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

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 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: **001-39834**

CLENE INC.

(Exact name of registrant as specified in its charter)

Delaware	**85-2828339**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
6550 South Millrock Drive, Suite G50 Salt Lake City, Utah	**84121**
(Address of principal executive offices)	(Zip Code)

(801) 676-9695

(Registrant's telephone number, including area code)

N/A

(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**
Common Stock, $0.0001 par value	CLNN	The Nasdaq Capital Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of shares outstanding of the registrant's common stock as of May 11, 2026 was 12,778,307.

CLENE INC.
Quarterly Report on Form 10-Q for the Quarter Ended March 31, 2026

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

Certain statements in this Quarterly Report on Form 10-Q ("Quarterly Report") may constitute "forward-looking statements" for purposes of the federal securities laws. Our forward-looking statements include, but are not limited to, statements regarding our or our management team's expectations, hopes, beliefs, intentions or strategies regarding our future operations. In addition, any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. The words "anticipate," "believe," "contemplate," "continue," "could," "estimate," "expect," "intends," "may," "might," "plan," "possible," "potential," "predict," "project," "should," "will," "would" and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements in this Quarterly Report may include, for example, statements about:

- our future financial performance, including our ability to continue as a going concern;
- our plans and strategies to raise additional funding;
- the clinical results of our drug candidates;
- the likelihood of commercial success for our drug candidates;
- our plans and strategies to obtain and maintain regulatory approvals of our drug candidates;
- the size and growth potential of the markets for our drug candidates, and our ability to serve those markets, either alone or in combination with others;
- changes in the market for our drug candidates;
- expansion plans and opportunities; and
- any other statements that address events or developments that we intend or believe will or may occur in the future.

These forward-looking statements represent our views as of the date of this Quarterly Report and involve a number of judgments, risks and uncertainties. We anticipate that subsequent events and developments will cause our views to change. We undertake no obligation to update forward-looking statements to reflect events or circumstances after the date they were made, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws. Accordingly, forward-looking statements should not be relied upon as representing our views as of any subsequent date.

As a result of a number of known and unknown risks and uncertainties, our actual results or performance may be materially different from those expressed or implied by these forward-looking statements. Some factors that could cause actual results to differ include:

- our substantial dependence on the successful commercialization of our drug candidates, if approved, in the future;
- our significant net losses and net operating cash outflows;
- our ability to demonstrate the efficacy and safety of our drug candidates;
- the clinical results for our drug candidates, which may not support further development or marketing approval;
- actions of regulatory agencies, which may affect the initiation, timing, and progress of clinical trials and marketing approval;
- our ability to achieve commercial success for our drug candidates, if approved;
- our ability to obtain and maintain protection of intellectual property for our technology and drug candidates;
- our reliance on third parties to conduct research, drug development, and other services;
- our limited operating history and our ability to obtain additional funding for operations and to complete the licensing or development and commercialization of our drug candidates;
- the impact of any future epidemics, pandemics, or conflicts;

- changes in applicable laws or regulations;
- the effects of inflation;
- the effects of staffing and materials shortages;
- the possibility that we may be adversely affected by other economic, business, and/or competitive factors; and
- other risks and uncertainties set forth in the section entitled "*Risk Factors*" in our most recent Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q.

In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this Quarterly Report, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and you are cautioned not to rely unduly upon these statements.

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements

CLENE INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share amounts)
(Unaudited)

	March 31, 2026	December 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	$ 5,939	$ 5,189
Inventory	54	37
Prepaid expenses and other current assets	7,030	3,751
Total current assets	13,023	8,977
Restricted cash	58	58
Operating lease right-of-use assets	2,916	3,073
Property and equipment, net	5,668	6,023
TOTAL ASSETS	$ 21,665	$ 18,131
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	$ 1,309	$ 892
Accrued liabilities	2,729	5,002
Operating lease obligations, current portion	826	808
Notes payable, current portion	990	1,696
Convertible notes payable, current portion	876	2,378
Total current liabilities	6,730	10,776
Operating lease obligations, net of current portion	3,017	3,250
Notes payable, net of current portion	4,633	3,741
Convertible notes payable, net of current portion	11,706	9,800
Common stock warrant liabilities	12,005	5,063
Derivative liabilities	2,380	3,093
TOTAL LIABILITIES	40,471	35,723
Commitments and contingencies (Note 9)		
Stockholders' deficit:		
Common stock, $0.0001 par value: 600,000,000 shares authorized; 11,778,307 and 10,849,974 shares issued and outstanding at March 31, 2026 and December 31, 2025, respectively	1	1
Additional paid-in capital	297,364	290,531
Accumulated deficit	(316,387)	(308,296)
Accumulated other comprehensive income	216	172
TOTAL STOCKHOLDERS' DEFICIT	(18,806)	(17,592)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ 21,665	$ 18,131

See accompanying notes to the condensed consolidated financial statements.

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

	Three Months Ended March 31,	
	2026	2025
Revenue:		
Product revenue	$ 1	$ 64
Royalty revenue	14	17
Total revenue	15	81
Operating expenses:		
Cost of revenue	—	20
Research and development	329	1,481
General and administrative	1,747	2,656
Total operating expenses	2,076	4,157
Loss from operations	(2,061)	(4,076)
Other income (expense), net:		
Interest income	47	81
Interest expense	(791)	(608)
Issuance costs for common stock warrant liabilities	(393)	—
Loss on initial issuance of equity	(4,582)	—
Change in fair value of common stock warrant liabilities	(1,060)	2,510
Change in fair value of derivative liabilities	713	1,147
Research and development tax credits and unrestricted grants	36	195
Total other income (expense), net	(6,030)	3,325
Net loss before income taxes	(8,091)	(751)
Income tax expense	—	—
Net loss	$ (8,091)	$ (751)
Other comprehensive income:		
Foreign currency translation adjustments	$ 44	$ 15
Total other comprehensive income	44	15
Comprehensive loss	$ (8,047)	$ (736)
Net loss per share – basic and diluted	$ (0.69)	$ (0.09)
Weighted average common shares used to compute basic and diluted net loss per share	11,644,214	8,824,673

See accompanying notes to the condensed consolidated financial statements.

CLENE INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
(In thousands, except share amounts)
(Unaudited

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Total Stockholders' Deficit
	Shares	Amount				
Balances at December 31, 2025	10,849,974	$ 1	$ 290,531	$ (308,296)	$ 172	$ (17,592)
Issuance of common stock	928,333	—	4,418	—	—	4,418
Stock-based compensation expense	—	—	1,312	—	—	1,312
Issuance of stock options as payment of bonus liability	—	—	1,103	—	—	1,103
Foreign currency translation adjustment	—	—	—	—	44	44
Net loss	—	—	—	(8,091)	—	(8,091)
Balances at March 31, 2026	11,778,307	$ 1	$ 297,364	$ (316,387)	$ 216	$ (18,806)
Balances at December 31, 2024	8,089,565	1	273,194	(282,123)	71	(8,857)
Issuance of common stock	578,205	—	2,673	—	—	2,673
Stock-based compensation expense	—	—	1,947	—	—	1,947
Foreign currency translation adjustment	—	—	—	—	15	15
Net loss	—	—	—	(751)	—	(751)
Balances at March 31, 2025	8,667,770	$ 1	$ 277,814	$ (282,874)	$ 86	$ (4,973)

See accompanying notes to the condensed consolidated financial statements.

CLENE INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Three Months Ended March 31,	
	2026	2025
Cash flows from operating activities:		
Net loss	$ (8,091)	$ (751)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	355	404
Non-cash lease expense	157	133
Issuance costs for common stock warrant liabilities	393	—
Loss on initial issuance of equity	4,582	—
Change in fair value of common stock warrant liabilities	1,060	(2,510)
Change in fair value of derivative liabilities	(713)	(1,147)
Stock-based compensation expense	1,312	1,947
Accretion of debt discount	303	237
Non-cash interest expense on notes payable	378	12
Changes in operating assets and liabilities:		
Accounts receivable	—	64
Inventory	(17)	30
Prepaid expenses and other current assets	(3,279)	(931)
Accounts payable	417	173
Accrued liabilities	(1,170)	(2,521)
Operating lease obligations	(215)	(151)
Net cash used in operating activities	(4,528)	(5,011)
Cash flows from investing activities:		
Net cash provided by (used in) investing activities	—	—
Cash flows from financing activities:		
Proceeds from issuance of common stock and warrants, net of offering costs	5,324	2,673
Payments of notes payable	(90)	—
Net cash provided by financing activities	5,234	2,673
Effect of foreign exchange rate changes on cash and restricted cash	44	15
Net increase (decrease) in cash, cash equivalents and restricted cash	750	(2,323)
Cash, cash equivalents and restricted cash – beginning of period	5,247	12,213
Cash, cash equivalents and restricted cash – end of period	$ 5,997	$ 9,890
Reconciliation of cash, cash equivalents and restricted cash to the consolidated balance sheets:		
Cash and cash equivalents	$ 5,939	$ 9,832
Restricted cash	58	58
Cash, cash equivalents and restricted cash	$ 5,997	$ 9,890
Supplemental disclosure of non-cash investing and financing activities:		
Common stock warrant liability recorded upon public stock offering	$ 5,882	$ —
Issuance of stock options as payment of bonus liability	$ 1,103	$ —
Supplemental cash flow information:		
Cash paid for interest expense	$ 111	$ 359

See accompanying notes to the condensed consolidated financial statements.

CLENE INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1. Nature of the Business

Clene Inc. (the "Company," "we," "us," or similar such references) is a clinical-stage pharmaceutical company pioneering the discovery, development, and commercialization of novel clean-surfaced nanotechnology therapeutics. We have developed an electro-crystal-chemistry drug development platform that enables production of concentrated, stable, highly active, clean-surfaced nanocrystal suspensions. We have multiple drug assets currently in development for applications primarily in neurology. Our efforts are currently focused on addressing the high unmet medical needs in central nervous system disorders including amyotrophic lateral sclerosis ("ALS"), multiple sclerosis ("MS"), and Parkinson's disease ("PD"). Our patented electro-crystal-chemistry manufacturing platform further enables us to develop very low concentration dietary supplements to advance the health and well-being of broad populations. These dietary supplements can vary greatly and include nanocrystals of varying composition, shapes and sizes as well as ionic solutions with diverse metallic constituents. Dietary supplements are marketed and distributed through our wholly-owned subsidiary, dOrbital, Inc., or through 4Life Research LLC ("4Life"), a related party (see Note 8 and Note 15).

Going Concern

We incurred a loss from operations of $2.1 million and $4.1 million for the three months ended March 31, 2026 and 2025, respectively. Our accumulated deficit was $316.4 million and $308.3 million as of March 31, 2026 and December 31, 2025, respectively. Our cash and cash equivalents totaled $5.9 million and $5.2 million as of March 31, 2026 and December 31, 2025, respectively, and net cash used in operating activities was $4.5 million and $5.0 million for the three months ended March 31, 2026 and 2025, respectively.

We have incurred significant losses and negative cash flows from operations since our inception. We have not generated significant revenue since our inception, and we do not anticipate generating significant revenue unless we successfully complete development and obtain regulatory approval for commercialization of a drug candidate. We expect to incur additional losses in the future, particularly as we advance the development of our clinical-stage drug candidates, continue research and development of our preclinical drug candidates, and initiate additional clinical trials of, and seek regulatory approval for, these and other future drug candidates. We expect that within the next twelve months, we will not have sufficient cash and other resources on hand to sustain our current operations or meet our obligations as they become due unless we obtain additional financing. Additionally, pursuant to our senior secured convertible promissory notes issued in December 2024 (the "2024 SSCP Notes"), we are required to maintain unrestricted cash and cash equivalents of at least $2.0 million to avoid acceleration of the full balance of the 2024 SSCP Notes (see Note 8). These conditions raise substantial doubt about the Company's ability to continue as a going concern.

To mitigate our funding needs, we plan to raise additional funding, including exploring equity financing and offerings, debt financing, licensing or collaboration arrangements with third parties, as well as utilizing our existing at-the-market facility and potential proceeds from the exercise of outstanding warrants and stock options. These plans are subject to market conditions and reliance on third parties, and there is no assurance that effective implementation of our plans will result in the necessary funding to continue current operations. During the three months ended March 31, 2026, we raised $6.0 million of gross proceeds from a registered direct offering of equity securities (see Note 13), and subsequent to March 31, 2026, we raised $7.0 million of gross proceeds from a registered direct offering of equity securities (see Note 17). While we have implemented cost-saving initiatives, including delaying and reducing certain research and development programs and commercialization efforts, reducing employee compensation, and eliminating certain staff positions, we have concluded that our plans do not alleviate the substantial doubt about our ability to continue as a going concern beyond one year from the date the condensed consolidated financial statements are issued.

The accompanying condensed consolidated financial statements have been prepared assuming we will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. As a result, the accompanying condensed consolidated financial statements do not include any adjustments relating to the recoverability and classification of assets and their carrying amounts, or the amounts and classification of liabilities that may result should we be unable to continue as a going concern.

Note 2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying condensed consolidated financial statements include the accounts of Clene Inc. and our wholly-owned subsidiaries, Clene Nanomedicine, Inc. ("Clene Nanomedicine"), a subsidiary incorporated in Delaware, Clene Australia Pty Ltd ("Clene Australia"), a subsidiary incorporated in Australia, Clene Netherlands B.V. ("Clene Netherlands"), a subsidiary incorporated in the Netherlands, and dOrbital, Inc., a subsidiary incorporated in Delaware, after elimination of all intercompany accounts and transactions. We have prepared the accompanying condensed consolidated financial statements in accordance with United States ("U.S.") Generally Accepted Accounting Principles ("GAAP") for interim financial reporting and as required by Regulation S-X, Rule 10-01. The condensed consolidated financial statements have been prepared on the same basis as our audited annual consolidated financial statements and, in the opinion of management, reflect all adjustments, which are normal and recurring in nature, necessary for fair financial statement presentation. The financial data and other information disclosed in the condensed consolidated financial statements and related notes for the three months ended March 31, 2026 and 2025 are unaudited.

Results of operations for the three months ended March 31, 2026 and 2025 are not necessarily indicative of the results for the entire fiscal year or any other period. The condensed consolidated financial statements for the three months ended March 31, 2026 and 2025 should be read in conjunction with the audited consolidated financial statements included in our Annual Report on Form 10-K.

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent assets and liabilities, and the reported amounts of expenses. We base our estimates on historical experience and various other assumptions that we believe to be reasonable. Actual results may differ from those estimates or assumptions. Estimates are periodically reviewed in light of changes in circumstances, facts, and experience, and any changes in estimates will be recorded in future periods as they develop.

Risks and Uncertainties

We are subject to certain risks and uncertainties and believe that changes in any of the following areas could have a material adverse effect on future financial condition, results of operations, or cash flows: ability to obtain additional financing; regulatory approval and market acceptance of, and reimbursement for, product candidates; performance of third-party contract research organizations ("CROs") and clinical vendors upon which we rely; protection of our intellectual property; litigation or claims against us based on intellectual property, patent, product, regulatory, or other factors; and our ability to attract and retain employees necessary to support our growth. The product candidates we develop require approvals from regulatory agencies prior to commercial sales. There can be no assurance that our current and future product candidates will receive the necessary approvals or be commercially successful. If we are denied approval or approval is delayed, it will have a material adverse impact on our business and our condensed consolidated financial statements.

Concentrations of Credit Risk

Financial instruments that potentially subject us to significant concentrations of credit risk consist primarily of cash. Our cash is held in financial institutions and amounts on deposit may at times exceed federally insured limits. We have not experienced any losses on our deposits of cash and do not believe that we are subject to unusual credit risk beyond the normal credit risk associated with commercial banking relationships.

Cash and Cash Equivalents

We consider all short-term investments with original maturities of 90 days or less when purchased to be cash equivalents.

Restricted Cash

We classify cash as restricted when it is unavailable for withdrawal or use in our general operating activities. Restricted cash is classified as current and noncurrent on the condensed consolidated balance sheets based on the nature of the restriction. Our restricted cash balance includes contractually restricted deposits related to our corporate credit card.

Inventory

Inventory is stated at historic cost on a first-in first-out basis. Our inventory consisted of $23,000 in raw materials and $31,000 in finished goods as of March 31, 2026, and $23,000 in raw material and $14,000 in finished goods as of December 31, 2025. Inventory relates to our dietary supplement products.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Property and equipment consist of laboratory and office equipment, computer software, and leasehold improvements. Depreciation is calculated using the straight-line method over the estimated economic useful lives of the assets, which are 3 to 5 years for laboratory equipment, 3 to 7 years for furniture and fixtures, and 2 to 5 years for computer software. Leasehold improvements are amortized over the lesser of the estimated lease term or the estimated useful life of the assets. Costs for capital assets not yet placed into service are capitalized as construction-in-progress and depreciated or amortized in accordance with the above useful lives once placed into service. Upon retirement or sale, the related cost and accumulated depreciation and amortization are removed from the accounts and any resulting gain or loss is included in the condensed consolidated statements of operations and comprehensive loss. Maintenance and repairs that do not improve or extend the lives of the respective assets are expensed to operations as incurred.

We capitalize costs to obtain or develop computer software for internal use, including development costs incurred during the software development stage and costs to obtain software for access and conversion of historical data. We also capitalize costs to modify, upgrade, or enhance existing internal-use software that result in additional functionality. We expense costs incurred during the preliminary project stage, training costs, data conversion costs, and maintenance costs.

Debt

When debt is issued and a derivative is required to be separated (e.g., bifurcated conversion option) or another separate freestanding financial instrument (e.g., warrant) is issued, costs and fees incurred are allocated to the instruments issued (or bifurcated) in proportion to the allocation of proceeds. When some portions of the costs and fees relate to a bifurcated derivative or freestanding financial instrument that is being subsequently measured at fair value, those allocated costs are expensed immediately. Debt discounts, debt premiums, and debt issuance costs related to debt are recorded as deductions that net against the principal value of the debt and are amortized to interest expense over the contractual term of the debt using the effective interest method.

In accordance with ASC 470-20, *Debt with Conversion and Other Options*, when we issue debt with warrants, we treat the warrants as a debt discount, recorded as a contra-liability against the debt, and amortize the balance over the life of the underlying debt as interest expense in the condensed consolidated statements of operations and comprehensive loss. The offset to the contra-liability is recorded as additional paid-in capital in the condensed consolidated balance sheets if the warrants are not treated as a derivative or liability under ASC 480, *Distinguishing Liabilities from Equity* (“ASC 480”). Otherwise, the offset to the contra-liability is recorded as a warrant liability in the condensed consolidated balance sheets and is subject to re-measurement to fair value at each balance sheet date, with any changes in fair value recognized in the condensed consolidated statements of operations and comprehensive loss. If the debt is retired early, the associated debt discount is then recognized immediately as interest expense in the condensed consolidated statements of operations and comprehensive loss.

Convertible Debt

In accordance with ASU 2020-06, *Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity’s Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity’s Own Equity*, when we issue notes with conversion features, we evaluate if the conversion feature is freestanding or embedded. If the conversion feature is embedded, we do not separate the conversion feature from the host contract for convertible notes that are not required to be accounted for as derivatives, or that do not result in substantial premiums accounted for as paid-in-capital. Consequently, we account for a convertible note as a single liability measured at its amortized cost as long as no other features require separation and recognition as derivatives. If the conversion feature is freestanding, or is embedded and meets the requirements to be separated, we account for the conversion feature as a derivative under ASC 815, *Derivatives and Hedging* (“ASC 815”). We record the derivative instrument at fair value at inception, and subsequently re-measure to fair value at each reporting period and immediately prior to the extinguishment of the derivative instrument, with any changes recorded in the condensed consolidated statements of operations and comprehensive loss.

