,329	59,103	401,002	168,061
Other income (expense), net	1,392	(6,774)	(3,038)	(33,769)
Total other income, net	135,547	21,908	387,202	159,774
Loss before provision for income taxes	(2,296,971)	(4,007,933)	(7,934,811)	(16,481,216)
Provision for income taxes	1,934	2,840	7,912	16,007
Net loss	$ (2,298,905)	$ (4,010,773)	$ (7,942,723)	$ (16,497,223)
Net loss per share:				
Basic and diluted	$ (0.17)	$ (1.09)	$ (0.71)	$ (5.71)
Weighted average shares outstanding				
Basic and diluted	13,208,816	3,664,647	11,169,518	2,887,726

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

REVIVA PHARMACEUTICALS HOLDINGS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (UNAUDITED)

	Common Stock				
Three Months Ended September 30, 2026	**Shares**	**Amount**	**Additional Paid-In Capital**	**Accumulated Deficit**	**Total Stockholders' Equity**
Balance at June 30, 2026	13,110,377	$ 12,378	$ 204,976,637	$ (189,781,770)	$ 15,207,245
Stock-based compensation expense	—	—	171,021	—	171,021
Net loss	—	—	—	(2,298,905)	(2,298,905)
Balance at September 30, 2026	13,110,377	$ 12,378	$ 205,147,658	$ (192,080,675)	$ 13,079,361

	Common Stock				
Nine Months Ended September 30, 2026	**Shares**	**Amount**	**Additional Paid-In Capital**	**Accumulated Deficit**	**Total Stockholders' Equity**
Balance at December 31, 2025	5,872,865	$ 11,655	$ 192,773,942	$ (184,137,952)	$ 8,647,645
Common stock issued in connection with warrant exercises	383,333	38	—	—	38
Issuance of common stock in At-The-Market (ATM) offering, net of transaction costs	570,845	57	2,528,879	—	2,528,936
Issuance of common stock in public offerings, net of transaction costs	6,283,334	628	3,510,664	—	3,511,292
Issuance of common stock warrants in public offerings, net of transaction costs	—	—	5,149,950	—	5,149,950
Issuance of pre-funded warrants in public offering, net of transaction costs	—	—	214,198	—	214,198
Stock-based compensation expense	—	—	970,025	—	970,025
Net loss	—	—	—	(7,942,723)	(7,942,723)
Balance at September 30, 2026	13,110,377	$ 12,378	$ 205,147,658	$ (192,080,675)	$ 13,079,361

REVIVA PHARMACEUTICALS HOLDINGS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (UNAUDITED)

	Common Stock				
Three Months Ended September 30, 2025	**Shares**	**Amount**	**Additional Paid-In Capital**	**Accumulated Deficit**	**Total Stockholders' (Deficit) Equity**
Balance at June 30, 2025	3,430,548	$ 6,800	$ 176,293,553	$ (176,759,500)	$ (459,147)
Issuance of common stock in At-The-Market (ATM) offering, net of transaction costs	59,176	118	500,855	—	500,973
Issuance of common stock in June 2025 and September 2025 public offerings, net of transaction costs	1,350,000	2,700	3,362,148	—	3,364,848
Issuance of common stock warrants in June 2025 and September 2025 public offerings, net of transaction costs	—	—	4,695,455	—	4,695,455
Vesting of restricted common stock issued to consultant in exchange for services	7,500	—	—	—	—
Stock-based compensation expense	—	—	458,379	—	458,379
Net loss	—	—	—	(4,010,773)	(4,010,773)
Balance at September 30, 2025	4,847,224	$ 9,618	$ 185,310,390	$ (180,770,273)	$ 4,549,735

	Common Stock				
Nine Months Ended September 30, 2025	**Shares**	**Amount**	**Additional Paid-In Capital**	**Accumulated Deficit**	**Total Stockholders' Equity**
Balance at December 31, 2024	2,359,327	$ 4,658	$ 165,080,964	$ (164,273,050)	$ 812,572
Common stock issued in connection with warrant exercises	8,038	16	241,109	—	241,125
Issuance of common stock in At-The-Market (ATM) offering, net of transaction costs	122,359	244	1,191,331	—	1,191,575
Issuance of common stock in June 2025 and September 2025 public offerings, net of transaction costs	2,350,000	4,700	7,258,095	—	7,262,795
Issuance of common stock warrants in June 2025 and September 2025 public offerings, net of transaction costs	—	—	9,766,116	—	9,766,116
Vesting of restricted common stock issued to consultant in exchange for services	7,500	—		—	—
Stock-based compensation expense	—	—	1,772,775	—	1,772,775
Net loss	—	—	—	(16,497,223)	(16,497,223)
Balance at September 30, 2025	4,847,224	$ 9,618	$ 185,310,390	$ (180,770,273)	$ 4,549,735

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

REVIVA PHARMACEUTICALS HOLDINGS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	Nine Months Ended September 30,	
	2026	**2025**
Cash flows from operating activities		
Net loss	$ (7,942,723)	$ (16,497,223)
Adjustments to reconcile net loss to net cash used in operating activities		
Change in fair value of warrant liabilities	—	(44,504)
Stock-based compensation expense	970,025	1,772,775
Changes in operating assets and liabilities:		
Prepaid clinical trial costs (current and non-current)	—	458,859
Prepaid expenses and other current assets	306,749	418,508
Accounts payable	(532,520)	(1,210,527)
Accrued expenses and other current liabilities	(902,582)	(3,694,320)
Net cash used in operating activities	(8,101,051)	(18,796,432)
Cash flows from financing activities		
Repayment of short-term debt	(362,487)	(458,154)
Proceeds from issuance of common stock in ATM offering, net of transaction costs paid	2,528,936	1,300,686
Proceeds from issuance of common stock, common stock warrants, and pre-funded warrants in offerings, net of transaction costs paid	8,954,190	17,419,703
Proceeds from exercise of common stock warrants	38	241,125
Net cash provided by financing activities	11,120,677	18,503,360
Net increase (decrease) in cash and cash equivalents	3,019,626	(293,072)
Cash and cash equivalents, beginning of period	14,438,792	13,476,331
Cash and cash equivalents, end of period	$ 17,458,418	$ 13,183,259
Supplemental disclosures of cash flow information:		
Cash paid for taxes	$ 675	$ 3,369
Cash paid for interest	$ 10,762	$ 19,022
Noncash Investing and Financing Activities:		
Issuance of common stock warrants	$ 5,149,950	$ 9,766,116
Issuance of pre-funded warrants	$ 214,198	$ —
Transaction costs related to offerings included in accounts payable and accrued expenses	$ —	$ 499,903

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

1. ORGANIZATION AND NATURE OF OPERATIONS

Reviva Pharmaceuticals Holdings, Inc. (together with its consolidated subsidiaries, the "Company" or "Reviva") is a late-stage pharmaceutical company developing new therapies that seek to address unmet medical needs in the areas of central nervous system ("CNS"), inflammatory and cardiometabolic diseases.

Reviva Pharmaceuticals, Inc. was originally incorporated in the state of Delaware and commenced operations on May 1, 2006 and its Indian subsidiary, Reviva Pharmaceuticals India Pvt. Ltd. was incorporated in 2014. In these notes to the unaudited condensed consolidated financial statements, unless otherwise specified or the context indicates otherwise, references to the "Company," "Reviva," "we," "us" and "our" refer to Reviva Pharmaceuticals Holdings, Inc. and its consolidated subsidiaries.

Reverse Stock Split

On March 9, 2026, Reviva completed a 1-for-20 reverse stock split of its issued and outstanding shares of common stock (the "Reverse Split"). The Reverse Split did not change the number of authorized shares of common stock or par value of the Company's common stock. No cash or fractional shares were issued in connection with the Reverse Split, and instead the Company rounded up to the next whole share in lieu of issuing fractional shares that would have been issued in the Reverse Split. Proportional adjustments were made to the number of shares of common stock issuable upon exercise or conversion of the Company's outstanding stock options, restricted common stock, and warrants, the exercise price of the Company's outstanding stock options, restricted common stock and warrants, and the number of shares reserved for issuance under the Company's equity incentive plan. All share, common stock warrant, pre-funded warrant, restricted common stock and common stock option amounts, and per share, per common stock warrant, per pre-funded warrant, per restricted common stock and per common stock option amounts, in these condensed consolidated financial statements have been retrospectively adjusted as appropriate to reflect the Reverse Split.

Nasdaq Delisting & OTC Quotation

Reviva's common stock was previously listed on The Nasdaq Capital Market ("Nasdaq"). As previously disclosed, Reviva's common stock was not in compliance with the requirement under Nasdaq Listing Rule 5550(a)(2) to maintain a minimum bid price of $1.00 per share for continued listing on Nasdaq (the "Bid Price Requirement") and the Company had until May 11, 2026 to regain compliance, which was the maximum extent of the discretionary authority of the Nasdaq Hearings Panel (the "Panel").

Also as previously disclosed, having not regained compliance with the Bid Price Requirement by such date, the Company received a letter from the Panel dated May 12, 2026 indicating that the Panel had determined to delist Reviva's common stock from Nasdaq. Reviva's common stock was suspended from trading on Nasdaq as of the open of trading on May 14, 2026, and Nasdaq filed a Form 25 on July 10, 2026 to effect the delisting of the Company's common stock from Nasdaq.

Beginning on May 14, 2026, Reviva's common stock has been quoted on the OTCQB Venture Market operated by OTC Markets Group Inc. (the "OTCQB Venture Market") under its existing symbol "RVPH."

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION

Basis of presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and Article 8 of Regulation S-X. Certain footnotes and other financial information normally required by accounting principles generally accepted in the United States of America, or U.S. GAAP, have been condensed or omitted in accordance with such rules and regulations. In management's opinion, these unaudited condensed consolidated financial statements have been prepared on the same basis as the Company's annual consolidated financial statements and notes thereto and include all adjustments, consisting of normal recurring items, considered necessary for the fair presentation. The operating results for the three and nine months ended September 30, 2026 are not necessarily indicative of the results that may be expected for the full year ending December 31, 2026.

The unaudited condensed consolidated balance sheet as of December 31, 2025, has been derived from the Company's audited financial statements at that date but does not include all disclosures and financial information required by U.S. GAAP for complete financial statements. The information included in this Quarterly Report on Form 10-Q should be read in conjunction with the Company's consolidated financial statements and notes thereto for the fiscal year ended December 31, 2025, which were included in the Company's Annual Report on Form 10-K, as filed with the Securities and Exchange Commission ("SEC") on March 30, 2026.

Principles of consolidation

The accompanying condensed consolidated financial statements include the accounts of Reviva Pharmaceuticals Holdings, Inc. and its wholly-owned subsidiaries Reviva Pharmaceuticals, Inc. and Reviva Pharmaceuticals India Pvt. Ltd. The Company's foreign subsidiary's functional currency is the U.S. dollar. The Company recognizes a foreign currency gain or loss each reporting period as part of other income (expense), net, on the consolidated statement of operations. Any such foreign currency gain or loss is recognized as part of other income (expense), net, on the condensed consolidated statement of operations. The accompanying condensed consolidated financial statements have been prepared in accordance with U.S. GAAP. All transactions and balances between the parent and its subsidiaries have been eliminated in consolidation.

Segment information

Operating segments are defined as components of an enterprise about which separate discrete information is available for evaluation and used by the chief operating decision-maker ("CODM") in deciding how to allocate resources and assess performance. The Company and the Company's CODM, the Company's chief executive officer, view the Company's operations and manage its business as a single operating segment. See Note 8, *Segment Information*, for more information.

Liquidity and going concern

The Company has incurred losses since inception and as of September 30, 2026, the Company had a working capital surplus of approximately $13.1 million, an accumulated deficit of approximately $192.1 million and cash and cash equivalents on hand of approximately $17.5 million. The Company's net loss for the three months ended September 30, 2026 and 2025 was approximately $2.3 million and $4.0 million, respectively. The Company's net loss for the nine months ended September 30, 2026 and 2025 was approximately $7.9 million and $16.5 million, respectively. The Company expects to incur significant expenses and increased operating losses for at least the next several years. The Company expects its expenses to increase in connection with its ongoing activities to research, develop and commercialize its product candidates. The Company will need to generate significant revenues to achieve profitability, and it may never do so.