Leases

At inception of a contract, we determine if a contract meets the definition of a lease. We determine if the contract conveys the right to control the use of an identified asset for a period of time. We assess throughout the period of use whether we have both of the following: (i) the right to obtain substantially all the economic benefits from use of the identified asset, and (ii) the right to direct the use of the identified asset. This determination is reassessed if the terms of the contract are changed. Leases are classified as operating or finance leases based on the terms of the lease agreement and certain characteristics of the identified asset. Right-of-use assets and lease liabilities are recognized at the lease commencement date based on the present value of the future lease payments less any lease incentives received. At the lease commencement date, the discount rate implicit in the lease is used to discount the lease liability if readily determinable. If not readily determinable or leases do not contain an implicit rate, our incremental borrowing rate is used as the discount rate. Our policy is to not record leases with an original term of twelve months or less within the condensed consolidated balance sheets and we recognize lease expense for these short-term leases on a straight-line basis over the lease term.

Certain lease agreements may require us to pay additional amounts for taxes, insurance, maintenance, and other expenses, which are generally referred to as non-lease components. Such variable non-lease components are treated as variable lease payments and recognized in the period in which the obligation for these payments is incurred. Variable lease components and variable non-lease components are not measured as part of the right-of-use asset and liability. Only when lease components and their associated non-lease components are fixed are they accounted for as a single lease component and are recognized as part of a right-of-use asset and liability. Total contract consideration is allocated to the fixed lease and non-lease component. This policy election applies consistently to all asset classes under lease agreements.

Leases may contain clauses for renewal at our option. Payments to be made in option periods are recognized as part of the right-of-use lease assets and lease liabilities when it is reasonably certain that the option to extend the lease will be exercised, or is not at our option. We determine whether the reasonably certain threshold is met by considering contract-, asset-, market-, and entity-based factors. Operating lease expense, which is recognized on a straight-line basis over the lease term, and the amortization of finance lease right-of-use assets, which are included in property and equipment and depreciated, are included in research and development or general and administrative expenses consistent with the leased assets' primary use. Accretion on the liabilities for finance leases is included in interest expense.

Contingent Earn-Out Liabilities

We became a public company on December 30, 2020 via reverse recapitalization, pursuant to which we granted contingent earn-out awards (the "Contingent Earn-outs") in the form of shares of our common stock, par value $0.0001 per share ("Common Stock"), to be paid to certain stockholders and former officers and directors if we had achieved market-based milestones within three to five years following the Reverse Recapitalization. In accordance with ASC 815, the Contingent Earn-outs were not indexed to our own stock and were accounted for as a liability and subsequently remeasured to fair value at each reporting date, with changes recorded as a component of other income (expense), net. As of December 31, 2025, the milestones had not been achieved and the Contingent Earn-outs were cancelled.

Common Stock Warrants

We account for common stock warrants as either equity- or liability-classified instruments based on an assessment of the warrant terms. The assessment considers whether the warrants are freestanding financial instruments pursuant to ASC 480, meet the definition of a liability pursuant to ASC 480, and whether the warrants meet all the requirements for equity classification under ASC 815, including whether the warrants are indexed to our Common Stock, among other conditions for equity classification. This assessment, which requires the use of professional judgment, is conducted at the time of warrant issuance and, for liability-classified warrants, at each reporting period end date while the warrants are outstanding.

Grant Funding

We may submit applications to receive grant funding from governmental and non-governmental entities. We account for grants by analogizing to the grant accounting model under IAS 20, *Accounting for Government Grants and Disclosure of Government Assistance* ("IAS 20"). We recognize grant funding without conditions or continuing performance obligations, including certain research and development tax credits, as other income in the condensed consolidated statements of operations and comprehensive loss. We accrue certain research and development tax credits receivable in other current assets (see Note 4) in an amount equal to the qualifying expenses incurred in each period multiplied by the applicable reimbursement percentage and we recognize other income in the condensed consolidated statements of operations and comprehensive loss. After submission of our tax returns, we receive a cash refund of certain research and development tax credits and relieve the receivable.

We recognize grant funding with conditions or continuing performance obligations as a reduction in research and development or general and administrative expenses in the period during which the related qualifying expenses are incurred and as the conditions or performance obligations are fulfilled. Any amount received in advance of fulfilling such conditions or performance obligations is recorded in accrued liabilities (see Note 6) if the conditions or performance obligations are expected to be met within the next twelve months. We recognized grant funding as a reduction of research and development expenses totaling $4.1 million and $4.2 million during the three months ended March 31, 2026 and 2025, respectively. We recognized grant funding as a reduction of general and administrative expenses totaling $0.2 million and $0.2 million during the three months ended March 31, 2026 and 2025, respectively.

In October 2023 we were awarded a grant ("the NIH Grant") in collaboration with New York University ("NYU") as prime awardee (formerly Columbia University), and Synapticure, a neurology specialty health clinic, from the National Institutes of Health ("NIH"). The NIH Grant was awarded pursuant to the Accelerating Access to Critical Therapies for ALS Act to support up to a four-year Expanded Access Program (the "ACT-EAP") for CNM-Au8® treatment of ALS. The NIH Grant totaled $45.1 million and subawards to us may total up to $30.9 million in aggregate and may extend to August 31, 2027. Subawards are awarded annually and subaward funds are paid to us as reimbursement for expenditures to support the ACT-EAP. Subawards for the first, second, and third year of the ACT-EAP totaled $7.3 million, $8.0 million, and $8.0 million respectively. We recognized grant revenue totaling $4.3 million and $4.3 million during the three months ended March 31, 2026 and 2025, respectively, which we recognized as a reduction of research and development and general and administrative expenses.

Foreign Currency Translation and Transactions

Our functional and reporting currency is the U.S. dollar ("USD"). Clene Australia and Clene Netherlands determined their functional currencies to be the Australian dollar and Euro, respectively. The results of our foreign currency operations are translated into USD at the average exchange rates during the period, assets and liabilities are translated using the exchange rate as of the balance sheet date, and stockholders' deficit is translated using historical rates. Adjustments from the translation of the results of our foreign currency operations are excluded from net loss and are accumulated in a separate component of stockholders' deficit. We also incur foreign exchange transaction gains and losses for purchases denominated in foreign currencies. Foreign exchange transaction gains and losses are included in other income (expense), net, as incurred.

Comprehensive Loss

Comprehensive loss includes net loss as well as other changes in stockholders' deficit that result from transactions and economic events other than those with stockholders. The only elements of other comprehensive loss in any periods presented were the translation of foreign currency denominated balances of Clene Australia and Clene Netherlands to USD for consolidation.

Net Loss Per Share Attributable to Common Stockholders

Basic net loss per share attributable to common stockholders is calculated using our weighted-average outstanding common shares. Shares issuable for little or no cash consideration, such as pre-funded warrants, shall be considered outstanding common shares upon the satisfaction of any contingent conditions or when there are no contingent conditions. Diluted net loss per share attributable to common stockholders is calculated using our weighted-average outstanding common shares including the dilutive effect of securities as determined under the treasury stock method, except for the dilutive effect of convertible notes payable, which is calculated under the if-converted method, even if the embedded conversion option is out-of-the-money. In periods in which we report a net loss attributable to common stockholders, diluted net loss per share attributable to common stockholders is the same as basic net loss per share attributable to common stockholders, since dilutive common shares are not assumed to have been issued if their effect is anti-dilutive.

Segment Information

We report segment information based on ASC 280 *Segment Reporting* ("ASC 280"), which defines operating segments as components of a company that engage in activities from which it may recognize revenues and incur expenses, and for which operating results are regularly reviewed by the entity's chief operating decision maker ("CODM") to make decisions regarding resource allocation and assess performance, and for which discrete financial information is available. We determined that the Company is a single operating and reportable segment ("Products") focused on treating central nervous system disorders through discovery, development, and commercialization of our novel CSN therapeutics. Our chief executive officer acts as the CODM and allocates resources and assesses performance at a consolidated level. Segment information is further described in Note 16.

Income Taxes

We account for income taxes using the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in the condensed consolidated financial statements or in our tax returns. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial statement basis and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date. We recognize deferred tax assets to the extent we believe these assets are more likely than not to be realized. In making such a determination, we consider all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and recent results of operations. If we determine that we would be able to realize any deferred tax assets in the future in excess of their net recorded amount, we would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes.

We record uncertain tax positions in accordance with ASC 740, *Income Taxes*, on the basis of a two-step process to (i) determine whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position, and (ii) for those tax positions that meet the more-likely-than-not recognition threshold, we recognize the largest amount of tax benefit that is more than 50% likely to be realized upon ultimate settlement with the related tax authority. We recognize interest and penalties related to unrecognized tax benefits within income tax expense in the condensed consolidated statements of operations and comprehensive loss. Any accrued interest and penalties related to uncertain tax positions will be reflected as liabilities in the condensed consolidated balance sheets.

Stock-Based Compensation

We account for stock-based compensation arrangements using a fair value-based method for costs related to all share-based payments. Stock-based compensation expense is recorded in research and development and general and administrative expenses based on the classification of the work performed by the grantees. The fair value is recognized over the period during which a grantee is required to provide services in exchange for the share-based payment, known as the requisite service period (usually the vesting period), on a straight-line basis. We generally grant stock options with a four-year requisite service period. We elect to account for forfeitures as they occur, rather than estimating expected forfeitures. We determine the fair value of stock option awards using a Black-Scholes option pricing model based on the closing price of our Common Stock on the date of grant.

Certain stock options may vest based upon performance conditions instead of service conditions, such as the achievement of regulatory milestones or financial performance measures. Compensation expense will be recognized when the conditions become probable of being satisfied. For the grant-date fair value, we estimate the expected term of stock options with performance conditions based upon the nature of the conditions. If the expected term is not estimable and the achievement of performance conditions is not probable, we use the contractual term as the expected term.

Recent 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* (“ASU 2024-03”). ASU 2024-03 requires that public entities disclose additional information about specific expense categories in the notes to financial statements at interim and annual reporting periods. In January 2025, the FASB clarified the effective date of ASU 2024-03 with the issuance of ASU 2025-01, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date* (“ASU 2025-01”). The guidance is effective for annual periods beginning after December 15, 2026, and interim periods within annual periods beginning after December 15, 2027, with early adoption permitted. We are currently evaluating the impact of ASU 2024-03.

In September 2025, the FASB issued ASU 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40)* (“ASU 2025-06”). ASU 2025-06 requires that entities start capitalizing software costs when funding is authorized and committed and it is probable that the project will be completed and the software will be used to perform its intended function. The guidance is effective for annual periods beginning after December 15, 2027, and interim periods within those annual periods, with early adoption permitted. We are currently evaluating the impact of ASU 2025-06.

In December 2025, the FASB issued ASU 2025-10, *Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities* (“ASU 2025-10”). ASU 2025-10 establishes authoritative guidance on how to recognize, measure, and present government grants received by business entities. The guidance is effective for annual periods beginning after December 15, 2028, and interim periods within those annual periods, with early adoption permitted. We are currently evaluating the impact of ASU 2025-10.

Note 3. Cash and Cash Equivalents

Cash and cash equivalents as of March 31, 2026 were as follows:

(in thousands)	March 31, 2026			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Cash equivalents – money market funds	$ 3,254	$ —	$ —	$ 3,254
Cash	2,685	—	—	2,685
Total cash and cash equivalents	$ 5,939	$ —	$ —	$ 5,939

Cash and cash equivalents as of December 31, 2025 were as follows:

(in thousands)	December 31, 2025			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Cash equivalents – money market funds	$ 2,211	$ —	$ —	$ 2,211
Cash	2,978	—	—	2,978
Total cash and cash equivalents	$ 5,189	$ —	$ —	$ 5,189

Note 4. Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets as of March 31, 2026 and December 31, 2025 were as follows:

(in thousands)	March 31, 2026	December 31, 2025
Metals to be used in research and development	$ 3,274	$ 2,736
Grants receivable	2,998	—
Research and development tax credits receivable	514	590
Other	244	425
Total prepaid expenses and other current assets	$ 7,030	$ 3,751

Note 5. Property and Equipment, Net

Property and equipment, net, as of March 31, 2026 and December 31, 2025 were as follows:

(in thousands)	March 31, 2026	December 31, 2025
Lab equipment	$ 3,466	$ 3,466
Office equipment	178	178
Computer software	459	459
Leasehold improvements	9,983	9,983
Construction in progress	1,298	1,298
	15,384	15,384
Less accumulated depreciation	(9,716)	(9,361)
Total property and equipment, net	$ 5,668	$ 6,023

Depreciation expense recorded in research and development expense and general and administrative expense during the three months ended March 31, 2026 and 2025 was as follows:

(in thousands)	Three Months Ended March 31,	
	2026	2025
General and administrative	$ 17	$ 66
Research and development	338	338
Total depreciation expense	$ 355	$ 404

Note 6. Accrued Liabilities

Accrued liabilities as of March 31, 2026 and December 31, 2025 were as follows:

(in thousands)	March 31, 2026	December 31, 2025
Accrued compensation and benefits	$ 2,029	$ 3,136
Deferred grants	219	1,507
Other	481	359
Total accrued liabilities	$ 2,729	$ 5,002

Note 7. Leases

We lease laboratory and office space and certain laboratory equipment under non-cancelable operating leases. The carrying value of our right-of-use lease assets is substantially concentrated in our real estate leases, while the volume of lease agreements is primarily concentrated in equipment leases. We expect that, in the normal course of business, the existing leases will be renewed or replaced by similar leases.

We have leases for three real estate properties: (i) a laboratory and manufacturing facility lease that commenced in September 2021 with a ten-year term and an option to extend for two five-year periods, (ii) a laboratory and manufacturing facility lease that commenced in February 2022 with a seven-year term and an option to extend for two five-year periods, and (iii) our corporate office lease that commenced in April 2020 for seven years with an option to extend for five years. We did not recognize the payments to be made in the option periods as part of the right-of-use asset or lease liability because the exercise of the option is not reasonably certain.

As of March 31, 2026 and December 31, 2025, our operating lease obligations had a weighted-average discount rate of 9.6% and 9.6%, respectively, and a weighted-average remaining term of 4.4 years and 4.6 years, respectively.

Maturity Analysis of Lease Obligations

The maturity analysis of our operating lease obligations as of March 31, 2026 was as follows:

(in thousands)	Operating Leases
2026 (remainder)	$ 849
2027	1,133
2028	1,093
2029	649
2030	623
2031	422
Thereafter	—
Total minimum lease payments	4,769
Less amount representing interest/discounting	(926)
Present value of minimum lease payments	3,843
Less lease obligations, current portion	(826)
Lease obligations, net of current portion	$ 3,017

Components of Lease Cost

The components of lease costs for the three months ended March 31, 2026 and 2025 were as follows:

(in thousands)	Three Months Ended March 31, 2026	2025
Operating lease costs	$ 254	$ 253
Short-term lease costs	—	—
Variable lease costs	57	81
Total lease costs	$ 311	$ 334

Supplemental Cash Flow Information

(in thousands)	Three Months Ended March 31, 2026	2025
Operating cash flows from operating leases	$ (311)	$ (334)

Note 8. Notes Payable and Convertible Notes Payable

Our notes payable and convertible notes payable as of March 31, 2026 and December 31, 2025 were as follows:

(in thousands, except interest rates)	Stated Interest Rate	March 31, 2026	December 31, 2025
Notes payable:			
Cecil County, Maryland (commenced April 2019)	8.00%	$ 156	$ 154
Maryland DHCD (commenced February 2019)	8.00%	784	774
Maryland DHCD (commenced May 2022)	6.00%	646	736
Senior Secured Promissory Notes (commenced December 2024)	12.00%	3,790	3,678
Senior Secured Promissory Notes (commenced August 2025)	12.00%	643	595
		6,019	5,937
Unamortized discount and debt issuance costs		(396)	(500)
Less notes payable, current portion, net of unamortized discount and debt issuance costs		(990)	(1,696)
Notes payable, net of current portion		$ 4,633	$ 3,741
Convertible notes payable:			
Maryland DHCD (commenced December 2022)	6.00%	$ 5,312	$ 5,312
Senior Secured Convertible Promissory Notes (commenced December 2024)	12.00%	7,039	6,832
Senior Secured Convertible Promissory Notes (commenced August 2025)	12.00%	975	975
		13,326	13,119
Unamortized discount and debt issuance costs		(744)	(941)
Less convertible notes payable, current portion, net of unamortized discount and debt issuance costs		(876)	(2,378)
Convertible notes payable		$ 11,706	$ 9,800

Our interest expense on notes payable and convertible notes payable for the three months ended March 31, 2026 and 2025 was as follows:

(in thousands)	Three Months Ended March 31, 2026	2025
Interest expense on notes payable:		
Coupon interest	$ 150	$ 115
Amortization of debt discount and issuance costs	106	66
Total interest expense on notes payable	256	181
Interest expense on convertible notes payable:		
Coupon interest	338	256
Amortization of debt discount and issuance costs	197	171
Total interest expense on convertible notes payable	535	427
Total interest expense on notes payable and convertible notes payable	$ 791	$ 608

Maryland Loans

In April 2019, we entered into a term loan agreement (the "2019 Cecil Loan") with Cecil County, Maryland, for $0.1 million bearing simple interest at an annual rate of 8.00%. The 2019 Cecil Loan matures in full on April 30, 2034, with the repayment amount equal to the greater of (i) principal plus accrued interest or (ii) an amount equal to the fair market value of 1,199 shares of Common Stock (the "2019 Cecil Phantom Shares"). As of March 31, 2026 and December 31, 2025, the 2019 Cecil Loan was recorded at principal plus accrued interest as it was greater than the value of the 2019 Cecil Phantom Shares.

In February 2019, we entered into a term loan agreement (the "2019 MD Loan") with the Department of Housing and Community Development ("DHCD"), a principal department of the State of Maryland, for $0.5 million bearing simple interest at an annual rate of 8.00%. We are subject to covenants until maturity, including limitations on our ability to retire, repurchase, or redeem our stock, options, and warrants other than per the terms of the securities; and limitations on our ability to pay dividends. We are not in violation of any covenants. The 2019 MD Loan matures in full on February 22, 2034, with the repayment amount equal to the greater of (i) principal plus accrued interest or (ii) an amount equal to the fair market value of 5,995 shares of Common Stock (the "2019 MD Phantom Shares"). As of March 31, 2026 and December 31, 2025, the 2019 MD Loan was recorded at principal plus accrued interest as it was greater than the value of the 2019 MD Phantom Shares.

In May 2022, we entered into a term loan agreement (the "2022 MD Loan") with DHCD for up to $3.0 million bearing simple interest at an annual rate of 6.00% for the purchase of certain manufacturing equipment (the "Assets"). We drew a total of $1.0 million and our ability to draw the remaining $2.0 million expired in May 2024. The first 12 payments, commencing July 1, 2022, are deferred, followed by 18 monthly installments of interest-only based on the outstanding principal, each up to $15,000 maximum; followed by monthly installments of principal and interest in the amount of $33,306, payable for the lesser of 30 months or until the principal and accrued and unpaid interest is fully repaid, with a balloon payment of all remaining principal and unpaid interest due on the maturity date of July 1, 2027. As of March 31, 2026 and December 31, 2025, the balance of accrued and unpaid interest was $50,000 and $50,000, respectively, and is recorded as part of the carrying amount of the loan. We recorded debt issuance costs of $31,000 as a debt discount.

In December 2022, we entered into a term loan agreement (the "2022 DHCD Loan") with DHCD for $5.0 million bearing simple interest at an annual rate of 6.00%. The first 12 payments, commencing January 1, 2023, are deferred, followed by 48 monthly installments of interest-only, with a balloon payment of all principal and unpaid interest due on the maturity date of January 1, 2028. As of March 31, 2026 and December 31, 2025, the balance of accrued and unpaid interest was $0.3 million and $0.3 million, respectively, and is recorded as part of the carrying amount of the loan. At any time after December 8, 2023, DHCD may, in its sole discretion, convert up to $5.0 million of principal into Common Stock in increments of $1.0 million, at a price equal to the greater of: (i) 97% of the 30-day trailing volume weighted average price ("VWAP") of our Common Stock; or (ii) $80.00 per share (the "DHCD Conversion Feature"). The DHCD Conversion Feature did not meet the requirements for derivative accounting. We recorded debt issuance costs of $0.1 million as a debt discount and the effective interest rate is 5.99%.

Senior Secured Convertible Promissory Notes

In December 2024, we entered into a note purchase agreement pursuant to which we sold the 2024 SSCP Notes in a principal amount totaling $10.0 million and bearing interest at an annual rate of 12.00%, which we amended in August 2025 (the "First Amendment") and in May 2026 (the "Second Amendment") (see Note 17). The 2024 SSCP Notes were sold to related parties, including: (i) Kensington Clene 2024, LLC, an entity controlled by Alison Mosca, an independent director, (ii) 4Life, and (iii) La Scala Investments, LLC. 4Life and La Scala Investments, LLC, are controlled by David Lisonbee, who is also a stockholder and board member of a subsidiary of Clene. In accordance with the 2024 SSCP Note terms, we first used the proceeds to satisfy our obligations under a previous unrelated term loan. Pursuant to the Second Amendment, the maturity date of the 2024 SSCP Notes was extended to the earlier of (i) August 13, 2027 or (ii) upon a change in control transaction. Payments were interest-only for the first 12 months, and, pursuant to the First Amendment, interest is capitalized monthly and added to the balance of the 2024 SSCP Notes beginning in August 2025. Pursuant to the Second Amendment, all principal and accrued interest payments were deferred until the maturity date. We recorded debt issuance costs of $1.5 million as a debt discount at the issuance date and an additional $0.7 million at the date of the First Amendment. As of March 31, 2026 and December 31, 2025, the balance of accrued and unpaid interest was $0.8 million and $0.5 million, respectively, and is recorded as part of the carrying amount of the 2024 SSCP Notes. The First Amendment was accounted for as a troubled debt restructuring under ASC 470, *Debt* ("ASC 470"), with no restructuring gain required to be recognized as the future cash payments were greater than the carrying amount of the 2024 SSCP Notes.

In August 2025, we entered into a note purchase agreement pursuant to which we sold senior secured convertible promissory notes (the "2025 SSCP Notes," and together with the 2024 SSCP Notes, the "SSCP Notes") in a principal amount totaling $1.5 million and bearing interest at an annual rate of 12.00%. The 2025 SSCP Notes mature on the earlier of (i) February 13, 2027 or (ii) upon a change in control transaction. Interest is capitalized monthly and added to the balance of the 2025 SSCP Notes. Monthly payments totaling $150,000 per month will commence in September 2026 and continue until the maturity date and will be applied pro rata to principal and any accrued interest. We recorded debt issuance costs of $0.2 million as a debt discount. As of March 31, 2026 and December 31, 2025, the balance of accrued and unpaid interest was $0.1 million and $0.1 million, respectively, and is recorded as part of the carrying amount of the notes.

We are subject to covenants until maturity, including a requirement to maintain unrestricted cash and cash equivalents of at least $2.0 million pursuant to the 2024 SSCP Notes. We are not in violation of any covenants. If certain events of default occur and are continuing, the holders of a majority of the outstanding principal balance may accelerate all obligations under the SSCP Notes, plus a penalty equal to 10% of all outstanding principal and accrued and unpaid interest (the "SSCPN Default Feature"). The SSCP Notes are collateralized by substantially all our tangible and intangible property and rights (the "Collateral"). During the continuance of an event of default, if the Collateral is sold or otherwise disposed of and the proceeds thereof are insufficient to satisfy our obligations under the SSCP Notes, we shall be liable for any deficiency, together with additional interest thereon at the rate of 10% per annum (the "SSCPN Collateral Deficiency Fee"). We account for the SSCPN Collateral Deficiency Fee as a contingent liability (see Note 9).

The holders of SSCP Notes may, in their sole discretion, convert up to (i) 65% of the outstanding balance of principal and accrued interest of the 2024 SSCP Notes into the number of shares of our Common Stock equal to the amount to be converted divided by (A) $5.668 for principal or (B) $4.44 for accrued interest, and (ii) 65% of the outstanding principal balance of the 2025 SSCP Notes into the number of shares of our Common Stock equal to the amount to be converted divided by $4.44 (the "SSCPN Conversion Feature"). Notwithstanding, in the event a holder declines to convert its pro rata share, the remaining holders may convert additional amounts, provided that no aggregate converted amount exceeds (i) 65% of the outstanding balance of principal and accrued interest for the 2024 SSCP Notes or (ii) $975,000 for the 2025 SSCP Notes. In the event of a change in control or any bankruptcy, liquidation, or other restructuring process, the holders may, at their option, (i) convert up to 65% of outstanding balance of principal and accrued interest for the 2024 SSCP Notes and up to 65% of the outstanding principal for the 2025 SSCP Notes into Common Stock, (ii) receive a cash payment equal to 115% of the outstanding balance of principal and accrued interest for the 2024 SSCP Notes and 115% of the outstanding principal for the 2025 SSCP Notes, or (iii) any combination thereof, prior to such monetization event, before any security or claim junior to the SSCP Notes shall receive any proceeds from such monetization event (the "SSCPN Redemption Feature," collectively with the SSCPN Conversion Feature and SSCPN Default Feature, the "SSCPN Derivative Liabilities"). The SSCPN Derivative Liabilities met the requirements to be separated as derivative instruments and measured at fair value (see Note 12). The issuance date fair value of the SSCPN Derivative Liabilities was (i) $1.4 million for the 2024 SSCP Notes and (ii) $0.2 million for the 2025 SSCP Notes and was recorded as a debt discount. During the three months ended March 31, 2026 and 2025, the effective interest rate of the 2024 SSCP Notes was 24.17% and 24.65%, respectively. During the three months ended March 31, 2026, the effective interest rate of the 2025 SSCP Notes was 24.65%.

We are required to file and maintain an effective registration statement covering the resale of the shares underlying the SSCPN Conversion Feature or we shall pay the holders a penalty equal to 2% of the face value of the 2024 SSCP Notes or 2025 SSCP Notes, as applicable, upon the occurrence of any such failure and for each 30-day period during which such failure is continuing (the "SSCPN Registration Fee"). The aggregate penalty will in no event exceed 10% of the face value of the 2024 SSCP Notes or the 2025 SSCP Notes, as applicable. We account for the SSCPN Registration Fee as a registration payment arrangement to be evaluated as a contingent liability (see Note 9).

Debt Maturities

Future debt payments, net of unamortized discounts and debt issuance costs, without giving effect to any potential future exercise of equity conversion features, are as follows:

(in thousands)	2019 MD Loan	2019 Cecil Loan	2022 MD Loan	2022 DHCD Loan	2024 SSCP Notes	2025 SSCP Notes	Total
2026 (remainder)	$ —	$ —	$ 278	$ —	$ —	$ 519	$ 797
2027	—	—	317	—	10,000	981	11,298
2028	—	—	—	5,000	—	—	5,000
2029	—	—	—	—	—	—	—
2030	—	—	—	—	—	—	—
2031	—	—	—	—	—	—	—
Thereafter	500	100	—	—	—	—	600
Total debt principal payments	500	100	595	5,000	10,000	1,500	17,695
Accrued and unpaid interest	284	56	50	313	829	118	1,650
Unamortized discount and debt issuance costs	—	—	(8)	(23)	(956)	(153)	(1,140)
Future debt payments, net	$ 784	$ 156	$ 637	$ 5,290	$ 9,873	$ 1,465	$ 18,205

Note 9. Commitments and Contingencies

Commitments

We enter into agreements in the normal course of business with CROs for clinical trials and with vendors for preclinical studies and other services and products for operating purposes, which are cancelable at any time by us, subject to payment of our remaining obligations under binding purchase orders and, in certain cases, nominal early termination fees. These commitments are not deemed significant.

As of March 31, 2026 and December 31, 2025, we had commitments under various agreements for capital expenditures totaling $0.2 million and $0.2 million, respectively, related to the construction of our manufacturing facilities.

Contingencies

From time to time, we may have certain contingent legal liabilities that arise in the ordinary course of business activities. We accrue a liability for such matters when it is probable that future expenditures will be made, and such expenditures can be reasonably estimated. We are not aware of any current material pending legal matters or claims.

We received two grants from the National Multiple Sclerosis Society (“NMSS”): (i) $0.3 million in September 2019 (the “2019 Grant”) for our VISIONARY-MS clinical trial, and (ii) $0.7 million in May 2023 (the “2023 Grant”) for our REPAIR-MS clinical trial. Pursuant to the grants, if we make future commercial sales of CNM-Au8 for MS, we will repay: (i) 50% of the grants upon the first commercial sale, (ii) an additional 50% of the grants upon cumulative sales of $10.0 million, (iii) an additional 150% of the grants upon cumulative sales of $50.0 million, and (iv) an additional 200% of the grants upon cumulative sales of $100.0 million, with the maximum repayment of 450% of the grants if all milestones are achieved. If NMSS has not yet received aggregate repayments equal to 300% of the 2019 Grant or 150% of the 2023 Grant, then the following events will trigger repayment of 300% of the 2019 Grant, or $1.0 million, and 150% of the 2023 Grant, or $1.0 million, less any amounts previously paid: (i) sale of all or substantially all of our assets and business, (ii) sale of any portion of our assets and business including CNM-Au8 for MS treatment, (iii) exclusive licensing of our intellectual property claiming CNM-Au8 for MS treatment, (iv) a collaboration with a third-party to develop CNM-Au8 for MS treatment (2019 Grant only), or (v) licensing of our commercialization rights to CNM-Au8 for MS treatment (2023 Grant only). As of March 31, 2026, we have not met any of the above milestones. We account for these provisions in accordance with ASC 450, *Contingencies* (“ASC 450”). We assessed the likelihood of each event as less than probable and therefore no contingent liability is recognized. Our estimate of the possible range of loss is between the minimum and maximum repayment amounts, equal to 50% and 450% of each grant, or approximately $0.2 million and $1.5 million for the 2019 Grant, respectively; and approximately $0.3 million and $3.0 million for the 2023 Grant, respectively. However, it is at least reasonably possible that our estimate of the likelihood of each contingent event and the possible range of loss will change in the near term.

We account for the SSCPN Collateral Deficiency Fee and SSCPN Registration Fee (see Note 8) as contingent liabilities in accordance with ASC 450 that were not probable as of March 31, 2026, and therefore no contingent liabilities were recorded. Our estimate of the possible range of loss for the SSCPN Registration Fee is between $0.2 million, which is equal to the loss upon initial failure to register the SSCPN Conversion Feature underlying shares, and $1.2 million, which is equal to the contractually-limited maximum loss upon continued failure to register the SSCPN Conversion Feature underlying shares. We are not able to estimate a possible range of loss for the SSCPN Collateral Deficiency Fee. It is at least reasonably possible that our estimate of the likelihood of each contingent event and the possible range of loss will change in the near term.

Note 10. Income Taxes

The components of loss before income taxes for the three months ended March 31, 2026 and 2025 were as follows:

	Three Months Ended March 31,	
(in thousands)	2026	2025
United States	$ (8,106)	$ (701)
Foreign	15	(50)
Net loss before income taxes	$ (8,091)	$ (751)

We are subject to taxation in the U.S., Australia, Netherlands, and various state jurisdictions. Our tax returns from 2016 to present are subject to examination by U.S. and state authorities due to the carry forward of unutilized net operating losses and research and development credits. We currently have no pending examinations. We compute our quarterly income tax provision by using a forecasted annual effective tax rate and adjust for any discrete items arising during the quarter. The primary difference between the effective tax rate and the federal statutory tax rate relates to the full valuation allowance on our net operating losses and other deferred tax assets.

Note 11. Benefit Plans

401(k) Plan

Our 401(k) plan is a deferred salary arrangement under Section 401(k) of the Internal Revenue Code. We match 100% of a participating employee's deferral contributions up to 3% of annual compensation, limited to $4,500 of matching contributions. Our contributions to the 401(k) plan totaled $0.1 million and $0.1 million during the three months ended March 31, 2026 and 2025, respectively.

Stock Compensation Plans

The Clene Nanomedicine, Inc. 2014 Stock Plan (the "2014 Plan") was adopted in July 2014. Effective as of the closing of the Reverse Recapitalization, no additional awards may be granted under the 2014 Plan. As of March 31, 2026, a total of 109,060 stock options remained outstanding under the 2014 Plan.

The Clene Inc. 2020 Amended Stock Plan (the "2020 Plan") was adopted in December 2020 and amended in May 2023, May 2024, and May 2025. Currently, 3,220,000 shares of Common Stock are reserved for issuance thereunder. As of March 31, 2026, a total of 3,022,823 stock options and other stock awards had been granted under the 2020 Plan, and 197,177 shares remained available for future grant.

Stock-Based Compensation Expense

Stock-based compensation expense recorded in research and development expense and general and administrative expense during the three months ended March 31, 2026 and 2025 was as follows:

	Three Months Ended March 31,	
(in thousands)	2026(1)	2025
General and administrative	$ 598	$ 1,001
Research and development	714	946
Total stock-based compensation expense	$ 1,312	$ 1,947

(1) Excludes $1.1 million of stock options issued to pay deferred employee compensation recorded in accrued liabilities.

Stock Options

Outstanding stock options and related activity during the three months ended March 31, 2026 was as follows:

(in thousands, except share, per share, and term data)	Number of Options	Weighted Average Exercise Price Per Share	Weighted Average Remaining Term (Years)	Intrinsic Value
Outstanding – December 31, 2025	2,787,201	$ 20.79	8.11	$ 1,013
Granted	329,201	5.36	9.82	—
Expired	(858)	52.73	—	—
Outstanding – March 31, 2026	3,115,544	$ 19.15	8.07	$ 457
Vested and exercisable – March 31, 2026	2,082,828	$ 24.78	7.91	$ 306
Vested, exercisable or expected to vest – March 31, 2026	3,115,544	$ 19.15	8.07	$ 457

As of March 31, 2026 and December 31, 2025, we had approximately $3.8 million and $4.8 million, respectively, of unrecognized stock-based compensation costs related to unvested stock options that is expected to be recognized over a weighted-average period of 1.42 years and 1.52 years, respectively. Our unrecognized stock-based compensation cost excludes $2.8 million of stock options that vest based on performance conditions that we assessed as less than probable as of March 31, 2026 and December 31, 2025.

The weighted-average grant-date fair value of stock options granted during the three months ended March 31, 2026 and 2025 was $4.24 and $3.57, respectively. The assumptions used to calculate the fair value of stock options granted during the three months ended March 31, 2026 and 2025 were as follows:

	Three Months Ended March 31,	
	2026	2025
Expected stock price volatility	101.88% – 107.55%	105.16% – 110.25%
Risk-free interest rate	3.65% – 3.85%	4.05% – 4.24%
Expected dividend yield	0.00%	0.00%
Expected term of options (in years)	5.00	5.00 – 6.25

Note 12. Fair Value

Cash and cash equivalents are carried at fair value. Financial instruments, including accounts receivable, accounts payable, and accrued expenses are carried at cost, which approximates fair value given their short-term nature. Our remaining fair value measures are discussed below.

Financial Instruments with Fair Value Measurements on a Recurring Basis

The fair value hierarchy for financial instruments measured at fair value on a recurring basis as of March 31, 2026 was as follows:

	March 31, 2026			
(in thousands)	Level 1	Level 2	Level 3	Total
Cash equivalents – money market funds	$ 3,254	$ —	$ —	$ 3,254
Common stock warrant liabilities	—	—	12,005	12,005
Derivative liabilities	—	—	2,380	2,380

The fair value hierarchy for financial instruments measured at fair value on a recurring basis as of December 31, 2025 was as follows:

	December 31, 2025			
(in thousands)	Level 1	Level 2	Level 3	Total
Cash equivalents – money market funds	$ 2,211	$ —	$ —	$ 2,211
Common stock warrant liabilities	—	—	5,063	5,063
Derivative liabilities	—	—	3,093	3,093

There were no transfers between Level 1, Level 2, or Level 3 during any of the periods above.

Changes in the fair value of our Level 3 financial instruments during the three months ended March 31, 2026 were as follows:

(in thousands)	Common Stock Warrant Liabilities	Derivative Liabilities
Balance – December 31, 2025	$ 5,063	$ 3,093
Initial fair value of instruments issued	5,882	—
Change in fair value	1,060	(713)
Balance – March 31, 2026	$ 12,005	$ 2,380

Changes in the fair value of our Level 3 financial instruments during the three months ended March 31, 2025 were as follows:

(in thousands)	Common Stock Warrant Liabilities	Derivative Liabilities
Balance – December 31, 2024	$ 4,541	$ 1,804
Change in fair value	(2,510)	(1,147)
Balance – March 31, 2025	$ 2,031	$ 657

Valuation of Notes Payable and Convertible Notes Payable

Our notes payable and convertible notes payable are categorized within Level 3 of the fair value hierarchy. The 2019 MD Loan and 2019 Cecil Loan are carried at the greater of principal plus accrued interest or the value of certain "phantom shares" (see Note 8) which approximates fair value. The 2022 MD Loan, 2022 DHCD Loan, and 2025 SSCP Notes are carried at amortized cost, which approximates fair value due to our credit risk and market interest rates.

The 2024 SSCP Notes are carried at their amortized cost of $9.9 million and $9.3 million as of March 31, 2026 and December 31, 2025, respectively. As of March 31, 2026 and December 31, 2025, amortized cost did not approximate fair value and the fair value of the 2024 SSCP Notes, excluding the SSCPN Derivative Liabilities pertaining to the 2024 SSCP Notes, was approximately $8.8 million, and $8.2 million respectively.