The Company's current cash on hand is not sufficient to satisfy its operating cash needs for the 12 months from the filing of this Quarterly Report on Form 10-Q. During the nine months ended September 30, 2026, the Company raised capital through registered financial offerings, including sales of common stock pursuant to the Company's May 2025 ATM Sales Agreement (Note 5) and the sale of common stock, common stock warrants, and pre-funded warrants through a public offering (Note 4). The Company believes that it has adequate cash on hand to cover anticipated outlays into the third quarter of 2027, but will need additional fundraising activities and cash on hand prior to such time. The Company has based this estimate, however, on assumptions that may prove to be wrong, and could spend available financial resources much faster than it currently expects. The Company will need to raise additional funds to continue funding its development efforts and operations. The Company intends to secure such additional funding, although there are no guarantees or commitments for additional funding. These conditions raise substantial doubt regarding the Company's ability to continue as a going concern for a period of one year after the date the consolidated financial statements are issued. The amount and timing of the Company's future funding requirements will depend on many factors, including the pace and results of the Company's clinical development efforts. The Company will seek to fund its operations through public or private equity or debt financings or other sources, which may include collaborations with third parties. Adequate additional financing may not be available to the Company on acceptable terms, or at all. Should the Company be unable to raise sufficient additional capital, the Company may be required to undertake cost-cutting measures including delaying, discontinuing certain clinical activities or ceasing operations. These circumstances raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the consolidated financial statements are issued.

Use of estimates

The preparation of condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the condensed consolidated financial statements and the reported amounts of expenses during the reporting periods covered by the condensed consolidated financial statements and accompanying notes. Significant items subject to such estimates and assumptions include clinical trial costs, fair value of stock-based compensation, and fair value of warrants. Actual results could differ materially from such estimates under different assumptions or circumstances.

Concentration of credit risk and other risks and uncertainties

Financial instruments that potentially subject the Company to a concentration of credit risk consist of cash and cash equivalents. Substantially all the Company's cash and cash equivalents are held in demand deposit and money market funds at three financial institutions. Deposits in financial institutions may, from time to time, exceed federally insured limits. Amounts held in demand deposit in excess of federally insured limits, totaled $940,502 and $878,844 as of September 30, 2026 and December 31, 2025, respectively. To date, the Company has not experienced any losses on its deposits of cash.

The Company is subject to all of the risks inherent in a clinical-stage company developing new pharmaceutical products. These risks include, but are not limited to, limited management resources, dependence upon medical acceptance of the product(s) in development, regulatory approvals, successful clinical trials, availability and willingness of patients to participate in human trials, and competition in the pharmaceutical industry.

The Company contracts with vendors and consultants to provide services related to the Company's research and development. Costs and expenses that represented 10% or more of research and development costs for the three and nine months ended September 30, 2026 and 2025 consisted of the following: during the three months ended September 30, 2026, costs from two vendors each represented 16% and 12% of total research and development expenses, respectively; during the three months ended September 30, 2025, costs from two vendors each represented 28% and 10% of total research and development expenses, respectively; during the nine months ended September 30, 2026, there were no significant vendors related to research and development expenses; and during the nine months ended September 30, 2025, costs from one vendor represented 39% of total research and development expenses.

The Company's operating results may be materially affected by the foregoing factors.

Cash and cash equivalents

As of September 30, 2026 and December 31, 2025, the Company's cash was maintained in demand deposit forms at three financial institutions. The Company considers any highly liquid investments, such as money market funds, with an original maturity of three months or less to be cash and cash equivalents.

The components of cash and cash equivalents were as follows:

	As of September 30, 2026	As of December 31, 2025
Cash on deposit	$ 1,269,661	$ 1,210,072
Money market funds (cash equivalents)	16,188,757	13,228,720
Cash and cash equivalents	$ 17,458,418	$ 14,438,792

Fair value measurements

Accounting Standards Codification ("ASC") 820, *Fair Value Measurements* ("ASC 820"), defines fair value, establishes a framework for measuring fair value in U.S. GAAP and expands disclosures about fair value measurements. ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 establishes a fair value hierarchy that distinguishes between (1) market participant assumptions developed based on market data obtained from independent sources (observable inputs) and (2) an entity's own assumptions about market participant assumptions developed based on the best information available in the circumstances (unobservable inputs). The fair value hierarchy consists of three broad levels, which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

The three levels of the fair value hierarchy under ASC 820 are described below:

- Level 1 - Quoted prices (unadjusted) in active markets that are accessible at the measurement date for assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

- Level 2 - Directly or indirectly observable inputs as of the reporting date through correlation with market data, including quoted prices for similar assets and liabilities in active markets and quoted prices in markets that are not active. Level 2 also includes assets and liabilities that are valued using models or other pricing methodologies that do not require significant judgment since the input assumptions used in the models, such as interest rates and volatility factors, are corroborated by readily observable data from actively quoted markets for substantially the full term of the financial instrument.

- Level 3 - Unobservable inputs that are supported by little or no market activity and reflect the use of significant management judgment. These values are generally determined using pricing models for which the assumptions utilize management's estimates of market participant assumptions.

The Company's equity-classified and liability-classified warrants are measured at fair value using significant unobservable inputs and are therefore categorized within Level 3 of the fair value hierarchy. In determining the fair value of equity-classified warrants, the Company utilizes the Black-Scholes-Merton model using assumptions regarding volatility, expected term of the warrants, expected divided rate, and risk-free interest rates. In determining the fair value of liability-classified warrants, the Company utilizes a Lattice model using assumptions regarding volatility, expected term of the warrants, expected dividend, and risk-free interest rates. These assumptions are described as:

- Expected term: The Company's expected term represents the period between the valuation date and the expiration date of the warrant; however, if an estimated liquidation event is expected to occur and the warrants are affected by said liquidation event, the period between the valuation date and that event would be used instead.

- Expected volatility: Expected volatility for equity-classified awards is based on historical stock volatility data for a peer set of similar public companies with sufficient trading history, over the expected term of the warrant, or Company stock volatility when sufficient trading history exists. Expected volatility for liability-classified warrants is based on the volatility implied by the public warrant market price when sufficient data is available; otherwise it is based on a peer set of similar public companies.

- Expected dividend: The Black-Scholes-Merton valuation model calls for a single expected dividend yield as an input. The Company has never paid dividends and has no plans to pay dividends.

- Risk-free interest rate: The risk-free interest rate used in the Black-Scholes-Merton valuation method is based on the U.S. Treasury zero-coupon issues in effect at the valuation date for periods corresponding with the expected term of the warrant.

Due to their short maturities, the carrying amounts for cash and cash equivalents, prepaid expenses and other current assets, prepaid clinical trial costs, accounts payable, accrued clinical expenses, accrued compensation, short-term debt, and other accrued liabilities approximate their fair value.

Clinical trial costs

The Company records clinical trial costs as they are incurred. For any unbilled costs as of each reporting date, the Company determines the amounts to accrue by obtaining reports from its vendors, including the Company's contract research organizations ("CROs"), and communicating with the Company's personnel and suppliers to identify services that have been performed, but not yet billed. The Company further validates the completeness of its accruals by reconciling payments and invoices, and reviewing vendor contracts and purchase orders. As necessary, the Company obtains milestones and percentage completion reports from vendors and will estimate the level of service performed and the associated cost incurred for the services when the Company has not yet been invoiced or otherwise notified of the actual cost.

During the fiscal year ended December 31, 2025, all patient visits related to the ongoing trials concluded due to the completion of the Company's Phase 3 RECOVER-1 trial and completion of its open-label extension trial (the "OLE Trial"), and clinical sites were closed. Clinical trial costs were therefore recorded based on actual costs to date provided by the Company's CROs, as these clinical trials in progress were then deemed to be in the wind-down phase. Previously, the Company's accrued clinical trial costs for patients and sites included the calculation of patient visits incurred, but not yet reported by the vendor. The calculation previously involved the use of key inputs and assumptions such as estimated budget, estimated unreported costs based on historical trending of reported costs to date, and projected costs remaining until the conclusion of the trials which is no longer necessary given the status of the clinical trials.

For all other clinical trial costs the Company's estimated accrued expenses are based on facts and circumstances known to the Company at that time. The Company will confirm the accuracy of its estimates with the service providers and adjust if necessary.

Short-term debt

In December 2025, the Company obtained new financing for the renewal of certain policy premiums related to Director and Officers liability insurance. The governing agreement assigns the lender a first priority lien on and security interest in the financed policies and any additional premium required in the financed policies.

The total premiums, taxes, and fees financed during 2025 was $406,875, of which a principal balance of $325,500 was financed after accounting for the up-front payment made. The 2025 financing arrangement provided for an annual percentage interest rate of 7.15% and a term of 10 months, with ten payments, inclusive of interest, payable on a monthly basis beginning January 2026 and continuing through October 2026.

New accounting pronouncements not yet adopted

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, to require disclosure, in the notes to the consolidated financial statements, of specified information about certain costs and expenses. This ASU was further clarified by ASU 2025-01, *Income Statement (Topic 220): Reporting Comprehensive Income - Expense Disaggregation Disclosures, Disaggregation of Income Statement Expenses*, which was issued in December 2024. The effective date for the standard is for fiscal years beginning after December 15, 2026 and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. The Company is in the process of evaluating the impact of this new guidance on its consolidated financial statements.

In December 2025, the FASB issued ASU 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements*, which provides clarity about current interim disclosure requirements and introduces a disclosure principle requiring entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. ASU 2025-11 will be effective for interim reporting periods beginning after December 15, 2027. The Company is currently evaluating the impact that the adoption of ASU 2025-11 will have on the consolidated financial statements, but does not expect a material impact upon adoption.

3. NET LOSS PER SHARE

Basic and diluted net loss per share is computed by dividing the net loss for the period by the weighted average number of common shares and pre-funded warrants outstanding during the period. Diluted net loss per share includes potentially dilutive securities such as stock options, and warrants to purchase common stock (excluding pre-funded warrants that are exercisable for $0.002 per warrant and $0.0001 per warrant) unless the result of inclusion would be anti-dilutive. These securities have been excluded from the calculation of diluted net loss per share for the three and nine months ended September 30, 2026 and 2025, because all such securities are anti-dilutive for all periods presented.

The components of basic and diluted net loss per share were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Numerator:				
Net loss	$ (2,298,905)	$ (4,010,773)	$ (7,942,723)	$ (16,497,223)
Denominator:				
Weighted-average common shares outstanding – basic and diluted	13,208,816	3,664,647	11,169,518	2,887,726
Net loss per share – basic and diluted	$ (0.17)	$ (1.09)	$ (0.71)	$ (5.71)

The following table summarizes the Company's potentially dilutive securities, in common share equivalents, which have been excluded from the calculation of diluted net loss per share as their effect would be anti-dilutive:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Shares issuable upon exercise of stock options	501,098	156,460	501,098	156,460
Shares of unvested restricted common stock issuable to consultant in the future in exchange for services to be provided	—	7,500	—	7,500
Shares issuable upon exercise of warrants to purchase common stock	16,955,524	6,677,832	16,955,524	6,677,832
	17,456,622	6,841,792	17,456,622	6,841,792

The shares issuable upon exercise of warrants to purchase common stock exclude (i) 98,439 pre-funded warrants outstanding as of September 30, 2026, exercisable at $0.002 per warrant, and (ii) 98,439 pre-funded warrants outstanding as of September 30, 2025, exercisable at $0.002 per warrant.

The diluted net loss per share computation equals basic net loss per share for the three and nine months ended September 30, 2026 and 2025 because the Company had a net loss and the impact of the assumed exercise of stock options and certain warrants would be anti-dilutive.

4. WARRANTS

The following is a summary of the Company's warrant activity (number of common stock shares underlying the warrants) for the nine months ended September 30, 2026:

Warrant Issuance	Issuance Date	Exercise Price	Outstanding, December 31, 2025	Warrant Shares Issued	Warrant Shares Exercised	Warrant Shares Cancelled/ Expired	Outstanding, September 30, 2026	Expiration Date
June 2021 Common Stock Warrants	June 2021	$ 82.50	222,254	—	—	(222,254)	—	May 2026
June 2021 Common Stock Warrants (August 2024 Amended)	June 2021	$ 15.93	109,999	—	—	—	109,999	August 2029
September 2022 Private Pre-Funded Warrants	September 2022	$ 0.002	69,170	—	—	—	69,170	September 2027
September 2022 Common Stock Warrants	September 2022	$ 48.00	69,170	—	—	—	69,170	September 2027
November 2023 Common Stock Warrants	November 2023	$ 100.00	97,560	—	—	—	97,560	November, 2028
November 2023 Common Stock Warrants (May 2024 Amended)	November 2023	$ 29.10	68,293	—	—	—	68,293	May 2029
November 2023 Common Stock Warrants (August 2024 Amended)	November 2023	$ 15.93	126,830	—	—	—	126,830	August 2029
November 2023 Pre-Funded Warrants	November 2023	$ 0.002	29,269	—	—	—	29,269	November 2028
May 2024 Common Stock Warrants	May 2024	$ 29.10	94,937	—	—	—	94,937	May 2029
August 2024 Common Stock Warrants	August 2024	$ 15.93	238,096	—	—	—	238,096	August 2029
August 2024 Underwriter Warrants	August 2024	$ 26.25	11,905	—	—	—	11,905	August 2029
December 2024 Series B Common Stock Warrants	December 2024	$ 30.00	594,725	—		—	594,725	December 2029
June 2025 Series C Common Stock Warrants	June 2025	$ 10.00	992,825	—	—	—	992,825	June 2030
June 2025 Series D Common Stock Warrants	June 2025	$ 10.00	975,675	—	—	(975,675)	—	June 2026
September 2025 Series E Common Stock Warrants	September 2025	$ 6.70	1,217,850	—	—	—	1,217,850	September 2030
September 2025 Series F Common Stock Warrants	September 2025	$ 6.70	523,950	—	—	(523,950)	—	September 2026
March 2026 Pre-Funded Warrants	March 2026	$ 0.0001	—	383,333	(383,333)	—	—	n/a
March 2026 Series G Warrants	March 2026	$ 1.50	—	6,666,667	—	—	6,666,667	March 2031
March 2026 Series H Warrants	March 2026	$ 1.50	—	6,666,667	—	—	6,666,667	March 2027
			5,442,508	13,716,667	(383,333)	(1,721,879)	17,053,963	

March 2026 Public Offering

On March 20, 2026, the Company closed a public offering (the "March 2026 Public Offering") pursuant to a placement agency agreement and securities purchase agreements with certain investors participating in the offering, pursuant to which the Company issued and sold (i) an aggregate of 6,283,334 shares of the Company's common stock, (ii) pre-funded warrants (the "March 2026 Pre-Funded Warrants") exercisable for an aggregate of up to 383,333 shares of common stock, (iii) Series G warrants (the "Series G Warrants") exercisable for an aggregate of up to 6,666,667 shares of common stock and (iv) Series H warrants (the "Series H Warrants" and together with the Series G Warrants, the "March 2026 Common Stock Warrants") exercisable for an aggregate of up to 6,666,667 shares of common stock, for aggregate gross proceeds of $10.0 million. Each share of common stock (or March 2026 Pre-Funded Warrant in lieu thereof) was sold together with (i) a Series G Warrant to purchase one share of common stock and (ii) a Series H Warrant to purchase one share of common stock, at a combined public offering price of $1.50 per share of common stock and accompanying March 2026 Common Stock Warrants (or a combined public offering price of $1.4999 per March 2026 Pre-Funded Warrant and accompanying March 2026 Common Stock Warrants). The March 2026 Pre-Funded Warrants had an exercise price of $0.0001 per share and expired upon their full exercise. The Series G Warrants are exercisable immediately, have a term of five years from the date of issuance and have an exercise price of $1.50 per share. The Series H Warrants are exercisable immediately, have a term of twelve months and have an exercise price of $1.50 per share. The net proceeds to the Company from the March 2026 Public Offering were approximately $8.9 million, after deducting placement agent fees and expenses and other offering expenses payable by the Company.

The Company evaluated the March 2026 Common Stock Warrants and March 2026 Pre-Funded Warrants in accordance with the guidance at ASC 480, *Distinguishing Liabilities from Equity* and ASC 815-40, *Derivatives and Hedging*, and determined that they should be classified as equity instruments, with no recurring fair value measurement required. The March 2026 Common Stock Warrants and March 2026 Pre-Funded Warrants are indexed to the Company's common stock and require settlement through physical settlement or in certain circumstances if permitted net share settlement, if exercised. Accordingly, the March 2026 Common Stock Warrants and March 2026 Pre-Funded Warrants were recorded at their grant date fair value with no subsequent remeasurement.

The fair value of the March 2026 Common Stock Warrants was determined utilizing a Black-Scholes model considering all relevant assumptions current at the date of issuance. Refer to Note 2, *Summary of Significant Accounting Policies and Basis of Presentation*, for further detail regarding how these assumptions were determined. Due to the nominal exercise price, the fair value of the March 2026 Pre-Funded Warrants approximated the fair value of the Company's common stock on the issuance date. The grant date relative fair value of the Series G Warrants, Series H Warrants, and March 2026 Pre-Funded Warrants was estimated to be $ 3.2 million, $2.0 million, and $0.2 million, respectively, recognized as additional paid-in capital in the condensed consolidated balance sheet as they were determined to be equity-classified and categorized as Level 3 within the fair value hierarchy.

The following assumptions and key inputs were used to value the March 2026 Common Stock Warrants at the date of issuance:

	Series G Warrants	Series H Warrants
Risk-free interest rate	4.0%	3.8%
Expected term (years)	5.00	1.00
Expected volatility	138.00%	184.00%
Stock price on valuation date	$ 0.80	$ 0.80
Exercise price	$ 1.50	$ 1.50
Expected dividend	—%	—%

5. STOCKHOLDERS' EQUITY (DEFICIT), EQUITY INCENTIVE PLANS, AND STOCK-BASED COMPENSATION

The Company's authorized capital stock consists of:

- 515,000,000 shares of common stock, par value $0.0001 per share; and
- 10,000,000 shares of preferred stock, par value $0.0001 per share.

On December 18, 2025, the Company's stockholders approved an amendment to the Company's Amended and Restated Certificate of Incorporation, as amended, to increase the Company's authorized shares of common stock, par value $0.0001 per share, from 315,000,000 to 515,000,000.

As of September 30, 2026 there were 13,110,377 shares of the Company's common stock outstanding, and no shares of preferred stock outstanding. As of December 31, 2025, there were 5,872,865 shares of the Company's common stock outstanding, and no shares of preferred stock outstanding.

Equity Offering Activity

On March 20, 2026, the Company closed the sale of 6,283,334 shares of common stock, the Series G Warrants, the Series H Warrants, and the March 2026 Pre-Funded Warrants in the Company's March 2026 Public Offering. Refer to Note 4, *Warrants*, for additional details.

As of September 30, 2026, the Company has shares of common stock reserved for future issuance as follows:

Shares underlying outstanding warrants	17,053,963
Shares reserved for future grants under the 2020 Equity Incentive Plan	582,043
Shares underlying outstanding stock options	501,098
Total common stock reserved for future issuance	18,137,104

May 2025 ATM Sales Agreement

On May 30, 2025, the Company entered into an at market issuance sales agreement (the "May 2025 ATM Sales Agreement") with B. Riley Securities, Inc. and Alliance Global Partners serving as agents (the "Agents"), with respect to an at-the-market ("ATM") offering program under which the Company may offer and sell, from time to time at its sole discretion, shares of its common stock having an aggregate offering price of up to $50 million through the Agents. During the three months ended September 30, 2026, the Company did not sell any shares of common stock pursuant to the May 2025 ATM Sales Agreement. During the nine months ended September 30, 2026 the Company sold 570,845 shares of common stock pursuant to the May 2025 ATM Sales Agreement, for net proceeds of approximately $ 2.5 million after deducting sales agent commissions and other offering expenses of approximately $0.1 million.

2020 Equity Incentive Plan

During the nine months ended September 30, 2026, in accordance with the "evergreen" provision of the Company's 2020 Equity Incentive Plan, an additional 584,250 shares were automatically made available for issuance under the plan on the first day of 2026, representing approximately 10% of the number of shares of common stock outstanding on December 31, 2025.

Stock-based Compensation Expense

The Company records stock-based compensation expense based on the fair value of stock options and shares of restricted common stock granted to employees, non-employee consultants and non-employee directors. As of September 30, 2026, the Company had unrecognized stock-based compensation expense of $0.8 million, which is expected to be recognized over a weighted-average period of 1.5 years.

Determining Fair Value

Valuation and Recognition – The fair value of each option award is estimated on the date of grant using the Black-Scholes option-pricing model. The Black-Scholes pricing model utilizes assumptions regarding volatility of the Company's common share price, expected term, expected divided rate, and risk-free interest rates as described below:

- Expected term: The Company's expected term represents the period that the Company's stock-based awards are expected to be outstanding and is determined using the simplified method.

- Expected volatility: Expected volatility is based on historical stock volatility data for a peer set of similar public companies with sufficient trading history, over the expected term of the awards, or Company stock volatility when sufficient trading history exists.

- Expected dividend: The Black-Scholes-Merton valuation model calls for a single expected dividend yield as an input. The Company has never paid dividends and has no plans to pay dividends.

- Risk-free interest rate: The risk-free interest rate used in the Black-Scholes-Merton valuation method is based on the U.S. Treasury zero-coupon issues in effect at the time of grant for periods corresponding with the expected term of the option.

The fair value of options granted during the nine months ended September 30, 2026 and 2025 used the following assumptions and key inputs:

Black-Scholes-Merton Inputs

	Nine Months Ended September 30,	
	2026	**2025**
Risk-free interest rate	3.88%	4.39%
Expected term (in years)	5.50	5.40
Expected volatility	131.00%	110.24%
Expected dividend yield	—%	—%

The weighted average fair value of stock options granted during the nine months ended September 30, 2026 was $1.66. No options were granted during the three months ended September 30, 2026. The weighted average fair value of stock options granted during the nine months ended September 30, 2025 was $1.46. No options were granted during the three months ended September 30, 2025. All options have a contractual term of 10 years.

Activity under the Company's equity compensation plan for the nine months ended September 30, 2026 is as follows:

	Number of Options Outstanding	**Weighted Average Exercise price per share**	**Weighted Average Remaining Contractual Term in Years**	**Aggregate Intrinsic Value**
Balance, December 31, 2025	158,098	$ 68.80	8.22	$ —
Granted	411,000	1.87	—	—
Expired/Cancelled	(68,000)	9.30	—	—
Balance, September 30, 2026	501,098	$ 21.97	8.87	$ —
Options vested and exercisable at September 30, 2026	286,418	$ 35.09	8.49	$ —

For the three months ended September 30, 2026 and 2025, the amount of stock-based compensation expense included within research and development and general and administrative expenses was as follows:

	Three Months Ended September 30,	
	2026	**2025**
Research and development	$ 83,484	$ 169,051
General and administrative	87,537	289,328
Total stock-based compensation expense	$ 171,021	$ 458,379

For the nine months ended September 30, 2026 and 2025, the amount of stock-based compensation expense included within research and development and general and administrative expenses was as follows:

	Nine Months Ended September 30,	
	2026	**2025**
Research and development	$ 510,482	$ 669,977
General and administrative	459,543	1,102,798
Total stock-based compensation expense	$ 970,025	$ 1,772,775

6. COMMITMENTS AND CONTINGENCIES

Clinical trials

Since 2010, the Company has entered into multiple clinical trial agreements with medical institutions in the United States, Europe and Asia for the purpose of enrolling patients into various clinical trials. The agreements are substantially similar by trial and include a detailed listing of the clinical trial services for which the Company will pay, how much will be paid for each service, a set-up charge (if any), Investigational Review Board fees, contractual term, and other provisions. The clinical trial services provided by each site generally include the screening of prospective patients and, for those patients to be enrolled in the study, administration of the Company's investigation drug according to the trial protocol, any required hospitalization, ancillary medical supplies, and patient follow-up. Further, each agreement requires the Company to indemnify each respective clinical site against any and all liability, loss, or damage it may suffer as a result of third-party claims; the Company maintains product liability insurance in conjunction with this indemnification. The agreements may be terminated upon 30 days' written notice, subject to conditions of paying all liabilities incurred through the date of termination. Additionally, with each screened patient, the Company incurs expense with other entities engaged to provide independent review of patient medical records.