The SSCPN Derivative Liabilities met the requirements to be separated from the SSCP Notes as derivative instruments measured at fair value. We estimate the fair value of the SSCP Notes with and without the SSCPN Derivative Liabilities and calculate the difference as the implied fair value of the SSCPN Derivative Liabilities. The valuation model consists of a discounted cash flow model and a Black-Scholes option-pricing model with probability weights for the occurrence of (i) a change of control transaction, (ii) dissolution of the Company, or (iii) held to maturity. These estimates require significant judgment. The carrying amount may fluctuate significantly and the actual settlement amount may be materially different from the estimated fair value. The unobservable valuation inputs were as follows:

	March 31, 2026	December 31, 2025
Expected stock price volatility	118.60%	107.30%
Discount rate	20.00%	19.00%
Risk-free interest rate	3.70%	3.50% – 3.60%
Expected dividend yield	0.00%	0.00%
Expected term (in years)	0.45 – 0.87	0.38 – 1.12
Probability of change of control	20.00%	20.00%
Probability of dissolution	30.00%	35.00%
Probability of held to maturity	50.00%	45.00%

Valuation of the Common Stock Warrant Liabilities

Pursuant to a loan with Avenue Venture Opportunities Fund, L.P. ("Avenue"), which we repaid in 2024, we issued a warrant to purchase 150,000 shares of Common Stock at $4.6014 per share (the "2023 Avenue Warrant"). The 2023 Avenue Warrant, as amended, is classified as a liability and carried at fair value. We estimate the fair value using a Black-Scholes option-pricing model with probability weights for the occurrence of (i) settlement of the instrument upon a change of control transaction, (ii) dissolution of the Company, or (iii) held to expiration. These estimates require significant judgment. The carrying amount may fluctuate significantly and the actual settlement amount may be materially different from the estimated fair value. The unobservable valuation inputs were as follows:

	March 31, 2026	December 31, 2025
Expected stock price volatility	104.20% – 121.60%	104.40% – 119.00%
Risk-free interest rate	3.70% – 3.80%	3.50% – 3.60%
Expected dividend yield	0.00%	0.00%
Expected term (in years)	0.50 – 2.25	0.50 – 2.50
Probability of change of control	20.00%	20.00%
Probability of dissolution	30.00%	35.00%
Probability of held to expiration	50.00%	45.00%

Pursuant to an underwritten public offering in June 2023, we issued warrants to purchase 2,500,000 shares of Common Stock at $22.00 per share (the "Tranche A Warrants"). The Tranche A Warrants are classified as a liability and carried at fair value. We estimate the fair value using a Black-Scholes option-pricing model with probability weights for the occurrence of (i) acceptance of a new drug application ("NDA") by the U.S. Food and Drug Administration ("FDA") for CNM-Au8, (ii) settlement upon a fundamental transaction, (iii) dissolution of the Company, and (iv) held to expiration. These estimates require significant judgment. The carrying amount may fluctuate significantly and the actual settlement amount may be materially different from the estimated fair value. The unobservable valuation inputs were as follows:

	March 31, 2026	December 31, 2025
Expected stock price volatility	89.90%	124.00%
Risk-free interest rate	3.70%	3.60%
Expected dividend yield	0.00%	0.00%
Expected term (in years)	0.21	0.46
Probability of NDA acceptance before warrant expiration	0.00%	0.00%
Probability of fundamental transaction before warrant expiration	0.00%	0.00%
Probability of dissolution before warrant expiration	30.00%	35.00%
Probability of held to expiration	70.00%	65.00%

Pursuant to a registered direct public offering in October 2024, we issued warrants to purchase 1,546,914 shares of Common Stock at $4.82 per share (the "2024 Common Warrants"). The 2024 Common Warrants are classified as a liability and carried at fair value. We estimate the fair value using a Black-Scholes option-pricing model with probability weights for the occurrence of (i) dissolution of the Company and (ii) held to maturity. These estimates require significant judgment. The carrying amount may fluctuate significantly and the actual settlement amount may be materially different from the estimated fair value. The unobservable valuation inputs were as follows:

	March 31, 2026	December 31, 2025
Expected stock price volatility	101.30%	104.30%
Risk-free interest rate	3.80%	3.60%
Expected dividend yield	0.00%	0.00%
Expected term (in years)	3.50	3.75
Probability of dissolution	30.00%	35.00%
Probability of held to expiration	70.00%	65.00%

Pursuant to a registered direct public offering in January 2026, we issued warrants to purchase 1,114,000 shares of Common Stock at $6.00 per share (the "Series A Warrants"). The exercise price of the Series A Warrants will increase to $7.00 per share if (i) the Series A Warrant is exercised prior to our public announcement of the FDA's posted action date under the Prescription Drug User Fee Act for our NDA for CNM-Au8 (the "Series A Trigger Announcement"), or (ii) the VWAP of our Common Stock equals or exceeds $10.00 on the Series A Price Measurement Date, as defined below. The "Series A Price Measurement Date" means (A) the trading day on which the Series A Trigger Announcement is made, if such announcement is made prior to 9:00 a.m. (New York City time) on such trading day, or (B) the first trading day immediately following the day on which the Series A Trigger Announcement is made, if such announcement is made at or after 9:01 a.m. (New York City time) on a trading day or on a day that is not a trading day.

The Series A Warrants are classified as a liability and carried at fair value. We estimate the fair value using a Monte Carlo simulation with estimates for (i) the probability of the Series A Trigger Announcement (ii) the expected stock price increase if the Series A Trigger Announcement occurs, and (iii) the expected stock price decrease if the Series A Trigger Announcement does not occur. These estimates require significant judgment. The carrying amount may fluctuate significantly and the actual settlement amount may be materially different from the estimated fair value. The unobservable valuation inputs were as follows:

	March 31, 2026	January 13 2026
Expected stock price volatility	101.90%	107.30%
Risk-free interest rate	3.83%	3.68%
Expected term (in years)	0.50 – 2.79	0.46 – 3.00
Probability of Series A Trigger Announcement	50.00%	35.00%
Expected stock price increase if Series A Trigger Announcement occurs	35.00%	35.00%
Expected stock price decrease if Series A Trigger Announcement does not occur	85.00%	85.00%

Pursuant to a registered direct public offering in January 2026, we issued warrants to purchase 2,599,333 shares of Common Stock at $6.00 per share (the "Series B Warrants"). The exercise price of the Series B Warrants will increase to (i) $10.00 per share if the VWAP of our Common Stock equals or exceeds $20.00 on the Series B Price Measurement Date, or (ii) $12.50 per share if (A) the VWAP of our Common Stock equals or exceeds $25.00 on the Series B Price Measurement Date, or (B) the Series B Warrant is exercised prior to our public announcement of receipt of written approval from the FDA of our NDA for CNM-Au8 in ALS, which announcement shall be made promptly after receipt of such approval (the "Series B Trigger Announcement"). The "Series B Price Measurement Date" means (A) the trading day on which the Series B Trigger Announcement is made, if such announcement is made prior to 9:00 a.m. (New York City time) on such trading day, or (B) the first trading day immediately following the day on which the Series B Trigger Announcement is made, if such announcement is made at or after 9:01 a.m. (New York City time) on a trading day or on a day that is not a trading day.

The Series B Warrants are classified as a liability and carried at fair value. We estimate the fair value using a Monte Carlo simulation with estimates for (i) the probability of the Series B Announcement (ii) the expected stock price increase if the Series B Trigger Announcement occurs, and (iii) the expected stock price decrease if the Series B Trigger Announcement does not occur. These estimates require significant judgment. The carrying amount may fluctuate significantly and the actual settlement amount may be materially different from the estimated fair value. The unobservable valuation inputs were as follows:

	March 31, 2026	January 13 2026
Expected stock price volatility	101.90%	107.30%
Risk-free interest rate	3.83%	3.68%
Expected term (in years)	1.00 – 4.79	0.96 – 5.00
Probability of Series B Trigger Announcement	35.00%	24.00%
Expected stock price increase if Series B Trigger Announcement occurs	100.00%	100.00%
Expected stock price decrease if Series B Trigger Announcement does not occur	95.00%	95.00%

Note 13. Capital Stock

As of March 31, 2026 and December 31, 2025, our amended and restated certificate of incorporation authorized us to issue 600,000,000 shares of Common Stock, par value $0.0001 per share; and 1,000,000 shares of Preferred Stock, par value $0.0001 per share. As of March 31, 2026 and December 31, 2025, we had 11,778,307 and 10,849,974 shares of Common Stock issued and outstanding, respectively, and no shares of Preferred Stock issued or outstanding.

Our common stockholders are entitled to one vote per share and to notice of any stockholders' meeting. Voting, dividend, and liquidation rights of the holders of Common Stock are subject to the prior rights of holders of all classes of stock and are qualified by the rights, powers, preferences, and privileges of the holders of Preferred Stock. No distributions shall be made with respect to Common Stock until all declared dividends to Preferred Stock have been paid or set aside for payment. Common Stock is not redeemable at the option of the holder.

Common Stock Warrants

We have issued the following outstanding warrants to purchase shares of Common Stock:

Warrant Class	Exercise Price	Expiration	Classification	Number of Shares Issuable	
				March 31, 2026	December 31, 2025
2023 Avenue Warrant(1)	$ 4.6014	June 2028	Liability	150,000	150,000
Tranche A Warrants(2)	$ 22.00	June 2026	Liability	2,500,000	2,500,000
Tranche B Warrants(3)	$ 30.00	June 2030	Equity	2,500,000	2,500,000
2024 Common Warrants(4)	$ 4.82	October 2029	Liability	1,546,914	1,546,914
Series A Warrants(5)	$ 6.00	January 2029	Liability	1,114,000	—
Series B Warrants(6)	$ 6.00	January 2031	Liability	2,599,333	—
Total shares				10,410,247	6,696,914

(1) We issued the 2023 Avenue Warrant pursuant to a loan with Avenue (see Note 12). As of March 31, 2026 and December 31, 2025, the 2023 Avenue Warrant had not been exercised.

(2) We issued the Tranche A Warrants in a June 2023 public equity offering. Each Tranche A Warrant is exercisable for one share of Common Stock. The Tranche A Warrants expire on the earlier of (i) 60 days following the date of our public announcement that an NDA for CNM-Au8 has been accepted by the FDA, or (ii) June 16, 2026. As of March 31, 2026 and December 31, 2025, no Tranche A Warrants had been exercised.

(3) We issued warrants in a June 2023 public equity offering (the "Tranche B Warrants"). Each Tranche B Warrant is exercisable for one share of Common Stock. The Tranche B Warrants expire on the earlier of (i) 60 days following the date of our public announcement that an NDA for CNM-Au8 has been approved by the FDA, or (ii) June 16, 2030. As of March 31, 2026 and December 31, 2025, no Tranche B Warrants had been exercised.

(4) We issued the 2024 Common Warrants in an October 2024 public equity offering. Each 2024 Common Warrant is exercisable for one share of Common Stock. As of March 31, 2026 and December 31, 2025, no 2024 Common Warrants had been exercised.

(5) We issued the Series A Warrants in a January 2026 public equity offering. Each Series A Warrant is exercisable for 1.2 shares of Common Stock. The Series A Warrants expire three years from issuance unless, if on or after the first trading day immediately following the Series A Price Measurement Date, the closing price of our Common Stock is in-the-money, then we shall have the right, for a period of seven business days (such seventh day, the "Call Date") following such trading date, to redeem or call for cancellation all or any portion of the Series A Warrants for which a notice of exercise has not yet been delivered for consideration equal to $0.01 per share (the "Redemption Price"). Any portion not exercised by 5:00 p.m. Eastern Time on the Call Date shall be automatically redeemed by us for the Redemption Price and shall thereafter be null and void. As of March 31, 2026, no Series A Warrants had been exercised.

(6) We issued the Series B Warrants in a January 2026 public equity offering. Each Series B Warrant is exercisable for 2.8 shares of Common Stock. The Series B Warrants expire five years from issuance unless, if on or after the first trading day immediately following the Series B Price Measurement Date, the closing price of our Common Stock is in-the-money, then we shall have the right, for a period of seven business days following such trading date, to redeem or call for cancellation all or any portion of the Series B Warrants for which a notice of exercise has not yet been delivered for the Redemption Price. Any portion not exercised by 5:00 p.m. Eastern Time on the Call Date shall be automatically redeemed by us for the Redemption Price and shall thereafter be null and void. As of March 31, 2026, no Series B Warrants had been exercised.

Public Offerings

In October 2024, pursuant to a placement agency agreement with Canaccord Genuity LLC ("Canaccord"), we sold 725,000 shares of Common Stock and pre-funded warrants to purchase up to 17,626 shares of Common Stock (the "2024 Pre-Funded Warrants"). The aggregate gross proceeds were approximately $3.5 million, excluding the proceeds, if any, from the exercise of the pre-funded warrants and before deducting placement agent fees and expenses and other expenses payable by us. We paid Canaccord a placement agent fee of 6.00% of the aggregate gross proceeds of the offering. The offering was made pursuant to our registration statement on Form S-3 (file number 333-264299), declared effective on April 26, 2022 (the "2022 S-3"), and a related prospectus supplement. Additionally, in separate, concurrent private placements, we also sold 379,930 shares of Common Stock, 2024 Pre-Funded Warrants to purchase up to 424,358 shares of Common Stock, and 2024 Common Warrants to purchase up to 1,546,914 shares of Common Stock. The aggregate gross proceeds from the private placements was approximately $3.8 million, of which $1.3 million was contributed by certain of our directors, executive officers and their affiliated entities, and excludes the proceeds, if any, from the exercise of the 2024 Pre-Funded Warrants and 2024 Common Warrants. The 2024 Pre-Funded Warrants were exercisable immediately at a price of $0.001 per share and expired when exercised in full. The 2024 Common Warrants were exercisable immediately at a price of $4.82 per share and expire five years from issuance. The total fair value of the Common Stock, 2024 Pre-Funded Warrants, and 2024 Common Warrants sold in the offerings exceeded the offering proceeds by $2.1 million, therefore pursuant to ASC 815, we recognized this amount as a loss on the initial issuance of equity during the year ended December 31, 2024. The placement agent fees and offering expenses were allocated to the Common Stock, 2024 Pre-Funded Warrants, and 2024 Common Warrants sold in the offering based on their relative fair values, with the amount allocated to the liability-classified 2024 Common Warrants recorded as an expense and the amounts allocated to the Common Stock and 2024 Pre-Funded Warrants as a reduction to their initial carrying values.

In January 2026, pursuant to a placement agency agreement with BTIG, LLC ("BTIG"), we sold 928,333 shares of Common Stock, Series A Warrants to purchase up to 1,114,000 shares of Common Stock, and Series B Warrants to purchase up to 2,599,333 shares of Common Stock. The aggregate gross proceeds were approximately $6.0 million, of which $0.3 million was contributed by certain of our directors and their affiliated entities, excluding the proceeds, if any, from the exercise of the Series A Warrants and Series B Warrants and before deducting placement agent fees and expenses and other expenses payable by us. We paid BTIG a placement agent fee of 6.00% of the aggregate gross proceeds of the offering. The offering was made pursuant to our registration statement on Form S-3 (file number 333-286058), declared effective on April 25, 2025, and a related prospectus supplement. The total fair value of the Common Stock, Series A Warrants, and Series B Warrants sold in the offerings exceeded the offering proceeds by $4.6 million, therefore pursuant to ASC 815, we recognized this amount as a loss on the initial issuance of equity during the three months ended March 31, 2026. The placement agent fees and offering expenses were allocated to the Common Stock, Series A Warrants, and Series B Warrants sold in the offering based on their relative fair values, with the amounts allocated to the liability-classified Series A Warrants and Series B Warrants recorded as an expense and the amounts allocated to the Common Stock as a reduction to its initial carrying value.

Common Stock Sales Agreement

In April 2022, we entered into an equity distribution agreement (the "2022 ATM Agreement"), which we amended in December 2022. In April 2025, we entered into an equity distribution agreement (the "2025 ATM Agreement," and collectively with the 2022 ATM Agreement, the "ATM Agreements"). Canaccord acts as placement agent under the ATM Agreements and we may offer and sell shares of Common Stock from time to time through Canaccord. The issuance and sale of Common Stock by us under the 2022 ATM Agreement was made pursuant to our 2022 S-3, which expired on April 26, 2025. The issuance and sale of Common Stock by us under the 2025 ATM Agreement was made pursuant to our registration statement on Form S-3 (file number 333-286058), declared effective by the SEC on April 25, 2025 (the "2025 S-3"), and a related prospectus supplement.

Pursuant to the ATM Agreements, Canaccord is not required to sell any specific number or dollar amount of Common Stock but will act as our placement agent to sell, on our behalf, all of the Common Stock requested by us to be sold, consistent with Canaccord's normal trading and sales practices, on terms mutually agreed between Canaccord and us, for a fixed commission from each sale of Common Stock, if any. We did not effect any sales during the three months ended March 31, 2026. During the three months ended March 31, 2025, we sold 578,205 shares of Common Stock, generated gross proceeds of $2.7 million, and paid commissions of $0.1 million.

Note 14. Net Loss Per Share

The computation of basic and diluted net loss per share attributable to common stockholders for the three months ended March 31, 2026 and 2025 was as follows:

(in thousands, except share and per share data)	Three Months Ended March 31, 2026	2025
Numerator:		
Net loss attributable to common stockholders	$ (8,091)	$ (751)
Denominator:		
Weighted average common shares outstanding	11,644,214	8,824,673
Net loss per share attributable to common stockholders – basic and diluted	$ (0.69)	$ (0.09)

The following shares of potentially dilutive securities were excluded from the computation of diluted net loss per share attributable to common stockholders for the three months ended March 31, 2026 and 2025 because they were antidilutive, out-of-the-money, or the issuance of such shares is contingent upon certain conditions that were not satisfied by the end of the period:

	Three Months Ended March 31, 2026	2025
Convertible notes payable (see Note 8)	1,550,219	1,209,289
Common stock warrants (see Note 13)	10,410,247	6,818,518
Options to purchase common stock (see Note 11)	3,115,544	2,261,124
Unvested restricted stock awards (see Note 11)	—	37,441
Contingent earn-out shares (see Note 2)	—	329,628
Total shares excluded from diluted net loss per share	15,076,010	10,656,000

Note 15. Related Party Transactions

Supply and License Agreements

In August 2018, we entered into a supply agreement (the "Supply Agreement") and license agreement (the "License Agreement") with 4Life, an international supplier of health supplements, stockholder, and debt holder, in conjunction with 4Life's investment in the Series C preferred stock and warrants of our predecessor. 4Life is controlled by David Lisonbee, who is also a stockholder, debt holder, and board member of a subsidiary of Clene. On April 25, 2024, we entered into an amendment to the Supply Agreement and License Agreement (the "Amended 4Life Agreements"). The Amended 4Life Agreements contain the following terms:

- *Supply Agreement*. We granted 4Life, or its affiliates and mutually-agreed upon manufacturing vendors (the "Buyer Purchasing Parties") an exclusive right to purchase certain of our dietary supplement and non-pharmaceutical products (the "Licensed Products"), and agreed we shall exclusively sell the Licensed Products to the Buyer Purchasing Parties. The purchase price of Licensed Products shall be equal to our cost plus 20%. 4Life must sell certain amounts of Licensed Products for the calendar years beginning in 2024 and extending through 2033 (the "Minimum Sales Commitment"), with Minimum Sales Commitments for years subsequent to 2033, if applicable, to be negotiated between the Company and 4Life. Effective April 30, 2026, we permanently converted 4Life's exclusive rights to purchase Licensed Products to non-exclusive rights based on (i) 4Life's failure to achieve the Minimum Sales Commitment for two consecutive years, and (ii) 4Life's failure to pay additional royalty fees to maintain exclusivity (the "Exclusivity Provision").
- *License Agreement*. We granted 4Life an exclusive, royalty-bearing license to use, sell, and commercialize the Licensed Products. On a quarterly basis, 4Life shall pay us a royalty rate of 3% of incremental sales of Licensed Products, which is equal to the lesser of (a) the increase in net sales for the quarter over a base period quarter as determined in the License Agreement, or (b) net sales. Effective April 30, 2026, we permanently converted 4Life's exclusive rights to use, sell, and commercialize the Licensed Products to non-exclusive rights as it failed to meet the Exclusivity Provision and did not pay us the difference between (a) the royalty fee that would otherwise have been earned by us if 4Life had met the Minimum Sales Commitment and (b) actual royalties paid to us. The term of the License Agreement will continue until December 31, 2033, unless earlier terminated pursuant to the License Agreement or Supply Agreement. The Amended 4Life Agreements are renewable for additional five-year terms upon mutual agreement of the parties.

We currently provide (i) an aqueous zinc-silver ion dietary (mineral) supplement on a non-exclusive basis to 4Life that is sold under the trade name Zinc Factor™, and (ii) an aqueous gold dietary (mineral) supplement of very low-concentration gold nanoparticles on an exclusive basis to 4Life that is sold under the trade name Gold Factor™ and is subject to royalties. Total revenue under the Amended 4Life Agreements during the three months ended March 31, 2026 and 2025 was as follows:

	Three Months Ended March 31,	
(in thousands)	2026	2025
Product revenue from related parties	$ —	$ 63
Royalty revenue from related parties	14	17
Total revenue from related parties	$ 14	$ 80

Note 16. Geographic and Segment Information

Geographic Information

All of our long-lived assets, composed of property and equipment, net by location, were held in the U.S. All of our revenue from external customers was generated in the U.S.