Indemnification

From time to time, in its normal course of business, the Company may indemnify other parties, with whom it enters into contractual relationships, including lessors and parties to other transactions with the Company. The Company may agree to hold other parties harmless against specific losses, such as those that could arise from a breach of representation, covenant or third-party infringement claims. It may not be possible to determine the maximum potential amount of liability under such indemnification obligations due to the unique facts and circumstances that are likely to be involved in each particular claim and indemnification provision. Historically, there have been no such indemnification claims. The Company has also indemnified its directors and executive officers, to the extent legally permissible, against all liabilities reasonably incurred in connection with any action in which such individual may be involved by reason of such individual being or having been a director or executive officer. To date, no such indemnification payments have been made by the Company.

Operating Leases

The Company leases a corporate office located at 10080 N. Wolfe Road, Suite SW3-200, Cupertino, CA 95014. The lease has a 12-month term and includes a renewal option. The lease was renewed in January 2026 for an additional twelve months, with a monthly lease payment of approximately $4,800. The operating lease cost for the three months ended September 30, 2026 and 2025 was approximately $14,500 and $13,800, respectively. The operating lease cost for the nine months ended September 30, 2026 and 2025 was approximately $45,400 and $41,400, respectively.

Litigation

The Company is not currently a party to any material legal proceedings and is not aware of any pending or threatened claims. From time to time, the Company may be subject to various legal proceedings and claims that arise in the ordinary course of its business activities.

7. FAIR VALUE MEASUREMENTS

The following tables provide a summary of the assets and liabilities that are required to be measured at fair value on a recurring basis and where they are classified within the fair value hierarchy as of September 30, 2026 and December 31, 2025:

	September 30, 2026			
	Level 1	Level 2	Level 3	Total
Assets:				
Money market funds (cash equivalents)	$ 16,188,757	$ —	$ —	$ 16,188,757
Total assets measured and recorded at fair value	$ 16,188,757	$ —	$ —	$ 16,188,757

	December 31, 2025			
	Level 1	Level 2	Level 3	Total
Assets:				
Money market funds (cash equivalents)	$ 13,228,720	$ —	$ —	$ 13,228,720
Total assets measured and recorded at fair value	$ 13,228,720	$ —	$ —	$ 13,228,720

The following table summarizes the changes in the fair value of the warrant liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Balance, beginning of period	$ —	$ 16,690	$ —	$ 89,010
Change in fair value of warrant liabilities	—	27,816	—	(44,504)
Balance, end of period	$ —	$ 44,506	$ —	$ 44,506

No liabilities were measured at fair value as of September 30, 2026 and December 31, 2025.

The Company had previously issued formerly-outstanding warrants to purchase 27,816 shares of common stock in a private placement (the "Private Warrants") and while outstanding had classified the warrants as derivative liabilities, pursuant to ASC 815, as the Private Warrants had an exercise price that was subject to potential adjustment, with subsequent changes in their fair values having been recognized in the consolidated statement of operations at each applicable reporting date. The Private Warrants expired on December 14, 2025. Upon expiration, the associated warrant liabilities were derecognized, and the remaining fair value was written off through the consolidated statement of operations. The assumptions and key inputs used in the Lattice calculation as of September 30, 2025 were the following:

Risk-free interest rate	4.07%
Remaining expected term of Private Warrants (years)	0.21
Expected volatility(1)	493.50%
Stock price on valuation date	$ 7.40
Exercise price	$ 230
Expected dividend	—%

(1) Based on volatility implied by the Company's formerly-outstanding publicly traded warrant market price. The Company's publicly traded warrants expired on December 14, 2025.

8. SEGMENT INFORMATION

The Company views its operations and manages its business as one operating and reportable segment focused on developing new therapies that seek to address unmet medical needs in the areas of central nervous system ("CNS"), inflammatory and cardiometabolic diseases. The CODM, the Company's Chief Executive Officer, manages and allocates resources to the operations of the Company on a consolidated basis, considering primarily research and development expenditures and net loss. This enables the Chief Executive Officer to assess the Company's overall level of available resources and determine how best to deploy these resources in line with long-term company-wide strategic goals.

Consistent with the Company's management reporting, results of operations are reported on a consolidated basis for purposes of segment reporting. Net loss and research and development expenses are used to allocate resources and are reported on the condensed consolidated statements of operations. The measure of segment assets is reported on the condensed consolidated balance sheets as cash and cash equivalents.

The CODM does not review any measure of significant segment expenses or segment loss which differ from the level of reporting as reflected on the condensed consolidated statement of operations.

9. SUBSEQUENT EVENTS

The Company evaluated subsequent events and transactions that occurred after the balance sheet date up to the filing date of this Quarterly Report on Form 10-Q, the date that the condensed consolidated financial statements were issued. Based on this review, the Company did not identify any subsequent events that would have required adjustment or disclosure in the condensed consolidated financial statements.

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

The information in this Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") should be read in conjunction with the Company's unaudited condensed consolidated financial statements and the related notes set forth in Item 1 of Part I of this Quarterly Report on Form 10-Q, our MD&A set forth in Item 7 of Part II of our Annual Report on Form 10-K for the fiscal year ended December 31, 2025 and the Company's consolidated financial statements and related notes set forth in Item 8 of Part II of such Annual Report on Form 10-K. See Part II, Item 1A, "Risk Factors," below and "Cautionary Note Regarding Forward-Looking Statements," and the information referenced therein, for a description of risks that we face and important factors that we believe could cause actual results to differ materially from those in our forward-looking statements. All amounts and percentages are approximate due to rounding and all dollars in the text are in millions, except per share amounts or where otherwise noted. When we cross-reference to a "Note," we are referring to our "Notes to Condensed Consolidated Financial Statements (Unaudited)" included in Part I, Item 1, of this Quarterly Report on Form 10-Q, unless the context indicates otherwise.

All statements other than statements of historical fact included in this section regarding our financial position, business strategy and the plans and objectives of management for future operations, are forward-looking statements. When used in this section, words such as "anticipate," "believe," "estimate," "project," "expect," "intend," "target," "plan," "potential," "assume" and similar expressions, as they relate to our management, identify forward-looking statements. Such forward-looking statements are based on the beliefs of management, as well as assumptions made by, and information currently available to, our management. Actual results could differ materially from those contemplated by the forward- looking statements as a result of certain factors detailed herein. All subsequent written or oral forward-looking statements attributable to us or persons acting on our behalf are qualified in their entirety by this paragraph.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly 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, 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:

- the success of our current or planned clinical trials through all phases of clinical development, including our ability to conduct and complete clinical trials in accordance with projected timelines, our ability to achieve the desired results, and our ability to successfully complete requisite regulatory review and approval processes;

- our ability to obtain the necessary financing to continue to conduct our business operations as planned, and to conduct our ongoing and planned trials, and continue and complete the planned development and commercialization of our product candidates;

- our ability to successfully achieve and realize our plans and intentions for extending the long-term value of the brilaroxazine program and preparing for the next phase of development, including with respect to extending patent life and commercial exclusivity, and our plans for switching to a new formulation of brilaroxazine in our planned RECOVER-2 Phase 3 trial and our potential New Drug Application ("NDA") submission, U.S. Food and Drug Administration ("FDA") feedback and our ability to align with FDA, and our plans for, and our ability to successfully complete, our planned bioequivalence study to confirm comparability of the new formulation, as well as our planned RECOVER-2 Phase 3 trial, as well as the results of each of the foregoing, and the expected timing, results and benefits of the Company's business plans and strategy;

- our ability to maintain compliance with the continued listing requirements of the OTCQB Venture Market tier of the OTC Markets Group ("OTCQB Venture Market");
- our ability to raise additional capital while trading on the OTCQB Venture Market may be adversely impacted;
- our ability to successfully apply and attain approval for relisting on Nasdaq as intended, including the projected timing thereof, which is associated with corresponding risks including that our application and associated listing process may be delayed and/or unsuccessful, and that there can be no assurances that it will occur on any particular timing or at all;
- our ability to grow and manage growth economically;
- our ability to retain key executives and medical and science personnel;
- the possibility that our products in development succeed in or fail clinical trials or are not approved by the FDA or other applicable authorities;
- the possibility that we could be forced to delay, reduce or eliminate our planned clinical trials or development programs;
- our ability to obtain approval from regulatory agents in different jurisdictions for our current or future product candidates;
- changes in applicable laws or regulations;
- changes to our relationships within the pharmaceutical ecosystem;
- the performance of third-party suppliers and manufacturers and our ability to find additional suppliers and manufacturers and obtain alternative sources of raw materials;
- our current and future capital requirements to support our development and commercialization efforts and our ability to satisfy our capital needs;
- our ability to access capital on acceptable terms in a rising interest rate and tighter credit environment;
- expectations regarding our ability to continue as a going concern;
- the accuracy of our estimates regarding expenses and capital requirements, including estimated costs of our clinical studies, and our estimates about our forecasted cash runway, together with our efforts to manage our capital resources;
- our limited operating history;
- our history of operating losses in each year since inception and expectation that we will continue to incur operating losses for the foreseeable future;
- changes in the markets that we target;
- our ability to maintain or protect the validity of our patents and other intellectual property;
- our exposure to any liability, protracted and costly litigation or reputational damage relating to data security;
- the sufficiency of our existing capital resources to fund our future operating expenses and capital expenditure requirements;
- any disruption to our business that may occur on a longer-term basis should we be unable to remediate the material weaknesses we have identified in our internal controls; and

- the possibility that we may be adversely affected by other economic, business, and/or competitive factors.

The foregoing does not represent an exhaustive list of matters that may be covered by the forward-looking statements contained herein or risk factors that we are faced with that may cause our actual results to differ from those anticipated in such forward-looking statements. Please see "Part II-Item 1A-Risk Factors" for additional risks which could adversely impact our business and financial performance.

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 believe they have a reasonable basis. However, we cannot assure you that our expectations, beliefs or projections will result or be achieved or accomplished.

Company Overview

We are a late-stage pharmaceutical company that discovers, develops, and seeks to commercialize next-generation therapeutics for diseases representing significant unmet medical needs and burdens to society, patients, and their families. Our current pipeline focuses on the central nervous system, inflammatory, and cardiometabolic diseases. We use a chemical genomics driven technology platform and proprietary chemistry to develop new medicines. Our pipeline currently has two drug candidates, brilaroxazine (RP5063) and RP1208. Both are new chemical entities discovered in-house. We have been granted composition of matter patents for both brilaroxazine and RP1208 in the United States (U.S.), Europe, and several other countries.

Our lead drug candidate, brilaroxazine, is in clinical development and is intended to treat multiple neuropsychiatric indications. These include schizophrenia, bipolar disorder ("BD"), major depressive disorder ("MDD"), attention-deficit/hyperactivity disorder ("ADHD"), behavioral and psychotic symptoms of dementia and Alzheimer's disease ("BPSD"), and Parkinson's disease psychosis ("PDP"). Furthermore, brilaroxazine is also ready for clinical development for two respiratory indications — pulmonary arterial hypertension ("PAH") and idiopathic pulmonary fibrosis ("IPF"). The U.S. Food and Drug Administration ("FDA") granted Orphan Drug Designation to brilaroxazine for the treatment of PAH in November 2016 and IPF in April 2018. Brilaroxazine also is in pre-clinical development for the treatment of psoriasis.

Our primary focus is to complete the clinical development of brilaroxazine for the treatment of acute and maintenance schizophrenia.

Recent Developments

Nasdaq Delisting & OTC Quotation

Our common stock was previously listed on The Nasdaq Capital Market ("Nasdaq"). As previously disclosed, our common stock was not in compliance with the requirement under Nasdaq Listing Rule 5550(a)(2) to maintain a minimum bid price of $1.00 per share for continued listing on Nasdaq (the "Bid Price Requirement"), and we had until May 11, 2026, which was the maximum extent of the discretionary authority of the Nasdaq Hearings Panel (the "Panel").

Also as previously disclosed, having not regained compliance with the Bid Price Requirement by such date, we received a letter from the Panel dated May 12, 2026 indicating that the Panel had determined to delist our common stock from Nasdaq. Our common stock was suspended from trading on Nasdaq as of the open of trading on May 14, 2026, and Nasdaq filed a Form 25 on July 10, 2026 to effect the delisting of our common stock from Nasdaq.