Segment Information

Our Products segment measures of profit and loss is consolidated loss from operations, and its measure of total assets is consolidated total assets. Our CODM uses loss from operations predominantly in the annual budget and forecasting process to monitor variances in budget versus actual results along with consolidated total assets to determine resource allocation. Segment revenue from external customers, significant segment non-cash items, and other significant segment expense categories included within the measure of profit and loss and provided to our CODM were all based on their consolidated amounts. During the three months ended March 31, 2026 and 2025, these items were as follows:

	Three Months Ended March 31,	
(in thousands)	2026	2025
Segment revenue from external customers	$ 15	$ 81
Segment operating expenses:		
Cost of revenue	—	20
Research and development:		
CNM-Au8:		
Amyotrophic lateral sclerosis	824	1,343
Multiple sclerosis	70	25
Regulatory activities	196	130
General/preclinical/nonclinical	20	63
Facilities	391	419
Depreciation	338	338
Manufacturing	(367)	83
Research	9	5
Equipment	60	14
Maintenance	17	32
Information technology	67	65
Personnel	2,023	2,160
Stock-based compensation	714	946
Grant revenue as a reduction of research and development expense	(4,050)	(4,167)
Other segment items – Research and development[1]	17	25
General and administrative:		
Insurance	151	181
Legal	51	148
Finance and accounting	333	310
Public and investor relations	93	111
Facilities	33	30
Depreciation	17	66
Information technology	22	49
Personnel	638	832
Stock-based compensation	598	1,001
Grant revenue as a reduction of general and administrative expense	(236)	(163)
Other segment items – General and administrative[2]	47	91
Segment loss from operations	(2,061)	(4,076)
Reconciliation of segment loss from operations:		
Adjustments and reconciling items	—	—
Consolidated loss from operations	$ (2,061)	$ (4,076)

(1) Includes expenses for travel, meals, dues, subscriptions, continuing education, and other miscellaneous expenses.

(2) Includes expenses for travel, meals, dues, subscriptions, continuing education, lobbying, banking fees, postage, and other office and miscellaneous expenses.

Our revenue during the three months ended March 31, 2026 and 2025 was predominantly with a single customer, 4Life, through our Amended 4Life Agreements (see Note 15). A reconciliation of the total of the Products segment loss from operations to consolidated net loss before income taxes for the three months ended March 31, 2026 and 2025 was as follows:

(in thousands)	Three Months Ended March 31, 2026	2025
Segment loss from operations	$ (2,061)	$ (4,076)
Total other income (expense), net[1]	(6,030)	3,325
Net loss before income taxes	$ (8,091)	$ (751)

(1) Represents consolidated total other income (expense), net, as reported on the consolidated statements of operations and comprehensive loss.

Products segment assets exclude corporate assets, such as cash, restricted cash, and corporate facilities. Total assets as of March 31, 2026 and December 31, 2025 were as follows:

(in thousands)	March 31, 2026	December 31, 2025
Total assets:		
Products	$ 15,629	$ 12,828
Corporate	6,036	5,303
Consolidated	$ 21,665	$ 18,131

We had no additions to long-lived assets during the three months ended March 31, 2026 and 2025.

Note 17. Subsequent Events

Underwritten Public Offering

On May 6, 2026, pursuant to an underwriting agreement with Canaccord, we issued and sold 1,000,000 shares of Common Stock at an offering price of $7.00 per share. The aggregate gross proceeds were $7.0 million, before deducting underwriting discounts commissions and estimated offering expenses payable by us. The offering was made pursuant to our 2025 S-3 and a prospectus supplement related to the offering. We are currently evaluating the accounting and disclosure impact for the proceeds from the offering and the classification of the associated equity securities.

Second Amendment to 2024 Senior Secured Convertible Promissory Notes

On May 11, 2026, we entered into the Second Amendment (see Note 8), which (i) extended the maturity date of the 2024 SSCP Notes to the earlier of (A) August 13, 2027 or (B) upon a change in control transaction, and (ii) deferred principal and accrued interest repayments, which were previously scheduled to commence in September 2026, until the maturity date. The other material terms of the 2024 SSCP Notes remain effective as disclosed in Note 8. Pursuant to ASC 470, the Second Amendment qualified as a refinancing of a short-term obligation on a long-term basis after the date of the condensed consolidated balance sheets, therefore we reclassified $3.5 million of notes payable and $6.4 million of convertible notes payable from current to long-term on the condensed consolidated balance sheets as of March 31, 2026. We are currently evaluating any additional accounting and disclosure impact of the Second Amendment.

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

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report. Unless the context otherwise requires, for purposes of this section, the terms the "Company," "we," "us," or "our" are intended to mean the business and operations of Clene Inc. and its consolidated subsidiaries.

Business Overview

We are a clinical-stage pharmaceutical company pioneering the discovery, development, and commercialization of novel clean-surfaced nanotechnology ("CSN®") therapeutics. CSN® therapeutics are comprised of atoms of transition elements that, when assembled in nanocrystal form, possess unusually high, unique catalytic activities not present in those same elements in bulk form. These catalytic activities drive, support, and maintain beneficial metabolic and energetic cellular reactions within diseased, stressed, and damaged cells.

Our patent-protected, proprietary position affords us the potential to develop a broad and deep pipeline of novel CSN therapeutics to address a range of diseases with high impact on human health. We innovated an electro-crystal-chemistry drug development platform that draws from advances in nanotechnology, plasma and quantum physics, materials science, and biochemistry. Our platform process results in nanocrystals with faceted structures and surfaces that are free of the chemical surface modifications that accompany other production methods. Many traditional methods of nanoparticle synthesis involve the unavoidable deposition of potentially toxic organic residues and stabilizing surfactants on the particle surfaces. Synthesizing stable nanocrystals that are both nontoxic and highly catalytic has overcome this significant hurdle in harnessing transition metal catalytic activity for therapeutic use. Our clean-surfaced nanocrystals exhibit catalytic activities many-fold higher than other commercially available nanoparticles, produced using various techniques, that we have comparatively evaluated.

Our development and clinical efforts are dedicated to revolutionizing the treatment of neurodegenerative diseases to restore and protect neuronal health and function. Our nanotherapeutics target cellular energy impairments that are common to many diseases and we are currently focused on addressing the high unmet medical needs in central nervous system disorders including amyotrophic lateral sclerosis ("ALS"), multiple sclerosis ("MS"), and Parkinson's disease ("PD"). We currently have no drugs approved for commercial sale and have not generated any revenue from drug sales. We have never been profitable and have incurred operating losses in each year since inception. We generate revenue from sales of dietary supplements through our wholly-owned subsidiary, dOrbital, Inc., or through an exclusive license with 4Life Research LLC ("4Life"), an international supplier of health supplements, stockholder, debt holder, and related party. We anticipate this revenue to be small compared to our operating expenses and to the revenue we expect to generate from potential future sales of our drug candidates, for which we are currently conducting clinical trials.

Recent Developments of Our Clinical Programs

Amyotrophic Lateral Sclerosis

We had a Type C in-person meeting with the U.S. Food and Drug Administration ("FDA") in the first quarter of 2026 to discuss the statistically significant reductions in neurofilament light ("NfL") and glial fibrillary acidic protein ("GFAP"), the strong associations of biomarker improvements with longer survival in participants treated with CNM-Au8®, and to confirm our ability to file a new drug application ("NDA") for ALS under an accelerated approval pathway. On May 4, 2026, we announced receipt of the final meeting minutes. During the meeting and confirmed in the final meeting minutes, the FDA stated that our "*proposed data may be capable of supporting the submission and review of an [NDA] under the accelerated approval pathway for the treatment of ALS*." The FDA reminded the Company that the submission should demonstrate the effectiveness of an effect of CNM-Au8 on NfL and show that the magnitude of change in NfL is reasonably likely to predict clinical benefits in patients with ALS. We intend to submit our NDA in the third quarter of 2026, which will remain a matter of FDA review.

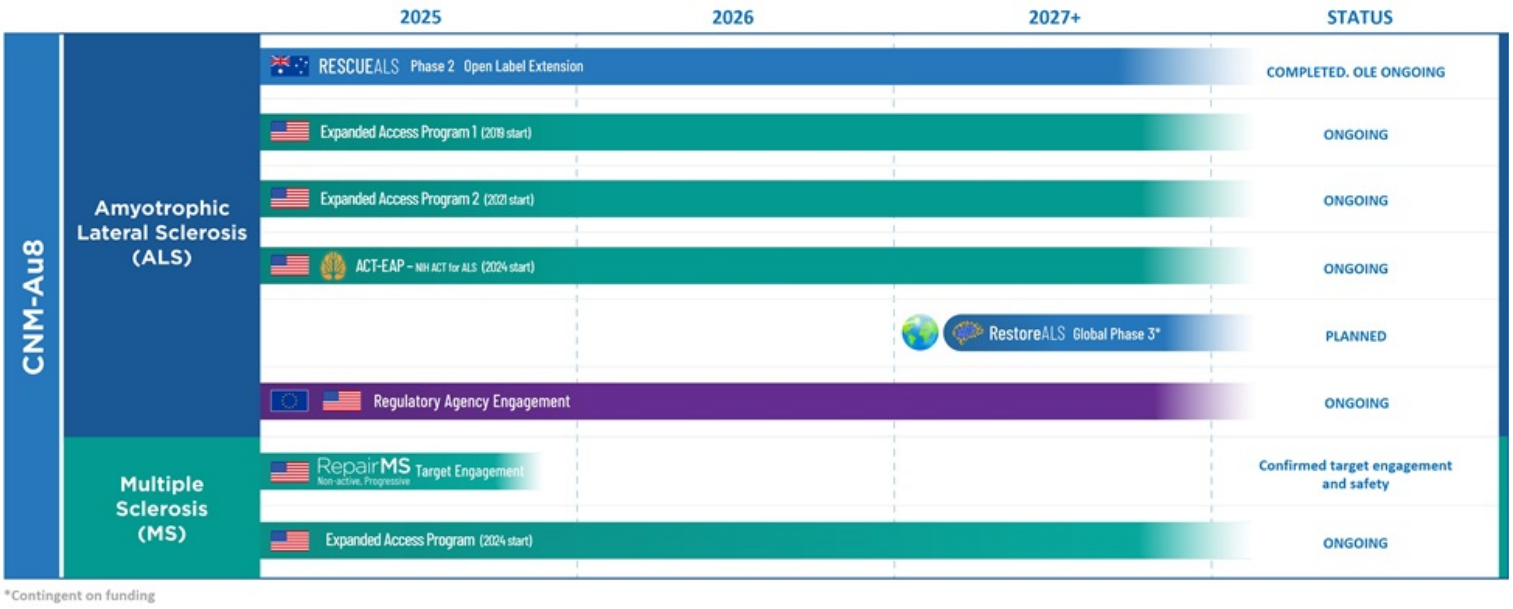
The FDA also noted that "*NfL could potentially serve as a reasonably likely surrogate endpoint to support (an) accelerated approval*." This submission would occur under the Subpart H accelerated approval pathway (21 CFR 314.510) in ALS. The FDA has also requested that we provide additional information in our NDA, including to support a connection between the reported magnitude of reduction in NfL and clinical benefit, which we have prepared and will include in the submission.

The planned NDA submission will be supported by NfL biomarker and clinical data from the Phase 2 HEALEY ALS Platform Trial and its open-label extension, as well as the Phase 2 RESCUE-ALS Trial, and the National Institutes of Health-sponsored expanded access protocol for CNM-Au8. Supporting data include reductions in plasma NfL associated with longer survival in the open-label extension and additional clinical outcomes. CNM-Au8 has previously received Orphan Drug Designation from the FDA for the treatment of ALS. We plan to initiate our Phase 3 RESTORE-ALS trial during the first quarter of 2027 and serving as the post-approval confirmatory study.

Multiple Sclerosis

We met with the FDA in a Type B end of Phase 2 meeting during the third quarter of 2025 to review results from the Phase 2 VISIONARY-MS trial and discuss a planned Phase 3 study focusing on cognition improvement as an adjunct to standard-of-care MS therapies, addressing a critical unmet medical need for people struggling with MS. The FDA aligned with Clene acknowledging the limitations of the Expanded Disability Status Scale, a global measure of MS disease severity, and expressed openness to considering other potential primary endpoints, including cognition, to evaluate broader treatment effects. We plan to work closely with regulatory health authorities from the FDA, European Medicines Agency and other international regulatory bodies, MS experts, and patient representatives to determine the proper path to advance CNM-Au8 into Phase 3 and potential future approval. We also believe that once CNM-Au8 receives regulatory approval in another indication, licensing opportunities for the MS indication will improve.

The chart below reflects the growing body of evidence for CSN therapeutics from our completed and ongoing clinical programs.



*Contingent on funding

Financial Overview

Our financial condition, results of operations, and the period-to-period comparability of our financial results are principally affected by the following factors:

Research and Development Expenses

The discovery and development of novel drug candidates requires a significant investment of resources over a prolonged period of time, and a core part of our strategy is to continue making sustained investments in this area. As a result of this commitment, our pipeline of drug candidates has been advancing, with substantially all our research and development expenses relating to our lead asset, CNM-Au8.

Our research and development expenses are affected by the scope and advancement of our existing product pipeline and the commencement of new drug programs. Drug candidates in later stages of clinical development generally have higher development costs than those in earlier stages, primarily due to costs and fees for per patient clinical trial sites for larger clinical trials, opening and monitoring clinical sites, contract research organization ("CRO") activity, and manufacturing. We anticipate that our research and development expenses will increase in future years if and when we advance our assets into Phase 3. Additionally, if we are able to file an NDA with the FDA under an accelerated approval pathway or subsequent to future Phase 3 clinical development activities, if any, we anticipate that our research and development expenses related to regulatory activities would increase in advance of receiving regulatory approval.

Research and development costs consist primarily of payroll and personnel expenses for salaries, benefits, and stock-based compensation; supplies, materials, and manufacturing expenses to support our clinical trials; payments to CROs, principal investigators, and clinical trial sites; costs of preclinical and nonclinical activities; consulting costs; and allocated overhead costs, including rent, equipment, utilities, depreciation, insurance, maintenance, and information technology. Research and development costs are charged to operations as incurred, and nonrefundable advance payments related to future research and development activities are initially recorded as assets and are expensed when we receive the related goods or services. Grant funding is recognized as a reduction in research and development costs.

Our clinical trial accrual process seeks to account for expenses resulting from obligations under contracts with CROs, consultants, and clinical sites in connection with conducting clinical trials. The financial terms of these contracts vary and may result in payment flows that do not match the periods over which materials or services are provided to us under such contracts. We reflect the appropriate clinical trial expenses in the condensed consolidated financial statements by matching the appropriate expenses with the period in which services are performed. In the event advance payments are made to CROs, the payments are recorded as prepaid assets and expensed over the period in which services are performed.

General and Administrative Expenses

General and administrative expenses consist primarily of payroll and personnel expenses for salaries, benefits, and stock-based compensation; fees for legal, finance, accounting, tax, and information technology services; insurance costs; expenses for public and investor relations; rent, utilities, depreciation, and other costs related to our facilities.

We anticipate that our general and administrative expenses in future periods will be contingent upon our regulatory pathway with the FDA. If we are able to file an NDA with the FDA under an accelerated approval pathway, we anticipate our general and administrative expenses would increase in future periods to support increases in our drug development activities and as we build our commercial capabilities in advance of receiving regulatory approval. This potential increase will likely include increased headcount, increased stock-based compensation expenses, expanded infrastructure including certain sales and marketing activities performed ahead of regulatory approval, and increased insurance expenses. If we are unable to file an NDA with the FDA under an accelerated approval pathway, or if our NDA is not approved, we would need to continue investing in clinical research activities and we anticipate our general and administrative expenses would decrease in future periods as we decrease commercial manufacturing expansion projects, including at our Elkton, Maryland facility, and as we implement cost-saving initiatives, such as a reduction in compensation, a hiring freeze, and elimination of certain staff positions.

Total Other Income (Expense), Net

Total other income (expense), net, consists primarily of (i) interest income and interest expense, (ii) changes in the fair value of our common stock warrant liabilities and derivative liabilities, and (iii) research and development tax credits, unrestricted grants, and conditional grants for which applicable conditions have been met.

Results of Operations

Our results of operations for the three months ended March 31, 2026 and 2025 were as follows:

	Three Months Ended March 31,		
(in thousands)	**2026**	**2025**	**Change**
Revenue:			
Product revenue	$ 1	$ 64	(98)%
Royalty revenue	14	17	(18)%
Total revenue	15	81	(81)%
Operating expenses:			
Cost of revenue	—	20	*
Research and development	329	1,481	(78)%
General and administrative	1,747	2,656	(34)%
Total operating expenses	2,076	4,157	(50)%
Loss from operations	(2,061)	(4,076)	(49)%
Total other income (expense), net	(6,030)	3,325	*
Net loss	$ (8,091)	$ (751)	977%

Revenue

Product revenue relates to our dietary supplement products and consists of (i) sales of an aqueous zinc-silver ion dietary (mineral) supplement sold by our wholly-owned subsidiary, dOrbital, Inc., under the trade name "rMetx™ ZnAg Immune Boost," or under a supply agreement with 4Life under the trade name "Zinc Factor™," and (ii) sales of KHC46, an aqueous gold dietary (mineral) supplement of very low-concentration, sold under a supply agreement with 4Life under the trade name "Gold Factor™." Royalty revenue relates to our dietary supplement products and consists of proceeds under an exclusive and royalty-bearing license agreement with 4Life relating to the sale of Gold Factor. During the three months ended March 31, 2026 and 2025, changes in product and royalty revenue was due to the timing of purchases and sales of Zinc Factor and Gold Factor by 4Life under the supply and license agreements.

Cost of Revenue

Cost of revenue related to production and distribution costs for the sales of Gold Factor, Zinc Factor, and rMetx dietary supplements.

Research and Development Expenses

Research and development expenses during the three months ended March 31, 2026 and 2025 was as follows:

	Three Months Ended March 31,		
(in thousands)	**2026**	**2025**	**Change**
CNM-Au8:			
Amyotrophic lateral sclerosis	$ 824	$ 1,343	(39)%
Multiple sclerosis	70	25	180%
Regulatory activities	196	130	51%
General/preclinical/nonclinical	20	63	(68)%
Unallocated:			
Facilities	391	419	(7)%
Depreciation	338	338	0%
Manufacturing	(367)	83	*
Research	9	5	80%
Equipment	60	14	329%
Maintenance	17	32	(47)%
Information technology	67	65	3%
Other	17	25	(32)%
Personnel	2,023	2,160	(6)%
Stock-based compensation	714	946	(25)%
Grant revenue as a reduction of research and development expense	(4,050)	(4,167)	(3)%
Total research and development	$ 329	$ 1,481	(78)%

* Not meaningful.

The change in research and development expenses was primarily due to the following:

(i) a decrease in expenses related to our lead drug candidate, CNM-Au8, primarily due to (A) a decrease in expenses related to our ALS clinical programs, including a decrease in expenses related to our two ongoing expanded access programs ("EAPs") with Massachusetts General Hospital and our ongoing National Institutes of Health-sponsored compassionate-use EAP (the "ACT-EAP") and a decrease in expenses for planning activities for our RESTORE-ALS clinical trial; (B) an increase in expenses related to our MS clinical programs primarily due to an increase in expenses for our MS EAP, (C) an increase in expenses for regulatory activities primarily driven by higher expenses related to our ongoing FDA discussions and NDA submission-related activities, and (D) a decrease in pre-clinical, non-clinical, and other general CNM-Au8-related expenses;

(ii) a decrease in unallocated expenses, primarily due to an offset to manufacturing expenses due to reprocessing multiple gold lots by our supplier when the commodity price of gold increased compared to the original purchase prices, partially offset by an increase in equipment-related expenses;

(iii) a decrease in personnel expenses, primarily due to cost-saving initiatives;

(iv) a decrease in stock-based compensation expense, primarily due to the timing of award grants, vesting, and forfeitures for research and development personnel; and

(v) a decrease in grant revenue, which is recorded as a reduction to research and development expense, due to a decrease in reimbursable research and development expenses in the ACT-EAP.