Beginning on May 14, 2026, our common stock has been quoted on the OTCQB Venture Market operated by OTC Markets Group Inc. under its existing symbol "RVPH."

Reverse Stock Split

As previously announced, effective March 9, 2026, we implemented a reverse stock split of our issued and outstanding common stock at a ratio of one-for-twenty (1:20) (the "Reverse Split"). In connection with the Reverse Split, our common stock is designated under a new CUSIP number, 76152G209. All share, common stock warrant, pre-funded warrant, restricted common stock and common stock option amounts, and per share, per common stock warrant, per pre-funded warrant, per restricted common stock and per common stock option amounts, in this Quarterly Report on Form 10-Q, have been retrospectively adjusted as appropriate to reflect the Reverse Split.

FDA Pre-NDA Meeting Feedback on Brilaroxazine Development for Schizophrenia Indication

In November 2025, we met with FDA regarding the potential submission of a new drug application ("NDA") for brilaroxazine for the treatment of schizophrenia in adults and the associated data, and patient enrollment requirements. We received written feedback from FDA in December 2025. FDA informed us that it strongly encouraged us to conduct, prior to submission of an NDA, an additional Phase 3 trial that will be similar in design to the successfully completed RECOVER Phase 3 trial of brilaroxazine utilizing 30 mg and 50 mg doses of brilaroxazine. We indicated to FDA that we will conduct a Phase 3 study incorporating this feedback before submitting an NDA.

FDA also provided us with guidance on, among other topics, methods of data analysis, methods of data presentation, and data requirements for studies of animal pharmacokinetics, human abuse potential, and renal and hepatic impairment.

We plan to initiate patient enrollment in the RECOVER-2 Phase 3 study for brilaroxazine in schizophrenia (the "RECOVER-2 Trial") in the first half of 2027, subject to additional financing. As previously reported, the FDA has already cleared the protocol for the RECOVER-2 Trial, and we currently expect study completion in 2028. The RECOVER-2 Trial will be similar in design to our completed RECOVER Phase 3 trial of brilaroxazine.

Brilaroxazine Program and Intellectual Property Updates

On April 15, 2026, we announced certain business updates, including in connection with our program for the development of brilaroxazine for the treatment of schizophrenia and regarding our intellectual property strategy.

We announced certain efforts centered on extending the long-term value of the brilaroxazine program and preparing for the next phase of development. A component of that strategy is our effort to extend patent life and commercial exclusivity for brilaroxazine, potentially through 2046. To support this objective, on August 11, 2026, we filed a composition of matter patent application on a new formulation of brilaroxazine internationally in PCT (Patent Cooperation Treaty) and filed an accelerated application in the United States through the United States Patent and Trademark Office (USPTO) Track One Program.

Based on the pre-clinical development package for this new formulation of brilaroxazine, we are seeking FDA alignment on using this new formulation of brilaroxazine product in our potential future NDA submission. This would include switching the drug substance of brilaroxazine and its formulation in the second Phase 3 trial in schizophrenia (RECOVER-2). We believe this type of change is not uncommon in the pharmaceutical industry during late-stage development and prior to NDA filing, particularly when it may strengthen lifecycle management and long-term intellectual property. We are expecting FDA feedback in Q4-2026 on the potential incorporation of the new formulation of brilaroxazine into both our RECOVER-2 Trial and our potential future NDA submission for brilaroxazine for the treatment of schizophrenia. After FDA feedback, we plan to initiate a bioequivalence study to confirm comparability of the new formulation.

If successful, this initiative has the potential to meaningfully extend the commercial exclusivity of brilaroxazine and strengthen our ability to realize the full value of the program over time. Importantly, a longer exclusivity runway could enhance the opportunity to develop brilaroxazine not only in schizophrenia, but also in bipolar disorder, major depressive disorder, and other potential high-value indications. We believe this strategy could materially increase the long-term value of the asset and further improve its attractiveness in future investment and strategic partnering discussions.

May 2025 ATM Sales Agreement

On May 30, 2025, we entered into an at market issuance sales agreement (the "May 2025 ATM Sales Agreement") with B. Riley Securities, Inc. and Alliance Global Partners serving as agents (the "Agents"), with respect to an at-the-market (ATM) offering program under which we may offer and sell, from time to time at our sole discretion, shares of our common stock having an aggregate offering price of up to $50 million through the Agents. The Company does not expect to utilize the May 2025 ATM Sales Agreement while the Company's common stock is quoted on the OTC Markets Group, and the underlying Form S-3 "shelf" Registration Statement currently covering the offering of the shares pursuant to the May 2025 ATM Sales Agreement (including the prospectus supplement forming a part thereof related to the ATM offering), expires on February 13, 2027 pursuant to SEC rules. During the nine months ended September 30, 2026, we sold 570,845 shares of common stock pursuant to the May 2025 ATM Sales Agreement, for net proceeds of $2.5 million, after deducting sales agent commissions and other offering expenses of approximately $0.1 million. There were no sales pursuant to the May 2025 ATM Sales Agreement during the three months ended September 30, 2026.

March 2026 Public Offering

On March 20, 2026, we closed a public offering (the "March 2026 Public Offering") pursuant to a placement agency agreement and securities purchase agreements with certain investors participating in the offering, pursuant to which we issued and sold (i) an aggregate of 6,283,334 shares of our common stock, (ii) pre-funded warrants (the "March 2026 Pre-Funded Warrants") exercisable for an aggregate of up to 383,333 shares of our common stock, (iii) Series G warrants (the "Series G Warrants") exercisable for an aggregate of up to 6,666,667 shares of our common stock and (iv) Series H warrants (the "Series H Warrants" and together with the Series G Warrants, the "March 2026 Common Stock Warrants") exercisable for an aggregate of up to 6,666,667 shares of our common stock, for aggregate gross proceeds of $10.0 million. Each share of common stock (or March 2026 Pre-Funded Warrant in lieu thereof) was sold together with (i) a Series G Warrant to purchase one share of common stock and (ii) a Series H Warrant to purchase one share of common stock, at a combined public offering price of $1.50 per share of common stock and accompanying March 2026 Common Stock Warrants (or a combined public offering price of $1.4999 per March 2026 Pre-Funded Warrant and accompanying March 2026 Common Stock Warrants). The March 2026 Pre-Funded Warrants had an exercise price of $0.0001 per share and expired upon their full exercise. The Series G Warrants are exercisable immediately, have a term of five years from the date of issuance and have an exercise price of $1.50 per share. The Series H Warrants are exercisable immediately, have a term of twelve months and have an exercise price of $1.50 per share. The net proceeds to us from the March 2026 Public Offering were approximately $8.9 million, after deducting placement agent fees and expenses and other offering expenses payable by us.

Intellectual Property Overview

We are the sole owner of our patent portfolio that includes issued patents and pending patent applications covering compositions of matter and methods of use of our product candidates RP5063 (brilaroxazine) and RP1208, as well as related compounds. As of September 30, 2026, our portfolio of intellectual property consists of 76 granted patents and 24 pending patent applications in the United States and in over 26 foreign countries.

Brilaroxazine is our first intended commercial product. The original brilaroxazine patents include composition of matter, and methods of use in treating acute mania, autism, BD, depression, psychosis, and schizophrenia. One brilaroxazine original patent (U.S. Patent No. 8,188,076) and its 7 divisional/continuation patents have been granted in the U.S. The original brilaroxazine patents have also been granted in the following foreign countries: Australia, Brazil, Canada, Germany, Spain, France, Great Britain, Hong Kong, Israel, India, Italy, Japan, South Korea, Liechtenstein, Mexico, Russia, Slovakia, and Thailand. We believe that our patent portfolio provides good protection of brilaroxazine. All the U.S. and foreign original brilaroxazine granted patents and pending patent applications will expire or are expected to expire in 2030, if a patent term extension is not obtained. If and when brilaroxazine receives regulatory approval, we intend to apply for patent term extensions on patents covering brilaroxazine in any jurisdiction where patent term extension is available. For example, the expiration date of the first U.S. original brilaroxazine patent may be extendable up to 2035.

We also own additional brilaroxazine granted patents and pending patent applications for additional indications. We own attention hyperactivity disorder patents in the U.S., which will expire in 2035. We own pulmonary arterial hypertension patents in the U.S., Europe, China, Japan, and Hong Kong; all of which will expire in 2036. We own pulmonary fibrosis patents in the U.S., China, Europe, Japan, and Hong Kong, and pending applications in Brazil, which are all expected to expire in 2038.

We have one family of pending applications directed to a formulation of brilaroxazine, which are filed in Brazil, Canada, China, Europe, India, Japan, Korea, Mexico, and the U.S.

We have one family of pending applications directed to a method of using brilaroxazine for treating psoriasis, which are filed in Brazil, Canada, China, Europe, Japan, Korea, Mexico, and the U.S.

In addition, we have two U.S. pending applications each directed to a brilaroxazine composition.

We have two international applications pending; one directed to a method of using brilaroxazine for treating a specific symptom, and one directed to a new formulation of brilaroxazine.

All information regarding our patents and applications in this "Intellectual Property Overview" section is furnished as of September 30, 2026.

Financial Overview

We are a clinical-stage biopharmaceutical company and have not generated any revenues from the sale of products. We have never been profitable and have incurred losses since inception. As of September 30, 2026, we had a working capital surplus of approximately $13.1 million, an accumulated deficit of approximately $192.1 million and cash and cash equivalents on hand of approximately $17.5 million. Our net loss for the three months ended September 30, 2026 and 2025, was approximately $2.3 million and $4.0 million, respectively. Our net loss for the nine months ended September 30, 2026 and 2025, was approximately $7.9 million and $16.5 million, respectively. We expect our expenses to increase in connection with our ongoing activities to research, develop and commercialize our product candidates. Furthermore, we continue to expect to incur additional costs associated with operating as a public company, which may increase as we continue our efforts to remediate the material weaknesses in our internal control over financial reporting that we identified as more particularly described in Part II, Item 9A of our fiscal year 2025 Annual Report on Form 10-K, and in this Quarterly Report on Form 10-Q below in the section of Part I captioned "Item 4. Controls and Procedures." We will need to generate significant revenues to achieve profitability, and we may never do so.

We expect our expenses will increase in connection with our ongoing activities, as we:

- invest significantly to further research and develop, through clinical trials for brilaroxazine, including completion of remaining open-label extension trial ("OLE Trial") activities, initiating and conducting our planned bioequivalence study to confirm comparability of the new formulation of brilaroxazine, initiating and conducting our planned Phase 3 RECOVER-2 Trial, and pre-clinical research for RP1208, and seek regulatory approval for our product candidates brilaroxazine and RP1208;
- identify and develop additional product candidates;
- hire additional clinical, scientific and management personnel;
- seek regulatory and marketing approvals for any product candidates that we may develop;
- ultimately establish a sales, marketing and distribution infrastructure to commercialize any drugs for which we may obtain marketing approval;
- maintain, expand and protect our intellectual property portfolio;
- acquire or in-license other drugs and technologies; and
- continue to incur costs and expenses associated with operating as a public company, including without limitation additional costs and expenses associated with our planned application and related processes to relist on Nasdaq;
- add operational, financial and management information systems and personnel, including personnel to support our product candidate development, and any future commercialization efforts, and our ongoing compliance with and maintenance of public company controls, procedures and regulatory requirements and standards. and including in connection with our continuing efforts to remediate the material weaknesses in our internal control over financial reporting that we identified as more particularly described in Part I, Item 4 of this Quarterly Report on form 10-Q, "Controls and Procedures."

Research and Development Expenses

We focus our resources on research and development activities, including the conduct of pre-clinical and clinical studies and product development and expense such costs as they are incurred. We have not historically tracked or recorded research and development expenses on a project-by-project basis, primarily because we use our employee and infrastructure resources across multiple research and development projects, and it is not practical for us to allocate such costs on a project-by-project basis. Our research and development expenses primarily consist of clinical trial expenses and employee-related expenses, including deferred salaries, salaries, benefits and taxes for personnel in research and development functions.

The largest recurring component of our total operating expenses has historically been research and development activities. We expect our research and development expenses will increase for the next several years as we advance our development programs, pursue regulatory approval of our product candidates in the U.S. and other jurisdictions and prepare for potential commercialization, which would require a significant investment in costs related to contract manufacturing and inventory buildup.