General and Administrative Expenses

General and administrative expenses during the three months ended March 31, 2026 and 2025 were as follows:

	Three Months Ended March 31,		
(in thousands)	**2026**	**2025**	**Change**
Insurance	$ 151	$ 181	(17)%
Legal	51	148	(66)%
Finance and accounting	333	310	7%
Public and investor relations	93	111	(16)%
Facilities	33	30	10%
Depreciation	17	66	(74)%
Information technology	22	49	(55)%
Personnel	638	832	(23)%
Stock-based compensation	598	1,001	(40)%
Grant revenue as a reduction of general and administrative expense	(236)	(163)	45%
Other	47	91	(48)%
Total general and administrative	$ 1,747	$ 2,656	(34)%

The change in general and administrative expenses was primarily due to the following:

(i) a decrease in legal fees, primarily due to a decrease in legal fees related to intellectual property, regulatory activities, and financing and fundraising; partially offset by an increase in other general corporate legal fees;

(ii) a decrease in depreciation expense due to certain assets reaching the end of their depreciable life;

(iii) a decrease in personnel expenses, primarily due to cost-saving initiatives;

(iv) a decrease in stock-based compensation expense, primarily due to the timing of award grants, vesting, and forfeitures for general and administrative personnel;

(v) an increase in grant revenue, which is recorded as a reduction to general and administrative expense, due to an increase in reimbursable general and administrative expenses in the ACT-EAP; and

(vi) a decrease in other expenses related to lobbying activities.

Total Other Income (Expense), Net

Total other income (expense), net, during the three months ended March 31, 2026 and 2025 was as follows:

	Three Months Ended March 31,		
(in thousands)	**2026**	**2025**	**Change**
Interest income	$ 47	$ 81	(42)%
Interest expense	(791)	(608)	30%
Issuance costs for common stock warrant liabilities	(393)	—	*
Loss on initial issuance of equity	(4,582)	—	*
Change in fair value of common stock warrant liabilities	(1,060)	2,510	*
Change in fair value of derivative liabilities	713	1,147	(38)%
Research and development tax credits and unrestricted grants	36	195	(82)%
Total other income (expense), net	$ (6,030)	$ 3,325	*

* Not meaningful.

The change in total other income (expense), net, was primarily due to the following:

(i) a decrease in interest income primarily due to lower average balances of cash and cash equivalents and lower interest rates in 2026;

(ii) an increase in interest expense primarily due to the senior secured convertible promissory notes issued in August 2025, partially offset by declining balances of notes payable following principal repayments;

(iii) issuance costs from a public equity offering allocated to liability-classified warrants during the three months ended March 31, 2026;

(iv) a loss on initial issuance of equity from the fair value in excess of proceeds from a public equity offering during the three months ended March 31, 2026;

(v) a loss from the changes in fair value of common stock warrant liabilities during the three months ended March 31, 2026, and a gain during the three months ended March 31, 2025. The changes in fair value were due to changes in price of our common stock, par value $0.0001 per share ("Common Stock") and updates in valuation model assumptions (see "*Critical Accounting Estimates*");

(vi) a gain from the change in fair value of the derivative liabilities separated from our senior secured convertible promissory notes during the three months ended March 31, 2026 and 2025. The changes in fair value were due to changes in price of our Common Stock and updates in valuation model assumptions (see "*Critical Accounting Estimates*");

(vii) a decrease in research and development tax credits and unrestricted grants due to the receipt of Maryland tax credits during the three months ended March 31, 2025 that were not received during the three months ended March 31, 2026.

Taxation

United States

We are incorporated in the state of Delaware and subject to statutory U.S. federal corporate income tax at a rate of 21.00%. We are also subject to state income tax in Maryland at a rate of 8.25%, and in Utah at a rate of 4.50%. As of March 31, 2026 and December 31, 2025, we recorded a full valuation allowance against our net deferred tax assets due to the uncertainty as to whether such assets will be realized resulting from our three-year cumulative loss position and the uncertainty surrounding our ability to generate pre-tax income in the foreseeable future.

Australia

Our wholly-owned subsidiary, Clene Australia Pty Ltd ("Clene Australia"), was established in Australia in March 2018 and is subject to corporate income tax at a rate of 30.00%. Clene Australia had no taxable income or provision for income taxes for the three months ended March 31, 2026 and 2025. We recorded other income of $36,000 and $24,000 for the three months ended March 31, 2026 and 2025, respectively, for research and development tax credits pertaining to Clene Australia for the 2026 and 2025 tax years, respectively.

Netherlands

Our wholly-owned subsidiary, Clene Netherlands B.V. ("Clene Netherlands"), was established in the Netherlands in April 2021 and is subject to corporate income tax at a rate of 19.00% up to €200,000 of taxable income and 25.80% for taxable income in excess of €200,000 for the three months ended March 31, 2026 and 2025. Clene Netherlands had no taxable income or provision for income taxes for the three months ended March 31, 2026 and 2025.

Liquidity and Capital Resources

Sources of Capital

We have incurred significant losses and negative cash flows from operations since our inception. We expect to incur additional losses in the future to fund our operations and conduct research and development of our drug candidates. We recognize the need to raise additional capital to fully implement our business plan. The long-term continuation of our business plan is dependent upon the generation of sufficient revenue from our products to offset expenses and capital expenditures. In the event that we do not generate sufficient revenue and are unable to obtain funding, we will be forced to delay, reduce, or eliminate some or all of our research and development programs, product portfolio expansion, commercialization efforts, or capital expenditures, which could adversely affect our business prospects, ability to meet long-term liquidity needs, or we may be unable to continue operations.

Since our inception, we have dedicated substantially all our resources to the development of our drug candidates. We have financed our operations principally through the following sources:

- gross proceeds of $201.7 million from equity financing, including sales of common stock, preferred stock, common stock warrants, and pre-funded common stock warrants;
- gross proceeds of $71.1 million from borrowings under notes payable, convertible notes payable, and convertible promissory notes;
- gross proceeds of $9.4 million from our reverse recapitalization whereby we became a public company;
- gross proceeds of $10.2 million from refundable research and development tax credits;
- gross proceeds of $15.8 million from grants from various organizations; and
- gross proceeds of $1.1 million from stock option and warrant exercises.

We also received indirect financial support for the HEALEY ALS Platform Trial, administered by Massachusetts General Hospital, which conducted an ALS platform trial of CNM-Au8 alongside multiple other drug candidates, at significantly lower costs than we would have otherwise incurred if we had conducted a comparably designed clinical trial at reasonable market rates.

Going Concern

We incurred a loss from operations of $2.1 million and $4.1 million for the three months ended March 31, 2026 and 2025, respectively. Our accumulated deficit was $316.4 million and $308.3 million as of March 31, 2026 and December 31, 2025, respectively. Our cash and cash equivalents totaled $5.9 million and $5.2 million as of March 31, 2026 and December 31, 2025, respectively, and net cash used in operating activities was $4.5 million and $5.0 million for the three months ended March 31, 2026 and 2025, respectively.

We have incurred significant losses and negative cash flows from operations since our inception. We have not generated significant revenue since our inception, and we do not anticipate generating significant revenue unless we successfully complete development and obtain regulatory approval for commercialization of a drug candidate. We expect to incur additional losses in the future, particularly as we advance the development of our clinical-stage drug candidates, continue research and development of our preclinical drug candidates, and initiate additional clinical trials of, and seek regulatory approval for, these and other future drug candidates. We expect that within the next twelve months, we will not have sufficient cash and other resources on hand to sustain our current operations or meet our obligations as they become due unless we obtain additional financing. Additionally, pursuant to our senior secured convertible promissory notes issued in December 2024 (the “2024 SSCP Notes”), we are required to maintain unrestricted cash and cash equivalents of at least $2.0 million to avoid acceleration of the full balance of the 2024 SSCP Notes (see Note 8 to the condensed consolidated financial statements). These conditions raise substantial doubt about the Company’s ability to continue as a going concern.

To mitigate our funding needs, we plan to raise additional funding, including exploring equity financing and offerings, debt financing, licensing or collaboration arrangements with third parties, as well as utilizing our existing at-the-market facility and potential proceeds from the exercise of outstanding warrants and stock options. These plans are subject to market conditions and reliance on third parties, and there is no assurance that effective implementation of our plans will result in the necessary funding to continue current operations. During the three months ended March 31, 2026, we raised $6.0 million of gross proceeds from a registered direct offering of equity securities (see Note 13 to the condensed consolidated financial statements), and subsequent to March 31, 2026, we raised $7.0 million of gross proceeds from a registered direct offering of equity securities (see Note 17 to the condensed consolidated financial statements). While we have implemented cost-saving initiatives, including delaying and reducing certain research and development programs and commercialization efforts, reducing employee compensation, and eliminating certain staff positions, we have concluded that our plans do not alleviate the substantial doubt about our ability to continue as a going concern beyond one year from the date the condensed consolidated financial statements are issued.

The accompanying condensed consolidated financial statements have been prepared assuming we will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. As a result, the accompanying condensed consolidated financial statements do not include any adjustments relating to the recoverability and classification of assets and their carrying amounts, or the amounts and classification of liabilities that may result should we be unable to continue as a going concern.

Short-Term Material Cash Requirements

For at least the next twelve months, our primary capital requirements are to fund our operations, including research and development, personnel, regulatory, and other clinical trial costs related to development of our lead drug candidate, CNM-Au8; general and administrative costs to support our drug development and pre-commercial activities in advance of receiving regulatory approval for our drug candidates; and principal and interest payments on our notes payable and convertible notes payable. Firm commitments for funds include approximately $1.1 million of payments under operating lease obligations, payment of principal and interest on notes payable and convertible notes payable totaling $2.5 million, and a commitment for capital expenditures totaling $0.2 million related to the construction of our manufacturing facilities. We expect to meet our short-term liquidity requirements primarily through cash on hand. Additional sources of funds include equity financing, debt financing, or other capital sources.

We enter into agreements in the normal course of business with CROs for clinical trials and with vendors for preclinical studies and other services and products for operating purposes, which are cancelable at any time by us, subject to payment of our remaining obligations under binding purchase orders and, in certain cases, nominal early termination fees. These commitments are not deemed significant.

Long-Term Material Cash Requirements

Beyond the next twelve months, our primary capital requirements are to fund our operations, including research and development, personnel, regulatory, and other clinical trial costs related to development of our lead drug candidate, CNM-Au8; general and administrative costs to support our drug development activities in advance of receiving regulatory approval for our drug candidates; and principal and interest payments on our notes payable and convertible notes payable. Additional funds may be spent to initiate new clinical trials, at our discretion. Known obligations beyond the next twelve months include $3.6 million of payments under operating lease obligations, and interest and principal repayment of notes payable and convertible notes payable of $18.6 million. We expect to meet our long-term liquidity requirements primarily through equity financing, debt financing, or other capital sources.

Use of Funds

Our cash flows for the three months ended March 31, 2026 and 2025 were as follows:

	Three Months Ended March 31,	
(in thousands)	**2026**	**2025**
Net cash used in operating activities	$ (4,528)	$ (5,011)
Net cash provided by (used in) investing activities	—	—
Net cash provided by financing activities	5,234	2,673
Effect of foreign exchange rate changes on cash	44	15
Net increase (decrease) in cash, cash equivalents and restricted cash	$ 750	$ (2,323)

Our primary use of cash in all periods presented was to fund our research and development, regulatory and other clinical trial costs, and general corporate expenditures.

Operating Activities

Net cash used in operating activities was $4.5 million for the three months ended March 31, 2026, which resulted from a net loss of $8.1 million, adjusted for non-cash items totaling $7.8 million and a net change in operating assets and liabilities of $4.3 million. Significant non-cash items included: (i) depreciation expense of $0.4 million related to laboratory and office equipment and leasehold improvements, (ii) non-cash lease expense of $0.2 million, (iii) stock-based compensation expense of $1.3 million, (iv) accretion of debt discount of $0.3 million, (v) non-cash interest expense on notes payable of $0.4 million, (vi) issuance costs for common stock warrant liabilities of $0.4 million, (vii) a loss on initial issuance of equity from the fair value in excess of proceeds from a public equity offering of $4.6 million, (viii) a change in fair value of our common stock warrant liabilities of $1.1 million due to changes in the price of our Common Stock and changes in valuation model inputs, and (ix) a change in fair value of our derivative liabilities of $0.7 million due to changes in the price of our Common Stock and changes in valuation model inputs. The net change in operating assets and liabilities was primarily attributable to: (i) an increase in accounts payable of $0.4 million due to the timing of vendor invoicing and payments, (ii) an increase in prepaid expenses and other current assets of $3.3 million due to (A) the timing of vendor invoicing and payments, (B) an increase in metals to be used in research and development due to the timing of invoicing, payments, and deliveries from our supplier, and changes in the commodity price of gold during reprocessing by our supplier compared to the original purchase price, and (C) an increase in grants receivable related to ACT-EAP reimbursements, partially offset by (D) a decrease in research and development tax credits receivable due to the timing of refund payments, and (E) a decrease in miscellaneous prepaids and other current assets, (iii) a decrease in accrued liabilities of $1.2 million primarily due to (A) a decrease in accrued compensation and benefits resulting from payments of deferred employee bonuses in cash and equity and a decrease in deferred grants due to satisfaction of grant conditions or performance obligations, partially offset by (C) an increase in other miscellaneous accrued liabilities, and (iv) a decrease in operating lease obligations of $0.2 million.

Net cash used in operating activities was $5.0 million for the three months ended March 31, 2025, which resulted from a net loss of $0.8 million, adjusted for non-cash items totaling $0.9 million and a net change in operating assets and liabilities of $3.3 million. Significant non-cash items included: (i) depreciation expense of $0.4 million related to laboratory and office equipment and leasehold improvements, (ii) non-cash lease expense of $0.1 million, (iii) stock-based compensation expense of $1.9 million, (iv) accretion of debt discount of $0.2 million, (v) non-cash interest expense on notes payable of $12,000, (vi) a change in fair value of our common stock warrant liabilities of $2.5 million due to changes in the price of our Common Stock and changes in valuation model inputs, and (vii) a change in fair value of the our derivative liabilities of $1.1 million due to changes in the price of our Common Stock and changes in valuation model inputs. The net change in operating assets and liabilities was primarily attributable to: (i) a decrease in accounts receivable of $0.1 million and an increase in accounts payable of $0.2 million due to the timing of vendor invoicing and payments, (ii) a decrease in inventory of $30,000 (iii) an increase in prepaid expenses and other current assets of $0.9 million due to (A) the timing of vendor invoicing and payments, (B) the timing of receipt of metals to be used in research and development, (C) an increase in prepaid ACT-EAP expenses, and (D) an increase in research and development tax credits receivable, (iv) a decrease in accrued liabilities of $2.5 million primarily due to (A) a decrease in deferred grants, (B) a decrease in accrued CRO and clinical fees, and (C) a decrease in other miscellaneous accrued liabilities, partially offset by (D) an increase in accrued compensation and benefits, and (v) a decrease in operating lease obligations of $0.2 million.

Investing Activities

We had no net cash provided by or used in investing activities during the three months ended March 31, 2026 and 2025.

Financing Activities

Net cash provided by financing activities was $5.2 million for the three months ended March 31, 2026, which consisted of proceeds from the issuance of common stock and warrants, net of offering costs, of $5.3 million, partially offset by payments of notes payable of $0.1 million. Net cash provided by financing activities was $2.7 million for the three months ended March 31, 2025, which consisted of proceeds from the issuance of common stock of $2.7 million.

Public Offerings

In January 2026, pursuant to a placement agency agreement with BTIG, LLC ("BTIG"), we sold 928,333 shares of Common Stock, Series A Warrants to purchase up to 1,114,000 shares of Common Stock, and Series B Warrants to purchase up to 2,599,333 shares of Common Stock. The aggregate gross proceeds were approximately $6.0 million, of which $0.3 million was contributed by certain of our directors and their affiliated entities, excluding the proceeds, of any, from the exercise of the Series A Warrants and Series B Warrants and before deducting placement agent fees and expenses and other expenses payable by us. We paid BTIG a placement agent fee of 6.00% of the aggregate gross proceeds of the offering. The offering was made pursuant to our registration statement on Form S-3 (file number 333-286058), declared effective on April 25, 2025, and a related prospectus supplement. The total fair value of the Common Stock, Series A Warrants, and Series B Warrants sold in the offerings exceeded the offering proceeds by $4.6 million, therefore pursuant to ASC 815, we recognized this amount as a loss on the initial issuance of equity during the three months ended March 31, 2026. The placement agent fees and offering expenses were allocated to the Common Stock, Series A Warrants, and Series B Warrants sold in the offering based on their relative fair values, with the amounts allocated to the liability-classified Series A and Series B Warrants recorded as an expense and the amounts allocated to the Common Stock as a reduction to its initial carrying value.

Critical Accounting Estimates

Our discussion and analysis of our financial condition and results of operations is based on our condensed consolidated financial statements, which have been prepared in accordance with U.S. Generally Accepted Accounting Principles. The preparation of these condensed consolidated financial statements requires us to make estimates, assumptions, and judgments that affect the reported amounts of assets, liabilities, revenues, costs, and expenses. We evaluate our estimates and judgments on an ongoing basis, and our actual results may differ from these estimates. We base our estimates on historical experience, known trends and events, contractual milestones, and other various factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources.

We consider the following estimates to be critical as they involve a significant level of estimation uncertainty and have had or are reasonably likely to have a material impact on our financial condition and results of operations.

Convertible Notes

In accordance with ASU 2020-06, *Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity*, we classified the 2022 DHCD Loan as convertible notes payable in the condensed consolidated balance sheets and did not separate the conversion option from the host contract as it did not meet the requirements for accounting as a derivative instrument. We account for the convertible note as a single liability measured at its amortized cost as of March 31, 2026 and December 31, 2025, with a carrying value of $5.3 million and $5.3 million, respectively.

We classified a portion of the senior secured convertible promissory notes (the "SSCP Notes") as convertible notes payable in the consolidated balance sheets and separated three features from the host contract as derivative instruments measured at fair value: (i) the conversion option (the "SSCPN Conversion Feature"), (ii) the redemption option upon a change of control or any bankruptcy, liquidation, or other restructuring process consisting of a cash payment equal to 115% of the outstanding principal (the "SSCPN Redemption Feature"), and (iii) the acceleration option plus a penalty equal to 10% of all outstanding principal and accrued and unpaid interest upon the occurrence and continuation of certain events of default (the "SSCPN Default Feature," collectively with the SSCPN Conversion Feature and SSCPN Redemption Feature, the "SSCPN Derivative Liabilities"). We accounted for the remainder of the SSCP Notes as liabilities measured at their amortized cost, with carrying values of (i) $9.9 million and $9.3 million for the 2024 SSCP Notes as of March 31, 2026 and December 31, 2025, respectively, and (ii) $1.5 million and $1.4 million for the 2025 SSCP Notes as of March 31, 2026 and December 31, 2025, respectively.

We remeasure the SSCPN Derivative Liabilities at each reporting date and record the change in fair value as a component of other income (expense), net in the condensed consolidated statements of operations and comprehensive loss. The change in fair value of the SSCPN Derivative Liabilities resulted in a gain of $0.7 million and a gain of $1.1 million during the three months ended March 31, 2026 and 2025, respectively. We estimate the fair value of the SSCP Notes with and without the SSCPN Derivative Liabilities and calculate the difference as the implied fair value of the SSCPN Derivative Liabilities. The valuation model consists of a discounted cash flow model and a Black-Scholes option-pricing model with probability weights for the occurrence of (i) a change of control transaction, (ii) dissolution of the Company, or (iii) held to maturity. These estimates require significant judgment. The unobservable valuation inputs were as follows:

	March 31, 2026	December 31, 2025
Expected stock price volatility	118.60%	107.30%
Discount rate	20.00%	19.00%
Risk-free interest rate	3.70%	3.50% – 3.60%
Expected dividend yield	0.00%	0.00%
Expected term (in years)	0.45 – 0.87	0.38 – 1.12
Probability of change of control	20.00%	20.00%
Probability of dissolution	30.00%	35.00%
Probability of held to maturity	50.00%	45.00%

Common Stock Warrant Liabilities

In accordance with ASC 815, we recognized the below common stock warrants as derivative liabilities measured at fair value and will remeasure them at each reporting date and record the change in fair value as a component of other income (expense), net, in the condensed consolidated statements of operations and comprehensive loss.

Pursuant to a loan with Avenue Venture Opportunities Fund, L.P. (“Avenue”), which we repaid in 2024, we issued a warrant to purchase 150,000 shares of Common Stock at $4.6014 per share (the “2023 Avenue Warrant”). The change in fair value of the 2023 Avenue Warrant resulted in a gain of $0.1 million and a gain of $0.2 million during the three months ended March 31, 2026 and 2025, respectively. We estimate the fair value using a Black-Scholes option-pricing model with probability weights for the occurrence of (i) settlement of the instrument upon a change of control transaction, (ii) dissolution of the Company, or (iii) held to expiration. These estimates require significant judgment. The unobservable valuation inputs were as follows:

	March 31, 2026	December 31, 2025
Expected stock price volatility	104.20% – 121.60%	104.40% – 119.00%
Risk-free interest rate	3.70% – 3.80%	3.50% – 3.60%
Expected dividend yield	0.00%	0.00%
Expected term (in years)	0.50 – 2.25	0.50 – 2.50
Probability of change of control	20.00%	20.00%
Probability of dissolution	30.00%	35.00%
Probability of held to expiration	50.00%	45.00%

Pursuant to an underwritten public offering in June 2023, we issued warrants to purchase 2,500,000 shares of Common Stock at $22.00 per share (the "Tranche A Warrants"). The change in fair value of the Tranche A Warrants resulted in a gain of $0.4 million and a gain of $0.6 million during the three months ended March 31, 2026 and 2025, respectively. We estimate the fair value using a Black-Scholes option-pricing model with probability weights for the occurrence of (i) acceptance of an NDA by the FDA for CNM-Au8, (ii) settlement upon a fundamental transaction, (iii) dissolution of the Company, and (iv) held to expiration. These estimates require significant judgment. The unobservable valuation inputs were as follows:

	March 31, 2026	December 31, 2025
Expected stock price volatility	89.90%	124.00%
Risk-free interest rate	3.70%	3.60%
Expected dividend yield	0.00%	0.00%
Expected term (in years)	0.21	0.46
Probability of NDA acceptance before warrant expiration	0.00%	0.00%
Probability of fundamental transaction before warrant expiration	0.00%	0.00%
Probability of dissolution before warrant expiration	30.00%	35.00%
Probability of held to expiration	70.00%	65.00%

Pursuant to a registered direct public offering in October 2024, we issued warrants to purchase 1,546,914 shares of Common Stock at $4.82 per share (the "2024 Common Warrants"). The change in fair value of the 2024 Common Warrants resulted in a gain of $0.7 million and a gain of $1.8 million during the three months ended March 31, 2026 and 2025, respectively. We estimate the fair value using a Black-Scholes option-pricing model with probability weights for the occurrence of (i) dissolution of the Company and (ii) held to maturity. These estimates require significant judgment. The unobservable valuation inputs were as follows:

	March 31, 2026	December 31, 2025
Expected stock price volatility	101.30%	104.30%
Risk-free interest rate	3.80%	3.60%
Expected dividend yield	0.00%	0.00%
Expected term (in years)	3.50	3.75
Probability of dissolution	30.00%	35.00%
Probability of held to expiration	70.00%	65.00%

Pursuant to a registered direct public offering in January 2026, we issued Series A Warrants to purchase 1,114,000 shares of Common Stock at $6.00 per share. The exercise price of the Series A Warrants will increase to $7.00 per share if (i) the Series A Warrant is exercised prior to our public announcement of the FDA's posted action date under the Prescription Drug User Fee Act for our NDA for CNM-Au8 (the "Series A Trigger Announcement"), or (ii) the volume weighted average price ("VWAP") of our Common Stock equals or exceeds $10.00 on the Series A Price Measurement Date, as defined below. The "Series A Price Measurement Date" means (A) the trading day on which the Series A Trigger Announcement is made, if such announcement is made prior to 9:00 a.m. (New York City time) on such trading day, or (B) the first trading day immediately following the day on which the Series A Trigger Announcement is made, if such announcement is made at or after 9:01 a.m. (New York City time) on a trading day or on a day that is not a trading day.

The change in fair value of the Series A Warrants resulted in a loss of $0.3 million during the three months ended March 31, 2026. We estimate the fair value using a Monte Carlo simulation with estimates for (i) the probability of the Series A Trigger Announcement (ii) the expected stock price increase if the Series A Trigger Announcement occurs, and (iii) the expected stock price decrease if the Series A Trigger Announcement does not occur. These estimates require significant judgment. The unobservable valuation inputs were as follows:

	March 31, 2026	January 13 2026
Expected stock price volatility	101.90%	107.30%
Risk-free interest rate	3.83%	3.68%
Expected term (in years)	0.50 – 2.79	0.46 – 3.00
Probability of Series A Trigger Announcement	50.00%	35.00%
Expected stock price increase if Series A Trigger Announcement occurs	35.00%	35.00%
Expected stock price decrease if Series A Trigger Announcement does not occur	85.00%	85.00%

Pursuant to a registered direct public offering in January 2026, we issued Series B Warrants to purchase 2,599,333 shares of Common Stock at $6.00 per share. The exercise price of the Series B Warrants will increase to (i) $10.00 per share if the VWAP of our Common Stock equals or exceeds $20.00 on the Series B Price Measurement Date, or (ii) $12.50 per share if (A) the VWAP of our Common Stock equals or exceeds $25.00 on the Series B Price Measurement Date, or (B) the Series B Warrant is exercised prior to our public announcement of receipt of written approval from the FDA of our NDA for CNM-Au8 in ALS, which announcement shall be made promptly after receipt of such approval (the "Series B Trigger Announcement"). The "Series B Price Measurement Date" means (A) the trading day on which the Series B Trigger Announcement is made, if such announcement is made prior to 9:00 a.m. (New York City time) on such trading day, or (B) the first trading day immediately following the day on which the Series B Trigger Announcement is made, if such announcement is made at or after 9:01 a.m. (New York City time) on a trading day or on a day that is not a trading day.

The change in fair value of the Series B Warrants resulted in a loss of $1.9 million during the three months ended March 31, 2026. We estimate the fair value using a Monte Carlo simulation with estimates for (i) the probability of the Series B Announcement (ii) the expected stock price increase if the Series B Trigger Announcement occurs, and (iii) the expected stock price decrease if the Series B Trigger Announcement does not occur. These estimates require significant judgment. The unobservable valuation inputs were as follows:

	March 31, 2026	January 13 2026
Expected stock price volatility	101.90%	107.30%
Risk-free interest rate	3.83%	3.68%
Expected term (in years)	1.00 – 4.79	0.96 – 5.00
Probability of Series B Trigger Announcement	35.00%	24.00%
Expected stock price increase if Series B Trigger Announcement occurs	100.00%	100.00%
Expected stock price decrease if Series B Trigger Announcement does not occur	95.00%	95.00%

Income Taxes

We record uncertain tax positions in accordance with ASC 740, *Income Taxes*, on the basis of a two-step process to (i) determine whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position, and (ii) for those tax positions that meet the more-likely-than-not recognition threshold, we recognize the largest amount of tax benefit that is more than 50% likely to be realized upon ultimate settlement with the related tax authority. We recognize deferred tax assets to the extent we believe these assets are more likely than not to be realized. In making such a determination, we consider all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and recent results of operations. If we determine that we would be able to realize any deferred tax assets in the future in excess of their net recorded amount, we would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes. The estimation of these factors requires significant judgment. Based on our evaluation of these factors, we have not recorded income tax benefits for the net operating losses or for research and development tax credits or other deferred tax assets due to uncertainty of realizing benefits from these items.

Stock-Based Compensation

We account for stock-based compensation arrangements using a fair value-based method for costs related to all share-based payments including stock options and stock awards. The fair value is recognized over the period during which a grantee was required to provide services in exchange for the option award and service-based stock awards, known as the requisite service period (usually the vesting period), on a straight-line basis. For stock awards with market conditions, the fair value is recognized over the period based on the expected milestone achievement dates as the derived service period (usually the vesting period), on a straight-line basis. For stock awards with performance conditions, the grant-date fair value of these awards is the market price on the applicable grant date, and compensation expense will be recognized when the conditions become probable of being satisfied. We will recognize a cumulative true-up adjustment once the conditions become probable of being satisfied as the related service period had been completed in a prior period. We elect to account for forfeitures as they occur, rather than estimating expected forfeitures.

We estimate the fair value of stock options using a Black-Scholes option-pricing model, which requires significant judgment. The unobservable valuation inputs were as follows:

	Three Months Ended March 31,	
	2026	2025
Expected stock price volatility	101.88% – 107.55%	105.16% – 110.25%
Risk-free interest rate	3.65% – 3.85%	4.05% – 4.24%
Expected dividend yield	0.00%	0.00%
Expected term of options (in years)	5.00	5.00 – 6.25

Item 3. Quantitative and Qualitative Disclosures About Market Risk

As a smaller reporting company, we are not required to provide information required by this Item.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of management, including our principal executive officer and principal financial officer, we conducted an evaluation of the effectiveness of our disclosure controls and procedures as of March 31, 2026, as such term is defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934 (the "Exchange Act"). As a result of this evaluation, our principal executive officer and principal financial officer have concluded that, as of March 31, 2026, our disclosure controls and procedures were not effective due to the material weaknesses in internal control over financial reporting described below. Notwithstanding the identified material weaknesses, management, including our principal executive officer and principal financial officer, believes the condensed consolidated financial statements included in this Quarterly Report fairly represent, in all material respects, our financial condition, results of operations and cash flows as of and for the periods presented in accordance with U.S. Generally Accepted Accounting Principles.

Disclosure controls and procedures are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

Material Weaknesses in Internal Control over Financial Reporting

In connection with the audit of our financial statements as of and for the years ended December 31, 2025 and 2024, our management identified material weaknesses in our internal control over financial reporting. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. The material weaknesses identified relate to the fact that we did not design or maintain an effective control environment commensurate with our financial reporting requirements. This deficiency in our control environment contributed to the following additional material weaknesses related to control activities and information and communication within our internal control over financial reporting:

- we did not design and maintain controls over the preparation and review of reconciliations and the review and segregation of duties over manual journal entries, including controls over the completeness and accuracy of information; and
- we did not design and maintain information technology ("IT") general controls for IT systems that are relevant to the preparation of the financial statements. Specifically, we did not design and maintain: (a) user access controls to ensure appropriate segregation of duties and that adequately restrict user and privileged access to financial applications, programs, and data to our appropriate personnel; (b) program change management controls to ensure that IT program and data changes affecting financial IT applications and underlying accounting records are identified, tested, authorized, and implemented appropriately; (c) computer operations controls to ensure that data backups are authorized and monitored; and (d) testing and approval controls for program development to ensure that new software development is aligned with business and IT requirements.

Each of the control deficiencies described above could result in a misstatement of one or more account balances or disclosures that would result in a material misstatement to the annual or interim consolidated financial statements that would not be prevented or detected. Accordingly, our management has determined that each of the control deficiencies described above constitute material weaknesses.

Material Weakness Remediation

Management continues to be actively engaged and committed to taking the steps necessary to remediate the control deficiencies that constituted the above material weaknesses. During 2025, we made the following enhancements to our control environment:

- we strengthened the experience of our internal accounting team through refinement of our processes and internal controls over financial reporting and our IT and technical accounting resources; and
- until we have sufficient technical accounting resources, we engaged external consultants to provide support and to assist us in our evaluation of more complex applications of GAAP.

Our remediation activities are continuing during 2026. In addition to the above actions, we expect to engage in additional activities, or have completed additional activities, including, but not limited to:

- adding more technical accounting resources to enhance our control environment; and
- until we have sufficient technical accounting resources, engaging external consultants to provide support and to assist us in our evaluation of more complex applications of GAAP.

We continue to enhance corporate oversight over process-level controls and structures to ensure that there is appropriate assignment of authority, responsibility, and accountability to enable remediation of our material weaknesses. We believe that our remediation plan will be sufficient to remediate the identified material weaknesses and strengthen our internal control over financial reporting. As we continue to evaluate, and work to improve, our internal control over financial reporting, management may determine that additional measures to address control deficiencies or modifications to the remediation plan are necessary.

Changes in Internal Control over Financial Reporting

Other than changes described under "*—Material Weakness Remediation*," above there were no changes in our internal control over financial reporting during the quarter ended March 31, 2026, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

We are not currently a party to any material pending legal proceedings. From time to time, we may, however, be involved in legal proceedings in the ordinary course of business. We cannot predict the outcome of any such legal proceedings, and despite the potential outcomes, the existence thereof may have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

Item 1A. Risk Factors

Our business, financial condition, and results of operations can be affected by a number of factors, whether currently known or unknown, including, but not limited to, those described in Part I, Item 1A, Risk Factors of our 2025 Annual Report on Form 10-K, which was filed with the SEC on March 17, 2026. There have been no material changes to the risk factors since previously disclosed in the 2025 Annual Report on Form 10-K. Any one or more of these factors could, directly or indirectly, cause our actual financial condition and results of operations to vary materially from past, or from anticipated future, financial condition and results of operations. Any of these factors, in whole or in part, could materially and adversely affect our business, financial condition, results of operations, and stock price.

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

(a) Recent Sales of Unregistered Securities

None.

(b) Use of Proceeds

None.

(c) Purchases of Equity Securities by the Issuer and Affiliated Purchasers

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not Applicable.

Item 5. Other Information

During the three months ended March 31, 2026, none of our officers or directors adopted or terminated any “Rule 10b5-1 trading arrangement” or any “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408 of Regulation S-K.

Item 6. Exhibits

Exhibit Number	Exhibit Description
1.1	Underwriting Agreement, dated May 5, 2026, by and between Clene Inc. and Canaccord Genuity LLC (incorporated by reference to Exhibit 1.1 to the Current Report on Form 8-K filed by the registrant on May 5, 2026).
3.1	Fourth Amended and Restated Certificate of Incorporation of Clene Inc. (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K filed by the registrant on May 11, 2023).
3.2	Certificate of Amendment to the Fourth Amended and Restated Certificate of Incorporation of Clene Inc. (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K filed by the registrant on May 30, 2024).
3.3	Certificate of Amendment to the Fourth Amended and Restated Certificate of Incorporation of Clene Inc. (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K filed by the registrant on July 9, 2024).
3.4	Bylaws of Clene Inc. (incorporated by reference to Exhibit 3.2 to the Current Report on Form 8-K filed by the Registrant on January 5, 2021).
4.1	Form of Series A Warrant (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K filed by the Registrant on January 13, 2026).
4.2	Form of Series B Warrant (incorporated by reference to Exhibit 4.2 to the Current Report on Form 8-K filed by the Registrant on January 13, 2026).
10.1	Securities Purchase Agreement, dated January 8, 2026, by and between Clene Inc. and the Purchasers signatory thereto (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed by the Registrant on January 13, 2026).
10.2	Placement Agency Agreement, dated January 8, 2026, by and between Clene Inc. and BTIG, LLC (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed by the Registrant on January 13, 2026).
10.3#	Subaward Agreement, dated March 13, 2026, by and between Clene Nanomedicine, Inc. and New York University (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed by the Registration on March 17, 2026).
10.4*	Letter Agreement, dated April 22, 2026, by and between Clene Inc. and 4Life Research, LLC.
10.5*	Form of Second Amended & Restated Senior Secured Convertible Promissory Note.
31.1*	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a), promulgated under the Securities and Exchange Act of 1934, as amended.
31.2*	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a), promulgated under the Securities and Exchange Act of 1934, as amended.
32.1**	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document.
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.
** Furnished herewith.
# Schedules and similar attachments to this exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. We agree to furnish supplementally a copy of such omitted materials to the SEC upon request.

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.

CLENE INC.

Dated: May 14, 2026

By: /s/ Robert Etherington
Name: Robert Etherington
Title: President, Chief Executive Officer and Director

Dated: May 14, 2026

By: /s/ Morgan R. Brown
Name: Morgan R. Brown
Title: Chief Financial Officer

Exhibit 10.4

April 22, 2026

4Life Research LLC
9850 S 300 W
Sandy, Utah 84070

Attention: TJ Fund
EVP & CLO

Re: Notice of Change of Exclusivity

This letter of notification relates to the Amended and Restated License Agreement (the "License Agreement") dated April 25, 2024 between Clene Nanomedicine, Inc., a Delaware corporation ("Clene"), and 4Life Research LLC ("4Life") and the Amended and Restated Exclusive Supply Agreement (the "Supply Agreement) dated April 25, 2024 between Clene (also referred to as "Seller") and 4Life (also referred to as "Buyer"). All capitalized terms used but not otherwise defined herein shall have the meanings given to them in the License Agreement and/or Supply Agreement, as applicable.

Pursuant to section 2.4 of the License Agreement, in the event that 4Life fails to meet its Minimum Sales Commitment (as defined in Section 5.5 of the Supply Agreement) during the 2024 and 2025 calendar years (collectively), 4Life may continue to maintain its exclusivity under the License Agreement by paying Clene any difference between (i) the Royalty that would be earned by Clene if 4Life met it Minimum Sales Commitment in both years and (ii) the actual Royalties paid to Clene in those years.

Both Clene and 4Life have had recent discussions on this topic and both Parties agree that 4Life did not pay Royalty amounts equal to the Minimum Sales Commitments for either of the years and both Parties agree that 4Life has not made such Royalties payments to Clene of that difference during the 30 days following the expiration of such period, as contemplated by the above provisions.

Pursuant to section 2.4 of the License Agreement, Clene has the right to permanently convert the exclusive license under the License Agreement to a non-exclusive license and to cause the Supply Agreement also to be converted from exclusive to non-exclusive by providing written notice to 4Life prior to April 30, 2026.

Both Clene and 4Life have also had recent discussions on this topic and both Parties agree that Clene would send a timely notice to convert both the License Agreement and the Supply Agreement from exclusive to non-exclusive. Both Parties agree that this letter dated April 22, 2026 provided to 4Life shall serve as the written notice of Clene's election under the License Agreement to convert the License Agreement and the Supply Agreement both from exclusive to non-exclusive effective April 30, 2026.

Both parties acknowledge and agreement that except for the modification to the exclusivity provisions of the License Agreement and the Supply Agreement, they remain in full force and effect and are not otherwise modified by this letter of notification.

Please sign and return one original and one copy of this letter to the undersigned to indicate your acceptance and confirmation of the terms set forth herein as of the date first set forth above.

Very Truly Yours,

Clene Nanomidicine, Inc.

By /s/ Robert Etherington
Robert Etherington
CEO and President

Accepted and Agreed:

4Life Research, LLC

By: /s/ TJ Fund
Name: TJ Fund
Title: EVP & CLO

THIS NOTE AND THE SHARES OF CAPITAL STOCK ISSUABLE UPON CONVERSION HEREOF HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION, AND MAY NOT BE SOLD, ASSIGNED, TRANSFERRED, PLEDGED OR OTHERWISE DISPOSED OF EXCEPT IN COMPLIANCE WITH, OR PURSUANT TO AN EXEMPTION FROM, THE REGISTRATION REQUIREMENTS OF SUCH ACT OR SUCH LAWS.