Our primary product candidates and their current status are as follows:

Drug Candidate	Indication	Status
Brilaroxazine (RP5063)	Schizophrenia	- Conducted pivotal Phase 3 RECOVER-1 and long-term safety studies. Topline data for the RECOVER-1 Trial double-blind part announced October 30, 2023 - OLE positive preliminary topline data readout reported in December 2024, with full data-set and successful completion of the OLE announced in June 2025 - Feedback from FDA on potential incorporation of a new formulation of brilaroxazine into the RECOVER-2 Trial and potential NDA expected in Q4-2026* - After FDA feedback, we plan to initiate in Q1 2027 a bioequivalence study to confirm comparability of the new formulation* - We plan to initiate patient enrollment in our RECOVER-2 Trial in 1H-2027*
Brilaroxazine	Bipolar Disorder	Phase 1 complete**
Brilaroxazine	Depression-MDD	Phase 1 complete**
Brilaroxazine	Alzheimer's (AD-Psychosis/Behavior)	Phase 1 complete**
Brilaroxazine	Parkinson's	Phase 1 complete**
Brilaroxazine	ADHD/ADD	Phase 1 complete**
Brilaroxazine	PAH	Phase 1 complete**
Brilaroxazine	IPF	Phase 1 complete**
Brilaroxazine	Psoriasis	In pre-clinical development
RP1208	Depression	In pre-clinical development. Completed studies including in vitro receptor binding studies, animal efficacy studies, and PK studies. Compound ready for IND enabling studies.
RP1208	Obesity	In pre-clinical development. Completed studies, including in vitro receptor binding studies and PK studies. Compound ready for animal efficacy studies.

* We plan to initiate patient enrollment in the RECOVER-2 Phase 3 study for brilaroxazine in schizophrenia (the "RECOVER-2 Trial") in the first half of 2027, subject to additional financing. As previously reported, the FDA has already cleared the protocol for the RECOVER-2 Trial, and we currently expect study completion in 2028. We anticipate that the RECOVER-2 Trial will be similar in design to our completed RECOVER Phase 3 trial of brilaroxazine. We announced certain efforts centered on extending the long-term value of the brilaroxazine program and preparing for the next phase of development. As described above, in connection with our effort to extend patent life and commercial exclusivity for brilaroxazine potentially through 2046, we have filed a composition of matter patent application on a new formulation of brilaroxazine internationally in PCT (Patent Cooperation Treaty) and filed an accelerated application in the United States through the United States Patent and Trademark Office (USPTO) Track One Program. Based on the pre-clinical development package for this new formulation of brilaroxazine, we are seeking FDA alignment on using this new formulation of brilaroxazine product in our future new drug application ("NDA") submission. This would include switching the drug substance of brilaroxazine and its formulation in the RECOVER-2 Trial. We expect FDA feedback on this strategy in Q4-2026. After FDA feedback, we plan to initiate a bioequivalence study in Q1 2027 to confirm comparability of the new formulation.

** We completed the Phase 1 clinical study for brilaroxazine prior to starting the Phase 2 study in schizophrenia and schizoaffective disorder, and completed our RECOVER-1 Trial double-blind part in acute schizophrenia patients for which we announced topline data in October 2023. In these three studies, we collected safety data for brilaroxazine in over 800 patients, including healthy subjects and patients with stable schizophrenia, acute schizophrenia and schizoaffective disorder. Generally, no separate Phase 1 study is required for conducting a Phase 2 study for an additional indication, provided the treatment doses in the Phase 2 study for an additional indication are within the range of doses tested in the previously completed Phase 1 study.

General Administrative Expenses

General and administrative expenses primarily consist of payroll and related costs for employees in executive, business development, finance, and administrative functions. Other significant general and administrative expenses include professional fees for accounting and legal services.

We expect general and administrative expenses to increase as we expand infrastructure and continue the development of our clinical programs. Other increases could potentially include increased costs for director and officer liability insurance, costs related to the hiring of additional personnel, and increased fees for directors, outside consultants, lawyers, and accountants. We expect to incur significant costs to comply with corporate governance, internal controls, and similar requirements applicable to public companies.

Critical Accounting Estimates

Our critical accounting estimates are disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025, as filed with the SEC on March 30, 2026. Since the date of such Annual Report, there have been no material changes in our critical accounting estimates

Results of Operations

Comparison of the three months ended September 30, 2026 and 2025:

The following table summarizes our results of operations for the three months ended September 30, 2026 and 2025:

	Three Months Ended September 30,		Change Amount	Change Percentage
	2026	2025		
Operating expenses				
Research and development	$ 1,198,460	$ 2,131,444	$ (932,984)	(43.8)%
General and administrative	1,234,058	1,898,397	(664,339)	(35.0)%
Total operating expenses	2,432,518	4,029,841		
Loss from operations	(2,432,518)	(4,029,841)		
Loss on remeasurement of warrant liabilities	—	(27,816)	27,816	100.0%
Interest expense	(1,174)	(2,605)	1,431	54.9%
Interest income	135,329	59,103	76,226	129.0%
Other income (expense), net	1,392	(6,774)	8,166	120.5%
Total other income, net	135,547	21,908		
Loss before provision for income taxes	(2,296,971)	(4,007,933)		
Provision for income taxes	1,934	2,840	(906)	(31.9)%
Net loss	$ (2,298,905)	$ (4,010,773)		

Research and Development Expenses

Research and development costs are expensed as incurred. These expenses represent both internal and external costs.

For the three months ended September 30, 2026 and 2025, research and development expenses were approximately $1.2 million and $2.1 million, respectively. Specifically, during the three months ended September 30, 2026 and 2025, our research and development costs consisted primarily of the following costs associated with our key research and development projects for advancing the clinical development of brilaroxazine during the reporting periods, which during such periods consisted primarily of our OLE Trial for our Phase 3 clinical study for brilaroxazine: (i) internal salaries, wages and other payroll related costs for employees involved in research and development activities, of approximately $0.4 million and $0.5 million in each period, respectively; (ii) internal stock-based compensation expenses with respect to employees involved in research and development activities, of approximately $0.1 million and $0.2 million, respectively; and (iii) external research and development expenses of approximately $0.7 million and $1.4 million, respectively (which includes clinical (including clinical consulting) research and development costs of approximately $0.5 million and $1.2 million, respectively, non-clinical safety related costs of an insignificant amount and $0.1 million, respectively, non-clinical manufacturing related costs of approximately $0.1 million in each period and non-clinical consulting costs of $0.1 million and an insignificant amount, respectively).

The decrease in research and development expenses for the three months ended September 30, 2026 as compared to the three months ended September 30, 2025 was primarily attributed to a decrease in external clinical research and development costs, partially attributed to a decrease in costs associated with patient visits as the OLE Trial proceeded toward completion during 2025 with the remaining OLE activities thereafter consisting of post-data readout activities and trial wind-down costs.

We expect our research and development activities to substantially increase as we develop our existing product candidates and potentially acquire new product candidates, reflecting increasing costs associated with our ongoing operations, including expenses associated with activities required to complete the development of brilaroxazine in schizophrenia including expenses associated with our planned bioequivalence study and our planned Phase 3 RECOVER-2 Trial, and other expenses to take us through the submission of the planned NDA for brilaroxazine, together with additional costs post-NDA submission in preparation of potential commercialization if approved. For additional information, please see the discussion appearing above in the introductory section of this Part I-Item 2, *Management's Discussion and Analysis of Financial Condition and Results of Operations.*

General and Administrative Expenses

For the three months ended September 30, 2026 and 2025, general and administrative expenses were approximately $1.2 million and $1.9 million, respectively. Specifically, during the three months ended September 30, 2026 and 2025, our general and administrative expenses consisted primarily of: (i) stock-based compensation expense of approximately $0.1 million and $0.3 million, respectively; (ii) consultant and professional expenses of approximately $0.3 million and $0.4 million, respectively; (iii) legal expenses of approximately $0.2 million and $0.5 million, respectively; (iv) employee-related expenses of approximately $0.5 million in each period; (v) Directors and Officers insurance expenses of approximately $0.1 million in each period; and (vi) other general and administrative expenses of an insignificant amount and $0.1 million, respectively.

Loss on Remeasurement of Warrant Liabilities

We recognized a remeasurement of warrant liabilities loss of approximately $27.8 thousand for the three months ended September 30, 2025 resulting from the increase in the calculated fair value of the warrants attributed to an increase in volatility offset by a marginal decrease in stock price. Our previously outstanding liability-classified warrants expired in December 2025; accordingly, no gain or loss was recognized for the three months ended September 30, 2026.

Interest Expense

We incurred interest expense of approximately $1.2 thousand and $2.6 thousand for the three months ended September 30, 2026 and 2025, respectively. The decrease in interest expense is attributed to the reduced interest rate on short term debt obtained by us related to Directors and Officers liability insurance policy premiums.

Interest Income

Interest income was approximately $135.3 thousand for the three months ended September 30, 2026 and $59.1 thousand for the three months ended September 30, 2025. The interest income increase of approximately $76.2 thousand was primarily due to an increase in average cash balances during the three months ended September 30, 2026 compared to the three months ended September 30, 2025.

Other Income (Expense), net

Other income, net was approximately $1.4 thousand for the three months ended September 30, 2026 and other expense, net was approximately $6.8 thousand for the three months ended September 30, 2025. The approximately $8.2 thousand change in the positive direction for the three-month period ended September 30, 2026 as compared to the corresponding 2025 period, was primarily attributable to a lower period-over-period foreign currency transaction loss from foreign currency fluctuations related to the consolidation of our Indian subsidiary for the 2026 period as compared to the 2025 period.

Comparison of the nine months ended September 30, 2026 and 2025:

The following table summarizes our results of operations for the nine months ended September 30, 2026 and 2025:

	Nine Months Ended September 30,		Change	Change
	2026	2025	Amount	Percentage
Operating expenses				
Research and development	$ 4,028,164	$ 9,969,736	$ (5,941,572)	(59.6)%
General and administrative	4,293,849	6,671,254	(2,377,405)	(35.6)%
Total operating expenses	8,322,013	16,640,990		
Loss from operations	(8,322,013)	(16,640,990)		
Gain on remeasurement of warrant liabilities	—	44,504	(44,504)	(100.0)%
Interest expense	(10,762)	(19,022)	8,260	43.4%
Interest income	401,002	168,061	232,941	138.6%
Other expense, net	(3,038)	(33,769)	30,731	91.0%
Total other income, net	387,202	159,774		
Loss before provision for income taxes	(7,934,811)	(16,481,216)		
Provision for income taxes	7,912	16,007	(8,095)	(50.6)%
Net loss	$ (7,942,723)	$ (16,497,223)		

Research and Development Expenses

Research and development costs are expensed as incurred. These expenses represent both internal and external costs.

For the nine months ended September 30, 2026 and 2025, research and development expenses were approximately $4.0 million and $10.0 million, respectively. Specifically, during the nine months ended September 30, 2026 and 2025, our research and development costs consisted primarily of the following costs associated with our key research and development projects for advancing the clinical development of brilaroxazine during the reporting periods, which during such periods consisted primarily of our OLE Trial for our Phase 3 clinical study for brilaroxazine: (i) internal salaries, wages and other payroll related costs for employees involved in research and development activities, of approximately $1.3 million and $2.0 million in each period, respectively; (ii) internal stock-based compensation expenses with respect to employees involved in research and development activities, of approximately $0.5 million and $0.7 million, respectively; and (iii) external research and development expenses of approximately $2.2 million and $7.3 million, respectively (which includes clinical (including clinical consulting) research and development costs of approximately $1.5 million and $6.0 million, respectively, non-clinical safety related costs of an insignificant amount and approximately $0.7 million, respectively, non-clinical manufacturing related costs of approximately $0.2 million and $0.5 million, respectively, and non-clinical consulting and other related costs of approximately $0.5 million and $0.1 million, respectively).

The decrease in research and development expenses for the nine months ended September 30, 2026 as compared to the nine months ended September 30, 2025 was primarily attributed to a decrease in external clinical research and development costs, partially attributed to a decrease in costs associated with patient visits as the OLE Trial proceeded toward completion during 2025 with the remaining OLE activities thereafter consisting of post-data readout activities and trial wind-down costs.

We expect our research and development activities to substantially increase as we develop our existing product candidates and potentially acquire new product candidates, reflecting increasing costs associated with our ongoing operations, including expenses associated with activities required to complete the development of brilaroxazine in schizophrenia including expenses associated with our planned bioequivalence study and our planned Phase 3 RECOVER-2 Trial, and other expenses to take us through the submission of the planned NDA for brilaroxazine, together with additional costs post-NDA submission in preparation of potential commercialization if approved. For additional information, please see the discussion appearing above in the introductory section of this Part I-Item 2, *Management's Discussion and Analysis of Financial Condition and Results of Operations.*

General and Administrative Expenses

For the nine months ended September 30, 2026 and 2025, general and administrative expenses were approximately $4.3 million and $6.7 million, respectively. Specifically, during the nine months ended September 30, 2026 and 2025, our general and administrative expenses consisted primarily of: (i) stock-based compensation expense of approximately $0.5 million and $1.1 million, respectively; (ii) consultant and professional expenses of approximately $1.2 million and $2.3 million, respectively; (iii) legal expenses of approximately $0.7 million and $1.2 million, respectively; (iv) employee-related expenses of approximately $1.5 million in each period; (v) Directors and Officers insurance expenses of approximately $0.3 million in each period; and (vi) other general and administrative expenses of approximately $0.1 million and $0.3 million, respectively.

Gain on Remeasurement of Warrant Liabilities

We recognized a remeasurement of warrant liabilities gain of approximately $44.5 thousand for the nine months ended September 30, 2025 resulting from a decrease in the calculated fair value of the warrants, principally as a result of the decrease in our stock price. Our previously outstanding liability-classified warrants expired in December 2025; accordingly, no gain or loss was recognized for the nine months ended September 30, 2026.

Interest Expense

We incurred interest expense of approximately $10.8 thousand and $19.0 thousand for the nine months ended September 30, 2026 and 2025, respectively. The decrease in interest expense is attributed to the reduced interest rate on short term debt obtained by us related to Directors and Officers liability insurance policy premiums.

Interest Income

Interest income was approximately $0.4 million and $0.2 million for the nine months ended September 30, 2026 and 2025, respectively. The interest income increase of approximately $0.2 million was primarily due to an increase in average cash balances during the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025.

Other Expense, net

Other expense, net was approximately $3.0 thousand for the nine months ended September 30, 2026 and approximately $33.8 thousand for the nine months ended September 30, 2025. The decrease of approximately $30.8 thousand for the nine months ended September 30, 2026 as compared to the corresponding 2025 period, was primarily attributable to a lower period-over-period foreign currency transaction loss from foreign currency fluctuations for the relevant 2026 period as compared to the 2025 period related to the consolidation of our Indian subsidiary.

Liquidity and Capital Resources

	September 30, 2026	December 31, 2025	Change Amount	Change Percentage
Balance Sheet Data:				
Cash and cash equivalents	$ 17,458,418	$ 14,438,792	3,019,626	20.9%
Working capital surplus	$ 13,079,361	$ 7,827,924	5,251,437	67.1%
Total assets	$ 18,557,325	$ 15,923,198	2,634,127	16.5%
Total stockholders' equity	$ 13,079,361	$ 8,647,645	4,431,716	51.2%

	Nine Months Ended September 30,		Change	
Statement of Cash Flow Data:	**2026**	**2025**	**Amount**	**Percentage**
Net cash used in operating activities	$ (8,101,051)	$ (18,796,432)	10,695,381	56.9%
Net cash provided by financing activities	11,120,677	18,503,360	(7,382,683)	(39.9)%
Net increase (decrease) in cash and cash equivalents	$ 3,019,626	$ (293,072)	3,312,698	1130.3%

Capital Resources

We have funded our operations to date primarily from the issuance and sale of our equity and equity-linked securities, such as warrants. As of September 30, 2026, we had cash and cash equivalents of approximately $17.5 million. To fund our current operating plans, we will need to raise significant additional capital. Our existing cash and cash equivalents will not be sufficient for us to complete development of our product candidates and, if applicable, to prepare for commercializing any product candidate that may receive approval. Accordingly, we will continue to require substantial additional capital beyond our existing cash to continue our clinical development and potential commercialization activities. We believe that we have adequate cash on hand to cover anticipated outlays into the third quarter of 2027, but will need additional fundraising activities and cash on hand prior to such time. We have based this estimate, however, on assumptions that may prove to be wrong, and could spend available financial resources much faster than we currently expect. We will need to raise additional funds to continue funding our development efforts and operations. We intend to secure such additional funding, although there are no guarantees or commitments for additional funding. These conditions raise substantial doubt regarding our ability to continue as a going concern for a period of one year after the date the consolidated financial statements are issued. The amount and timing of our future funding requirements will depend on many factors, including the pace and results of our clinical development efforts. We will seek to fund our operations through public or private equity, debt financings or other sources, which may include collaborations with third parties. 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 our ability to continue as a going concern. We cannot assure you that we will ever be profitable or generate positive cash flow from operating activities.

We expect to continue to incur significant expenses and operating losses for the foreseeable future as we continue our research and pre-clinical and clinical development of our product candidates including our planned bioequivalence study to confirm comparability of the new formulation of brilaroxazine, our planned RECOVER-2 Phase 3 Trial for brilaroxazine in schizophrenia and other activities to continue development of our brilaroxazine program; expand the scope of our current studies for our product candidates; initiate additional pre-clinical, clinical or other studies for our product candidates; change or add additional manufacturers or suppliers; seek regulatory and marketing approvals for any of our product candidates that successfully complete clinical studies; seek to identify, evaluate and validate additional product candidates; acquire or in-license other product candidates and technologies; maintain, protect and expand our intellectual property portfolio; attract and retain skilled personnel; add operational, financial and management information systems and personnel, including personnel to support our product candidate development, and any future commercialization efforts, and our ongoing compliance with and maintenance of public company controls, procedures and regulatory requirements and standards, including in connection with our ongoing remediation efforts regarding the material weaknesses in our internal controls as disclosed in Part I, Item 4, "Controls and Procedures," of this Quarterly Report on Form 10-Q; and experience any delays or encounter issues with any of the above. See also the discussion set forth under the caption "Financial Overview" appearing in this Management's Discussion and Analysis of Financial Condition and Results of Operation section above.

On March 20, 2026, we closed a public offering (the "March 2026 Public Offering") conducted pursuant to a placement agency agreement (the "March 2026 Placement Agency Agreement") and securities purchase agreements with certain investors participating in the offering, pursuant to which we issued and sold (i) an aggregate of 6,283,334 shares of common stock, (ii) pre-funded warrants (the "March 2026 Pre-Funded Warrants") exercisable for an aggregate of up to 383,333 shares of common stock (the "March 2026 Pre-Funded Warrant Shares"), (iii) Series G warrants (the "Series G Warrants") exercisable for an aggregate of up to 6,666,667 shares of common stock (the "Series G Warrant Shares") and (iv) Series H warrants (the "Series H Warrants" and together with the Series G Warrants, the "March 2026 Common Stock Warrants") exercisable for an aggregate of up to 6,666,667 shares of common stock (the "Series H Warrant Shares" and together with the March 2026 Pre-Funded Warrant Shares and Series G Warrant Shares, the "March 2026 Warrant Shares"), for aggregate gross proceeds of $10.0 million. Each share of common stock (or March 2026 Pre-Funded Warrant in lieu thereof) was sold together with (i) a Series G Warrant to purchase one share of common stock and (ii) a Series H Warrant to purchase one share of common stock, at a combined public offering price of $1.50 per share of common stock and accompanying March 2026 Common Stock Warrants (or a combined public offering price of $1.4999 per March 2026 Pre-Funded Warrant and accompanying March 2026 Common Stock Warrants). The March 2026 Pre-Funded Warrants had an exercise price of $0.0001 per share and expired upon their full exercise. The Series G Warrants are exercisable immediately, have a term of five years from the date of issuance and have an exercise price of $1.50 per share. The Series H Warrants are exercisable immediately, have a term of twelve months and have an exercise price of $1.50 per share. The net proceeds to us from the March 2026 Public Offering were approximately $8.9 million, after deducting Placement Agent fees and expenses and other offering expenses payable by us.

During the nine months ended September 30, 2026 , we sold 570,845 shares of common stock pursuant to the May 2025 ATM Sales Agreement for net proceeds of $2.5 million after deducting sales agent commissions and other offering expenses of approximately $0.1 million. During the three months ended September 30, 2026, and through the filing date of this Quarterly Report on Form 10-Q, we have not sold any shares of common stock pursuant to the May 2025 ATM Sales Agreement. The Company does not expect to utilize the May 2025 ATM Sales Agreement while the Company's common stock is quoted on the OTC Markets Group, and the underlying Form S-3 "shelf" Registration Statement currently covering the offering of the shares pursuant to the May 2025 ATM Sales Agreement (including the prospectus supplement forming a part thereof related to the ATM offering), expires on February 13, 2027 pursuant to SEC rules.

Until such time as we can generate substantial product revenue, if ever, we expect to finance our cash needs through a combination of equity or debt financings and collaboration agreements. We do not currently have any committed external sources of capital. To the extent that we raise additional capital through the future sale of equity or debt, the ownership interest of our stockholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of our existing stockholders. If we raise additional funds through collaboration agreements in the future, we may have to relinquish valuable rights to our technologies, future revenue streams or product candidates or grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds through equity or debt financings when needed, we may be required to delay, limit, reduce or terminate our product development or future commercialization efforts or grant rights to develop and market product candidates that we would otherwise prefer to develop and market ourselves. Adequate additional financing may not be available to us on acceptable terms, or at all. If we are not able to secure additional funding when needed, we may have to delay, reduce the scope of or eliminate one or more of our clinical trials or research and development programs or make changes to our operating plan, or curtail or cease operations. We will need to generate significant revenues to achieve profitability, and we may never do so.

Cash Flows

Net Cash Used in Operating Activities

Net cash used in operating activities for the nine months ended September 30, 2026 was approximately $8.1 million, consisting primarily of a net loss of approximately $7.9 million, adjusted for non-cash items, including stock-based compensation expense of approximately $1.0 million, coupled with a decrease in our operating assets and liabilities totaling approximately $1.2 million. The $1.2 million decrease in net operating assets and liabilities was primarily due to a decrease in accounts payable as well as accrued expenses and other current liabilities, net with a decrease in prepaid expenses and other current assets.

Net cash used in operating activities for the nine months ended September 30, 2025, was approximately $18.8 million, consisting primarily of a net loss of approximately $16.5 million, adjusted for non-cash items, including stock-based compensation expense of approximately $1.8 million, coupled with a decrease in our operating assets and liabilities totaling approximately $4.0 million. The $4.0 million decrease in net operating assets and liabilities was primarily due to a decrease in accrued clinical expenses, other accrued expenses and accounts payable, net with a decrease in prepaid expenses, other current assets, and prepaid clinical trial costs.

Net Cash Provided by Financing Activities

Net cash provided by financing activities for the nine months ended September 30, 2026 was approximately $11.1 million. Cash provided by financing activities during the nine months ended September 30, 2026 was attributable to approximately $9.0 million in proceeds from issuance of common stock, common stock warrants, and pre-funded warrants, net of transaction costs paid, and $2.5 million in net proceeds from the issuance of common stock pursuant to the May 2025 ATM Sales Agreement, which was offset by the repayments of short-term debt of approximately $0.4 million.

Net cash provided by financing activities for the nine months ended September 30, 2025 was approximately $18.5 million. Cash provided by financing activities during the nine months ended September 30, 2025 was attributable to (i) $19.0 million in gross proceeds from the sale of common stock, Series C Common Warrants and Series D Common Warrants in our June 2025 Public Offering and Series E Common Warrants and Series F Common Warrants in our September 2025 Public Offering, partially offset by transaction costs of approximately $1.9 million, approximately $0.4 million of which was not yet paid as of September 30, 2025; (ii) gross proceeds of approximately $1.6 million from the sale of common stock under our May 2025 ATM Sales Agreement, partially offset by transaction costs of approximately $0.4 million, approximately $0.1 million of which was not yet paid as of September 30, 2025; and (iii) approximately $0.2 million in proceeds from the exercise of common stock warrants. The foregoing were partially offset by repayments on the short-term debt of approximately $0.5 million.

Off-Balance Sheet Arrangements

We did not have during the periods presented, and do not currently have, any off-balance sheet arrangements, as defined under SEC rules.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As a smaller reporting company, we are not required to provide the information called for by this item.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports under the Exchange Act, and the rules and regulations thereunder, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow for timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

As required by Rule 13a-15(b) under the Exchange Act, our management, under the supervision and with the participation of our principal executive officer and principal financial officer, has evaluated the effectiveness of the design and implementation of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of September 30, 2026. Based on that evaluation, management concluded that as of September 30, 2026, the Company did not maintain effective disclosure controls and procedures because of the material weaknesses in internal control over financial reporting described below.

We identified the following entity-level material weaknesses. We have an ineffective control environment, including an insufficient number of personnel with an appropriate level of knowledge and experience to create the proper environment for effective internal control over financial reporting, and did not maintain the other components of the framework in *Internal Control-Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), including appropriate risk assessment, control activities, information and communication, and monitoring activities components relating to (i) sufficiency of processes related to identifying and analyzing risks to the achievement of objectives, including technology, across the entity, (ii) developing general control activities over technology to support the achievement of objectives across the entity, (iii) sufficiency of selecting and developing control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels and (iv) sufficiency of monitoring activities to ascertain whether the components of internal control are present and functioning.

The entity-level material weaknesses contributed to other material weaknesses within our system of internal control over financial reporting as follows:

- We did not design and maintain effective information technology (IT) general controls for certain information systems supporting our key financial reporting processes. Specifically, we did not design and maintain (a) change management controls to ensure that program and data changes affecting financial applications and underlying accounting records are identified, tested, authorized and implemented appropriately, (b) access controls to ensure appropriate IT segregation of duties are maintained that adequately restrict and segregate privileged access between environments which support development and production, (c) controls to monitor on an on-going basis for the proper segregation of privileged access between environments which support development and production and (d) operations controls to ensure appropriate interfacing between systems. As a result, IT application controls and business process controls (automated and manual) that are dependent on the ineffective IT general controls, or that rely on data produced from systems impacted by the ineffective IT general controls, are also deemed ineffective.

- We did not design and maintain effective process-level controls, which affects substantially all account balances and disclosures.

These material weaknesses have a pervasive impact and consequently, impact control activities over all financial statement account balances, classes of transactions, and disclosures.

Management's Remediation Measures

We are committed to continuing to improve our internal control over financial reporting, and also our IT general controls. As of the date hereof, we have commenced procedures to remediate the material weaknesses, including the hiring of an additional internal accounting resource, engaging a third-party consulting firm to assist with the enhancement of IT general controls over information systems relevant to financial reporting, including privileged access and segregation of duties; and with continued realignment of existing personnel to strengthen management's review and documentation over internal control over financial reporting.

We will continue to monitor the design and effectiveness of these procedures and controls and make any further changes we determine appropriate.

Notwithstanding the existence of the material weaknesses as described above, we believe that the unaudited condensed consolidated financial statements in this Quarterly Report on Form 10-Q fairly present, in all material respects, our financial position, results of operations, and cash flows as of the dates, and for the periods presented, in conformity with U.S. GAAP.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Changes in Internal Control Over Financial Reporting

Except as discussed above, there was no change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the period covered by the Quarterly Report on Form 10-Q that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of the controls. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

PART II OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

We may, from time to time, become involved in various lawsuits and legal proceedings, which arise in the ordinary course of business. Litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our business. Except as previously disclosed in our 10-K for the fiscal year ended December 31, 2025, we are currently not aware of any other legal proceedings or claims that may be, individually or in the aggregate, material to us.

ITEM 1A. RISK FACTORS.

Our business is subject to substantial risks and uncertainties. An investment in our securities involves a high degree of risk. In addition to the other information set forth in this report and in our other SEC filings from time to time, you should carefully consider the factors discussed in "Part I, Item 1A. Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025, as filed with the SEC on March 30, 2026, as supplemented by the information set forth in "Part II, Item 1A. Risk Factors" in our Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2026 and June 30, 2026, as filed with the SEC on May 13, 2026 and August 12, 2026, respectively, which could materially affect our business, financial condition or future results. The risks described in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025, as supplemented by the risks described in our Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2026 and June 30, 2026, may not be the only risks facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and/or operating results. Except as required by the federal securities law, we undertake no obligation to update or revise any risk factor, whether as a result of new information, future events or otherwise.

There were no material changes to the risk factors previously disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025, as filed with the SEC on March 30, 2026, as supplemented by the risk factors previously disclosed in our Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2026 and June 30, 2026, as filed with the SEC on May 13, 2026 and August 12, 2026, respectively.

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

There were no unregistered sales of equity securities during the period covered by this report.

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

Exhibit No.	Exhibit
10.1*	Form of Notice of Option Exercise under the registrant's 2020 Equity Incentive Plan
31.1*	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a)
31.2*	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a)
32.1**	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350
101.INS*	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.
** The certifications furnished in Exhibit 32.1 hereto are deemed to accompany this Quarterly Report on Form 10-Q and will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and will not be deemed to be incorporated by reference into any filing under such Act or the Securities Act of 1933, as amended, except to the extent that the registrant specifically incorporates such certifications 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.

Reviva Pharmaceuticals Holdings, Inc.
(Registrant)

Date: November 12, 2026

By: /s/ Laxminarayan Bhat
Laxminarayan Bhat
Chief Executive Officer
(Principal Executive Officer)

Date: November 12, 2026

By: /s/ Narayan Prabhu
Narayan Prabhu
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 10.1

FORM OF NOTICE OF OPTION EXERCISE

Date: _____

Reviva Pharmaceuticals Holdings, Inc.
10080 N. Wolfe Road, Suite SW3-200
Cupertino, CA 95014
Attn: _____

Dear Sir or Madam:

1. **Exercise of Option**. Effective as of today, _____, 20__ (the "Exercise Date"), the undersigned ("Purchaser") hereby elects to purchase _____ shares (the "Shares") of the common stock, par value $0.0001 per share, of Reviva Pharmaceuticals Holdings, Inc. (the "Company") under and pursuant to the Reviva Pharmaceuticals Holdings, Inc. 2020 Equity Incentive Plan (the "Plan") and the [(Select Applicable Description:) Incentive / Nonqualified] Stock Option Grant Agreement between Purchaser and the Company dated _____, 20__ (the "Option Agreement"). The aggregate purchase price for the Shares shall be $_____, as required by the Option Agreement (the "Purchase Price").

2. **Payment and Tax Withholding**.[1] With respect to payment of the Purchase Price, select A or B as follows:

A. [ ] Full Payment. Purchaser herewith makes payment to the Company of the full Purchase Price and an amount to cover the applicable tax withholdings, either:

[ ] by enclosing a check payable to Reviva Pharmaceuticals Holdings, Inc., or

[ ] by transfer of funds by wire transfer to the Company.

B. [ ] Net Exercise. Purchaser elects to have the Company withhold a sufficient number of Shares otherwise issuable upon exercise in order to cover the Purchase Price. **Notwithstanding the Net Exercise election, Purchaser is responsible for remitting income and employment withholdings to the Company.** Purchaser understands, acknowledges and agrees as follows:

The number of Shares withheld to satisfy the Purchase Price shall be based (i) if the common stock is then traded on Nasdaq or another established stock exchange or national market system, on the closing price of a Share on the Exercise Date as reported by Nasdaq or such other exchange or system (or, if there is no trading in Shares as of such date, the closing price of a Share as reported by Nasdaq or such other exchange or system on the most recent date preceding the Exercise Date on which trades of Shares were recorded); or (ii) if the common stock is not then traded on Nasdaq or another established stock exchange or national market system but are then traded in an over-the-counter (OTC) market, the average of the closing bid and asked prices for a Share of common stock in such OTC market as of such date (or, if there are no closing bid and asked prices for Shares of common stock as of such date, the average of the closing bid and the asked prices for the Shares of common stock on the most recent date preceding such date on which such closing bid and asked prices are available on such OTC market).

Minimum required Federal, State and Local income and employment tax withholdings, domestic and foreign, as a result of the exercise will NOT be covered by the withholding of shares. Purchaser understands, acknowledges and agrees that Purchaser shall be required to make suitable arrangements acceptable to the Company to cover such withholding taxes.

3. **Rights as Stockholder**. Purchaser understands that until the issuance (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company) of the Shares and the Purchaser becoming the holder of record of such securities, no right to vote or receive dividends or any other rights as a stockholder shall exist with respect to the Shares covered by the Option, notwithstanding the exercise of the Option. Purchaser further agrees that no adjustment will be made for a dividend or other right for which the record date is prior to the date of issuance.

4. **Tax Consultation**. Purchaser understands that Purchaser may suffer adverse tax consequences as a result of Purchaser's purchase or disposition of the Shares. Purchaser represents that Purchaser has consulted with any tax consultants Purchaser deems advisable in connection with the purchase or disposition of the Shares and that Purchaser is not relying on the Company for any tax advice. Purchase further understands and agrees that the Company shall have no liability to Purchaser or any other person if the Option is designated as an "incentive stock option" under Section 422 of the Internal Revenue Code of 1986, as amended (the "Code") but fails to qualify as such at any time, or if the Option is determined to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code and the terms of such Option do not satisfy the additional conditions applicable to nonqualified deferred compensation under Section 409A of the Code.

5. **Compliance with Laws and Regulations**. Purchaser understands that the issuance and transfer of the Shares will be subject to and conditioned upon compliance by the Company and Purchaser with all applicable state, local and U.S. Federal laws and regulations and with all applicable requirements of any stock exchange or automated quotation system on which the Company's Common Stock may be listed or quoted at the time of such issuance or transfer. Notwithstanding anything to the contrary contained herein, Purchaser understands that he/she may not exercise the Option unless the Shares issuable upon such exercise are then registered under the Securities Act of 1933, as amended (the "Securities Act") or, if such Shares are not then so registered, the Company has determined that such exercise and issuance would be exempt from the registration requirements of the Securities Act. Purchaser further understands that the exercise of the Option also must comply with other applicable laws and regulations governing the Option, and that Purchaser may not exercise the Option if the Company determines that such exercise would not be in compliance with such laws and regulations.

6. **Governing Law**. This Notice of Option Exercise is governed by the internal substantive laws, but not the choice of law rules, of the State of Delaware.

7. **Further Instruments**. Purchaser agrees to execute such further instruments and to take such further action as may be reasonably necessary to carry out the purposes and intent of this Notice of Option Exercise.

Submitted by:	Accepted by:
PURCHASER	**REVIVA PHARMACEUTICALS HOLDINGS, INC.**
_____	By: _____
_____	_____
Print Name	Print Name/Title
Date: _____	Date: _____

[1] Adjust as needed based on payment methods allowed. Tax withholding will not apply if the Option is an ISO and is exercised during employment or within 90 days thereafter (12 months if separation was due to death or disability)

EXHIBIT 31.1

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER Pursuant to
Securities Exchange Act Rules 13a-14(a) and 15d-14(a),
As Adopted Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, Laxminarayan Bhat, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Reviva Pharmaceuticals 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. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of 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.

Dated: November 12, 2026

/s/ Laxminarayan Bhat
Laxminarayan Bhat
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER Pursuant to
Securities Exchange Act Rules 13a-14(a) and 15d-14(a),
As Adopted Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, Narayan Prabhu, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Reviva Pharmaceuticals 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. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of 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.

Dated: November 12, 2026

/s/ Narayan Prabhu
Narayan Prabhu
Chief Financial Officer
(Principal Financial and Accounting Officer)

EXHIBIT 32.1

CERTIFICATIONS OF CHIEF EXECUTIVE OFFICER
AND CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Reviva Pharmaceuticals Holdings, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2026, as filed with the Securities and Exchange Commission (the "Quarterly Report"), Laxminarayan Bhat, Chief Executive Officer of the Company, and Narayan Prabhu, Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted by Section 906 of the Sarbanes-Oxley Act of 2002, to his knowledge:

1. The Quarterly Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

IN WITNESS WHEREOF, the undersigned have set their hands hereto as of the 12th day of November, 2026.

/s/ Laxminarayan Bhat	*/s/ Narayan Prabhu*
Laxminarayan Bhat	Narayan Prabhu
Chief Executive Officer	Chief Financial Officer
(Principal Executive Officer)	*(Principal Financial and Accounting Officer)*