CLENE INC.

SECOND AMENDED & RESTATED
SENIOR SECURED CONVERTIBLE PROMISSORY NOTE

Principal Amount: US $[__] **Date: May [__], 2026**

CLENE INC., a Delaware corporation (the "***Company***"), for value received, hereby promises to pay to **[__]** or his, her or its permitted assigns or successors (the "***Holder***"), the original principal amount of $[__] (the "***Principal Amount***"), without demand, on the Maturity Date (as hereinafter defined), together with any accrued and unpaid interest due thereon.

This Second Amended & Restated Convertible Promissory Note (this "***Note***") renews, amends, restates, modifies and supersedes in its entirety that certain Senior Secured Convertible Promissory Note, dated as of December 20, 2024 (the "***Original Issuance Date***"), as amended on August 13, 2025 by the Amended and Restated Senior Secured Convertible Promissory Note, by and between Company and Holder (as amended, the "***Original Note***"), and the outstanding balance of principal, interest, and other charges due under the Original Note shall now be evidenced by and payable pursuant to this Note. Execution and delivery of this Note is not intended and should not be construed (i) as a repayment or discharge of any amount of outstanding principal and interest due under the Original Note, or (ii) as a novation or release of the obligations of the Company or the extinguishment of the indebtedness under the Original Note. The indebtedness evidenced by the Original Note will continue to be evidenced by this Note.

This Note shall bear interest at a fixed rate of 12% per annum, beginning on the Issue Date. Interest shall be computed based on a 360-day year of twelve 30-day months and shall be payable monthly in arrears; provided that, beginning on August 1, 2025 such interest shall be paid-in-kind by adding the amount of such accrued interest in such month to the principal balance of this Note (whereupon it shall bear interest in the same manner as all other outstanding principal hereunder) (all such amounts of interest accrued since August 1, 2025 pursuant to this paragraph, whether or not added to the principal balance of this Note, the "***Accrued Interest***"). Except as set forth in Section 3.1, payment of all principal and interest due shall be in such coin or currency of the United States of America as shall be legal tender for the payment of public and private debts at the time of payment.

This Note is a convertible promissory note referred to in that certain Note Purchase Agreement dated as of December 17, 2024, as amended from time to time (the "***Note Purchase Agreement***"), or series of like agreements, among the Company and the subscribers named therein, pursuant to which the Company is seeking to raise an aggregate of up to $10,000,000. By acceptance hereof, the Holder acknowledges and agrees that this Note is one of a series of Senior Secured Convertible Promissory Notes of similar tenor issued by the Company pursuant to the Note Purchase Agreement (collectively, the "***Related Notes***").

1. DEFINITIONS.

1.1 Definitions. The terms defined in this Section 1 whenever used in this Note shall have the respective meanings hereinafter specified.

"Applicable Laws" means any and all applicable foreign, federal, state and local statutes, laws, regulations, ordinances, policies, and rules or common law (whether now existing or hereafter enacted or promulgated), of any and all governmental authorities, agencies, departments, commissions, boards, courts, or instrumentalities of the United States, any state of the United States, any other nation, or any political subdivision of the United States, any state of the United States or any other nation, and all applicable judicial and administrative, regulatory or judicial decrees, judgments and orders, including common law rules and determinations.

"Change in Control" means a merger or consolidation of the Company with or into any other entity in which the stockholders of the Company immediately prior to the merger or consolidation do not own more than 50% of the outstanding voting power (assuming conversion of all convertible securities and the exercise of all outstanding options and warrants) of the surviving entity or the sale, lease, licensing, transfer or other disposition of all or substantially all the assets of the Company; provided, however, that any new issuance of capital stock of the Company to one or more third parties for the sole purpose of providing new funding for the Company or solely in connection with a public offering of the Company's stock shall not constitute a Change in Control.

"Conversion Date" shall have the meaning set forth in Section 3.1.

"Event of Default" shall have the meaning set forth in Section 6.1.

"Issue Date" means the issue date stated above.

"Maturity Date" shall mean the earlier of (i) August 13, 2027 and (ii) a Change in Control.

"Person" means an individual, corporation, partnership, limited liability company, association, trust, joint venture, unincorporated organization or any government, governmental department or agency or political subdivision thereof.

"Securities Act" means the United States Securities Act of 1933, as amended.

2. GENERAL PROVISIONS.

2.1 Loss, Theft, Destruction of Note. Upon receipt of evidence satisfactory to the Company of the loss, theft, destruction or mutilation of this Note and, in the case of any such loss, theft or destruction, upon receipt of indemnity or security reasonably satisfactory to the Company, or, in the case of any such mutilation, upon surrender and cancellation of this Note, the Company will make and deliver, in lieu of such lost, stolen, destroyed or mutilated Note, a new Note of like tenor and unpaid principal amount dated as of the date hereof. This Note shall be held and owned upon the express condition that the provisions of this Section 2.1 are exclusive with respect to the replacement of a mutilated, destroyed, lost or stolen Note and shall preclude any and all other rights and remedies notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement of negotiable instruments or other securities without their surrender.

2.2 Prepayment. The Company shall have the option to prepay all amounts outstanding under the Note (which must include, for the avoidance of doubt, accrued interest) at any time without penalty; provided that (i) the Company provide at least 30 days' written notice to the holder of such prepayment, and (ii) the Company pays the total amount outstanding in full.

2.3 Security. The amounts payable under this Note shall be secured by the Collateral (as defined in the Note Purchase Agreement).

2.4 Seniority. So long as any amount remains outstanding under this Note, the Company shall not incur any new indebtedness senior or *pari passu* to the Note.

2.5 Change in Control, Liquidation. In the event of a Change in Control or any bankruptcy, liquidation or other restructuring process, the Holder may, at its option, (i) convert, as set forth in Section 3 below, up to 65% of the Outstanding Balance (as defined below) into Common Stock, (ii) receive a total return, paid in cash, equal to 115% of the Outstanding Balance, or (iii) any combination thereof, prior to such monetization event, before any security or claim junior to the Note shall receive any proceeds from any such monetization event.

3. CONVERSION OF NOTE.

3.1 Conversion.

(a) Optional Conversion. Subject to the applicable provisions of this Section 3.1, at any time, at the sole election of the Holder, up to (x) 65% of the outstanding Principal Amount and (y) 65% of the outstanding Accrued Interest (collectively, the outstanding Principal Amount and the outstanding Accrued Interest, the "***Outstanding Balance***") may be converted into that number of shares of the Company's common stock, par value $0.0001 per share (the "***Common Stock***") equal to: (i) first, the Accrued Interest amount divided by $4.44, and (ii) second, the amount of the outstanding Principal Amount elected by the Holder to be converted divided by $5.668 (such amounts in clauses (i) and (ii) above, collectively, the "***Conversion Amount***"): in each case subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Common Stock. Notwithstanding the foregoing, in the event that the holder of a Related Note declines to convert its pro rata share of the Outstanding Balance, the holder may convert an additional amount; provided that in no event will the Outstanding Balance converted among all Related Notes exceed 65% of the Outstanding Balance of all Related Notes.

(b) Conversion Mechanics. To convert any Conversion Amount into shares of the Common Stock (in either case, the "***Conversion Shares***"), the Holder shall deliver to the Company at its principal office, or at such other office as the Company may designate (i) the notice of conversion attached as Exhibit A hereto (the "***Notice of Conversion***"), duly executed by the Holder and (ii) this Note (or an indemnification undertaking with respect to this Note in the case of its loss, theft or destruction) (together, the "***Conversion Materials***"). As soon as practicable after the date that the Company receives the Conversion Materials, or a later date, if selected by the Holder in the Notice of Conversion (the "***Conversion Date***"), the Company, at its expense, shall cause to be issued in the name of and delivered to the Holder (x) written confirmation that the Conversion Shares have been issued in the name of the Holder, and (y) a new Note of like tenor representing the Outstanding Balance not converted by the Holder. The Person or Persons entitled to receive the shares of the Common Stock issuable upon a conversion of this Note shall be treated for all purposes as the record holder or holders of such shares of the Common Stock on the Conversion Date.

(c) Trading Market Regulation. Notwithstanding anything to the contrary, the Company shall not issue any Conversion Shares upon conversion of this Note, or otherwise, and the Holder may only convert an amount of the Outstanding Balance, such that the total cumulative number of Conversion Shares and all shares issued upon the conversion of the Related Notes and the exercise of all warrants issued to holders of the Related Notes shall not exceed the aggregate number of Conversion Shares that the Company may issue in a transaction in compliance with the Company's obligations under the rules or regulations of the Nasdaq Stock Market ("**Nasdaq**"), except that such limitation shall not apply to the extent that the Company (i) obtains the approval of its stockholders for such issuance as required by the applicable rules of Nasdaq for issuances of shares in excess of such amount or (ii) an exception pursuant to Nasdaq Rule 5635(f) has been obtained by the Company.

3.2 Delivery of Securities Upon Conversion.

(a) Within five (5) business days of the Company's receipt of all the Conversion Materials, the Company shall deliver or cause to be delivered to the Holder, written confirmation that the Conversion Shares have been issued in the name of the Holder.

(b) Upon conversion of this Note, the Company shall take all such actions as are necessary in order to ensure that the Conversion Shares so issued upon such conversion shall be validly issued, fully paid and nonassessable.

3.3 Fractional Shares. No fractional shares or scrip representing fractional shares shall be issued upon conversion of this Note. If any conversion of this Note would create a fractional share or a right to acquire a fractional share, the Company shall, at its election, either pay a cash adjustment in respect of such final fraction in an amount equal to such fraction multiplied by the conversion prices or round to the nearest whole share number.

4. STATUS; RESTRICTIONS ON TRANSFER.

4.1 Status of Note. This Note is a direct, general and unconditional obligation of the Company, and constitutes a valid and legally binding obligation of the Company, enforceable in accordance with its terms subject, as to enforcement, to bankruptcy, insolvency, reorganization and other similar laws of general applicability relating to or affecting creditors' rights and to general principles of equity. This Note does not confer upon the Holder any right to vote or to consent or to receive notice as a stockholder of the Company, as such, in respect of any matters whatsoever, or any other rights or liabilities as a stockholder, prior to conversion hereof into Conversion Shares.

4.2 Restrictions on Transferability. This Note and any Conversion Shares issued with respect to this Note, have not been registered under the Securities Act, or under any state securities or so-called "blue sky laws," and may not be offered, sold, transferred, hypothecated or otherwise assigned except (a) pursuant to a registration statement with respect to such securities which is effective under the Securities Act of 1933, as amended (the "***Act***") or (b) upon receipt from counsel satisfactory to the Company of an opinion, which opinion is satisfactory in form and substance to the Company, to the effect that such securities may be offered, sold, transferred, hypothecated or otherwise assigned (i) pursuant to an available exemption from registration under the Act and (ii) in accordance with all applicable state securities and so-called "blue sky laws." If Holder has entered into the Registration Rights Agreement (as defined in the Note Purchase Agreement) and the Company has not filed with the Securities and Exchange Commission a registration statement on or prior to the 90th calendar day following the Issuance Date (as defined in the Note Purchase Agreement), covering the resale of any Conversion Shares, then such opinion will be provided at the expense of the Company. The Holder agrees to be bound by such restrictions on transfer. The Holder further consents that the certificates representing the Conversion Shares that may be issued with respect to this Note may bear a restrictive legend to such effect.

5. COVENANTS. In addition to the other covenants and agreements of the Company set forth in this Note, the Company covenants and agrees that so long as this Note shall be outstanding:

5.1 Payment of Note. The Company will punctually, according to the terms hereof, pay or cause to be paid all amounts due under this Note.

5.2 Notice of Default. If any one or more events occur which constitute or which, with the giving of notice or the lapse of time or both, would constitute an Event of Default or if the Holder shall demand payment or take any other action permitted upon the occurrence of any such Event of Default, the Company will forthwith give notice to the Holder, specifying the nature and status of the Event of Default or other event or of such demand or action, as the case may be.

5.3 Compliance with Laws. The Company will comply in all material respects with all Applicable Laws, except where the necessity of compliance therewith is contested in good faith by appropriate proceedings.

5.4 Use of Proceeds. The Company shall use the proceeds of this Note first to satisfy all of the Company's obligations pursuant to that certain Loan and Security Agreement between the Company and Avenue Venture Opportunities Fund, L.P., as amended, and then for general working capital purposes.

6. REMEDIES.

6.1 Events of Default. "***Event of Default***" wherever used herein means any one of the following events:

(a) The Company shall fail to issue and deliver the Conversion Shares in accordance with Section 3;

(b) Default in the due and punctual payment of the principal of, or any other amount owing in respect of (including interest), this Note when and as the same shall become due and payable and the continuance of such default for a period of ten (10) business days after there has been given to the Company by the Holder a written notice specifying such default and requiring it to be remedied;

(c) Default in the performance or observance of any covenant or agreement of the Company in this Note (other than a covenant or agreement a default in the performance of which is specifically provided for elsewhere in this Section 6.1) or the Note Purchase Agreement, and the continuance of such default for a period of ten (10) business days after there has been given to the Company by the Holder a written notice specifying such default and requiring it to be remedied;

(d) The failure of the Company to maintain a minimum balance of $2.0 million in unrestricted cash;

(e) The entry of a decree or order by a court having jurisdiction adjudging the Company as bankrupt or insolvent; or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Company under the Federal Bankruptcy Code or any other applicable federal or state law, or appointing a receiver, liquidator, assignee, trustee or sequestrator (or other similar official) of the Company or of any substantial part of its property, or ordering the winding-up or liquidation of its affairs, and the continuance of any such decree or order unstayed and in effect for a period of 60 calendar days;

(f) The institution by the Company of proceedings to be adjudicated as bankrupt or insolvent, or the consent by it to the institution of bankruptcy or insolvency proceedings against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under the Federal Bankruptcy Code or any other applicable federal or state law, or the consent by it to the filing of any such petition or to the appointment of a receiver, liquidator, assignee, trustee or sequestrator (or other similar official) of the Company or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors;

(g) The Company seeks the appointment of a statutory manager or proposes in writing or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or any group or class thereof or files a petition for suspension of payments or other relief of debtors or a moratorium or statutory management is agreed or declared in respect of or affecting all or any material part of the indebtedness of the Company;

(h) The failure of the Company to comply with Section 3 of the Note Purchase Agreement; or

(i) It becomes unlawful for the Company to perform or comply with its obligations under this Note.

6.2 Effects of Default. If an Event of Default occurs and is continuing, then and in every such case the holders of Related Notes whose aggregate principal amount represents a majority of the outstanding principal amount of all then-outstanding Related Notes (the "***Requisite Holders***") may declare the Related Notes to be due and payable immediately, by a notice in writing to the Company, and upon any such declaration, the Company shall pay to the holders an amount equal to the product of (i) the outstanding principal amount of the Related Notes plus all accrued and unpaid interest through the date the Related Notes are paid in full, and (ii) 10% on all such outstanding amounts (such amount, the "***Default Amount***").

6.3 Remedies Not Waived; Exercise of Remedies. No course of dealing between the Company and the Holder or any delay in exercising any rights hereunder shall operate as a waiver by the Holder. No failure or delay by the Holder in exercising any right, power or privilege under this Note shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by Applicable Law. By acceptance hereof, the Holder acknowledges and agrees that upon the occurrence and during the continuance of any Event of Default, the Requisite Holders shall have the right to act on behalf of the holders of all Related Notes in exercising and enforcing all rights and remedies available to all of such holders under the Related Notes, including, without limitation, foreclosure of the Collateral (as defined in the Note Purchase Agreement) and collection of the Default Amount. By acceptance hereof, the Holder agrees not to independently exercise any such right or remedy without the consent of the Requisite Holders.

7. MISCELLANEOUS.

7.1 Severability. If any provision of this Note shall be held to be invalid or unenforceable, in whole or in part, neither the validity nor the enforceability of the remainder hereof shall in any way be affected.

7.2 Notice. Where this Note provides for notice of any event, such notice shall be given (unless otherwise herein expressly provided) in writing and either (a) delivered personally, (b) sent by certified, registered or express mail, postage prepaid or (c) sent by electronic transmission, and shall be deemed given when so delivered personally, sent by electronic transmission or mailed. Notices shall be addressed, if to Holder, to its address or e-mail address as provided in the Note Purchase Agreement or, if to the Company, to its principal office.

7.3 Governing Law. This Note shall be governed by, and construed in accordance with, the laws of the State of Delaware (without giving effect to any conflicts or choice of law provisions that would cause the application of the domestic substantive laws of any other jurisdiction).

7.4 Forum. Each of the Holder and the Company hereto irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the State of Delaware for the purpose of any suit, action, proceeding or judgment relating to or arising out of this Agreement and the transactions contemplated hereby. Service of process in connection with any such suit, action or proceeding may be served on each party hereto anywhere in the world by the same methods as are specified for the giving of notices under this Agreement. Each of the Holder and the Company irrevocably consents to the jurisdiction of any such court in any such suit, action or proceeding and to the laying of venue in such court. Each of the Holder and the Company irrevocably waives any objection to the laying of venue of any such suit, action or proceeding brought in such courts and irrevocably waives any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

7.5 Headings. The headings of the Articles and Sections of this Note are inserted for convenience only and do not constitute a part of this Note.

7.6 Amendments. This Note may be amended or waived only with the written consent of the Company and the Requisite Holders. Any such amendment or waiver shall be binding on all holders of the Notes, even if they do not execute such consent, amendment or waiver.

7.7 No Recourse Against Others. The obligations of the Company under this Note are solely obligations of the Company and no officer, employee or stockholder shall be liable for any failure by the Company to pay amounts on this Note when due or perform any other obligation.

7.8 Assignment; Binding Effect. This Note may be assigned by the Company without the prior written consent of the Holder. This Note shall be binding upon and inure to the benefit of both parties hereto and their respective permitted successors and assigns.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the Company has caused this Note to be signed by its duly authorized officer on the date hereinabove written.

CLENE INC.

By: _____
Name:
Title:

Accepted and Agreed:

[__]

By: _____
Name:
Title:

Exhibit 31.1

CERTIFICATION

I, Robert Etherington, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Clene 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.

Date: May 14, 2026

/s/ Robert Etherington
Robert Etherington
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Morgan R. Brown, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Clene 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.

Date: May 14, 2026

/s/ Morgan R. Brown
Morgan R. Brown
Chief Financial Officer

Exhibit 32.1

CERTIFICATION

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended, (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), Robert Etherington, President and Chief Executive Officer of Clene Inc. (the "Company"), hereby certifies that, to the best of his knowledge:

1. The Company's Quarterly Report on Form 10-Q for the period ended March 31, 2026, to which this Certification is attached as Exhibit 32.1 (the "Quarterly Report"), fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act; 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.

Dated: May 14, 2026

/s/ Robert Etherington
Robert Etherington
President and Chief Executive Officer

A signed original of this written statement required by Section 906 of 18 U.S.C. § 1350 has been provided to the Company, and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing.

Exhibit 32.2

CERTIFICATION

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended, (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), Morgan R. Brown, Chief Financial Officer of Clene Inc. (the "Company"), hereby certifies that, to the best of his knowledge:

1. The Company's Quarterly Report on Form 10-Q for the period ended March 31, 2026, to which this Certification is attached as Exhibit 32.2 (the "Quarterly Report"), fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act; 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.

Dated: May 14, 2026

/s/ Morgan R. Brown
Morgan R. Brown
Chief Financial Officer

A signed original of this written statement required by Section 906 of 18 U.S.C. § 1350 has been provided to the Company, and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing.