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

FORM 10-Q

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

FOR THE QUARTERLY PERIOD ENDED September 30, 2025

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 001-34600

TENAX THERAPEUTICS, INC.

(Exact name of registrant as specified in its charter)

Delaware	26-2593535
(State of incorporation)	(I.R.S. Employer Identification No.)

101 Glen Lennox Drive, Suite 300, Chapel Hill, North Carolina 27517
(Address of principal executive offices, including zip code)

(919) 855-2100
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.0001 par value per share	TENX	The Nasdaq Stock Market LLC

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

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T 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 by Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of November 11, 2025, the registrant had outstanding 6,243,575 shares of Common Stock.

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

TENAX THERAPEUTICS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Amounts in thousands, except share and per share data)

	September 30, 2025 (unaudited)	December 31, 2024
ASSETS		
Current assets		
Cash and cash equivalents	$ 99,369	$ 94,851
Prepaid expenses and other current assets	3,441	1,835
Total current assets	102,810	96,686
Total assets	$ 102,810	$ 96,686
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 5,608	$ 3,157
Accrued liabilities	991	1,536
Total current liabilities	6,599	4,693
Total liabilities	6,599	4,693
Commitments and contingencies; see Note 4		
Stockholders' equity		
Preferred stock, undesignated, authorized 4,818,654 shares		
Series A Preferred stock, par value $0.0001, authorized 5,181,346 shares; issued and outstanding 210, as of September 30, 2025 and December 31, 2024	-	-
Common stock, par value $0.0001 per share; authorized 400,000,000 shares; issued and outstanding 5,907,233 as of September 30, 2025 and 3,420,906 as of December 31, 2024, respectively	1	-
Additional paid-in capital	448,124	406,848
Accumulated deficit	(351,914)	(314,855)
Total stockholders' equity	96,211	91,993
Total liabilities and stockholders' equity	$ 102,810	$ 96,686

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

TENAX THERAPEUTICS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)
(Amounts in thousands, except share and per share data)

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	**2024**	**2025**	**2024**
Operating expenses				
Research and development	$ 10,328	$ 3,112	$ 22,132	$ 8,115
General and administrative	6,478	1,507	17,804	4,084
Total operating expenses	16,806	4,619	39,936	12,199
Net operating loss	(16,806)	(4,619)	(39,936)	(12,199)
Interest income	1,017	665	2,901	887
Interest expense	-	(7)	-	(24)
Other (expense) income, net	(15)	-	(24)	1
Net loss	$ (15,804)	$ (3,961)	$ (37,059)	$ (11,335)
Net loss per share, basic and diluted	$ (0.40)	$ (0.19)	$ (0.96)	$ (1.37)
Weighted average number of common shares and prefunded warrants outstanding, basic and diluted	39,741,404	21,161,143	38,644,395	8,282,118

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

TENAX THERAPEUTICS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(unaudited)
(Amounts in thousands, except share data)

	Preferred Stock		Common Stock				
	Number of Shares	Amount	Number of Shares	Amount	Additional paid-in capital	Accumulated deficit	Total stockholders' equity
Balance at December 31, 2023	**210**	**$ -**	**298,281**	**$ -**	**$ 305,351**	**$ (297,253)**	**$ 8,098**
Public offering sale of common stock, warrants, and prefunded warrants, net of offering costs of $1,028	-	-	421,260	-	8,010	-	8,010
Exercise of pre-funded warrants for cash	-	-	973,240	-	1	-	1
Exercise of pre-funded warrants, cashless	-	-	205,467	-	-	-	-
Stock split and fractional shares issued	-	-	59,997	-	-	-	-
Stock-based compensation expense	-	-	-	-	119	-	119
Net loss	-	-	-	-	-	(3,799)	(3,799)
Balance at March 31, 2024	**210**	**$ -**	**1,958,245**	**$ -**	**$ 313,481**	**$ (301,052)**	**$ 12,429**
Stock-based compensation expense	-	-	-	-	22	-	22
Net loss	-	-	-	-	-	(3,575)	(3,575)
Balance at June 30, 2024	**210**	**$ -**	**1,958,245**	**$ -**	**$ 313,503**	**$ (304,627)**	**$ 8,876**
Public offering sale of common stock, warrants, and prefunded warrants, net			1,450,661	$ -	$ 92,293		92,293
Stock-based compensation expense	-	-	-	-	15	-	15
Net loss	-	-	-	-	-	(3,961)	(3,961)
Balance at September 30, 2024	**210**	**$ -**	**3,408,906**	**$ -**	**$ 405,811**	**$ (308,588)**	**$ 97,223**
Balance at December 31, 2024	**210**	**$ -**	**3,420,906**	**$ -**	**$ 406,848**	**$ (314,855)**	**$ 91,993**
Public offering sale of common stock and prefunded warrants, net of offering costs of $1,746	-	-	378,346	-	23,216	-	23,216
Exercise of pre-funded warrants	-	-	99,189	-	1	-	1
Exercise of warrants	-	-	71,944	-	347	-	347
Stock-based compensation expense	-	-	-	-	4,142	-	4,142
Net loss	-	-	-	-	-	(10,408)	(10,408)
Balance at March 31, 2025	**210**	**$ -**	**3,970,385**	**$ -**	**$ 434,554**	**$ (325,263)**	**$ 109,291**
Exercise of pre-funded warrants	-	-	116,693	-	1	-	1
Exercise of warrants	-	-	61,417	-	276	-	276
Stock-based compensation expense	-	-	-	-	4,609	-	4,609
Net loss	-	-	-	-	-	(10,847)	(10,847)
Balance at June 30, 2025	**210**	**$ -**	**4,148,495**	**$ -**	**$ 439,440**	**$ (336,110)**	**$ 103,330**
Exercise of pre-funded warrants			1,099,400	1	3		4
Exercise of warrants			659,338		3,059		3,059
Stock-based compensation expense	-	-	-	-	5,622	-	5,622
Net loss	-	-	-	-	-	(15,804)	(15,804)
Balance at September 30, 2025	**210**	**$ -**	**5,907,233**	**$ 1**	**$ 448,124**	**$ (351,914)**	**$ 96,211**

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

TENAX THERAPEUTICS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)
(Amounts in thousands)

	Nine months ended September 30,	
	2025	**2024**
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Loss	$ (37,059)	$ (11,335)
Adjustments to reconcile net loss to net cash used in operating activities		
Interest on debt instrument	-	24
Stock-based compensation	14,373	155
Changes in operating assets and liabilities		
Prepaid expenses and other current assets	(1,606)	419
Accounts payable	2,452	(513)
Accrued liabilities	(545)	(34)
Net cash used in operating activities	(22,385)	(11,284)
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash provided by investing activities	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of warrants and pre-funded warrants, net of issuance costs	23,216	98,477
Proceeds from the exercise of warrants and pre-funded warrants	3,687	1,827
Payments on short-term note	-	(501)
Net cash provided by financing activities	26,903	99,803
Net change in cash and cash equivalents	4,518	88,519
Cash and cash equivalents, beginning of period	94,851	9,792
Cash and cash equivalents, end of period	$ 99,369	$ 98,311
Supplemental Disclosures:		
Cash paid for interest	$ -	$ 23

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

TENAX THERAPEUTICS, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

NOTE 1. DESCRIPTION OF BUSINESS

Tenax Therapeutics, Inc., together with its subsidiaries (collectively "Tenax" or the "Company"), is a Phase 3, development-stage pharmaceutical company using clinical insights to develop novel cardiopulmonary therapies.

The Company is incorporated in Delaware and is headquartered in Chapel Hill, North Carolina.

Liquidity and Capital Resources

The Company has financed its operations since September 1990 primarily through the sale of equity and debt securities and loans from stockholders. The Company had an accumulated deficit of $351.9 million at September 30, 2025 and incurred losses of $37.1 million and $11.3 million during the nine months ended September 30, 2025 and 2024, respectively. The Company expects to continue to incur expenses related to the development of levosimendan for pulmonary hypertension and other potential indications and, over the long term, imatinib for pulmonary arterial hypertension ("PAH"), as well as identifying and developing other potential product candidates. At September 30, 2025, the Company had cash and cash equivalents of $99.4 million. Based on its resources on September 30, 2025, Company management believes that it has sufficient funds for the Company to continue its operations over at least the next 12 months from the date these condensed consolidated financial statements were available to be issued.

To the extent that the Company raises additional funds by issuing shares of its common stock or other securities convertible or exchangeable for shares of common stock, stockholders will experience dilution, which may be significant. In the event the Company raises additional capital through debt financings, the Company may incur significant interest expense and become subject to restrictive covenants in the related transaction documents that may affect the manner in which the Company conducts its business. To the extent that the Company raises additional funds through collaboration and licensing arrangements, it may be necessary to relinquish some rights to its technologies or product candidates or grant licenses on terms that may not be favorable to the Company. Any or all of the foregoing may have a material adverse effect on the Company's business and financial performance.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Principles of Consolidation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") for interim financial information and the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all the information and footnotes required by GAAP for complete financial statements. In the opinion of management, the unaudited condensed consolidated financial statements reflect all adjustments, which include only normal recurring adjustments necessary for the fair statement of the balances and results for the periods presented. Certain information and footnote disclosures normally included in the Company's annual financial statements prepared in accordance with GAAP have been condensed or omitted. These condensed consolidated financial statement results are not necessarily indicative of results to be expected for the full fiscal year or any future period.

The accompanying unaudited condensed consolidated financial statements and related disclosures have been prepared with the presumption that users of the unaudited condensed consolidated financial statements have read or have access to the audited financial statements for the preceding fiscal year. Accordingly, these unaudited condensed consolidated financial statements should be read in conjunction with the Company's Form 10-K, which was filed with the United States Securities and Exchange Commission ("SEC") on March 25, 2025, from which the Company derived the balance sheet data on December 31, 2024.

The condensed consolidated financial statements include the accounts of the Company and its subsidiaries. Intercompany balances and transactions have been eliminated upon consolidation.

Use of Estimates

The preparation of the accompanying unaudited condensed consolidated financial statements in conformity with GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the unaudited condensed consolidated financial statements and reported amounts of expenses during the reporting period. Actual results could differ from those estimates.

On an ongoing basis, management reviews its estimates to ensure that these estimates appropriately reflect changes in the Company's business and new information as it becomes available. If historical experience and other factors used by management to make these estimates do not reasonably reflect future activity, the Company's results of operations and financial position could be materially impacted.

Significant Accounting Policies

There have been no material changes in the Company's significant accounting policies to those previously disclosed in the Annual Report on Form 10-K for the year ended December 31, 2024, other than the following:

Cash Concentration Risk

The Federal Deposit Insurance Corporation (the "FDIC") insurance limits are $250,000 per depositor per insured bank. The Company had cash balances of $98.8 million and $1.0 million uninsured by the FDIC as of September 30, 2025 and December 31, 2024, respectively. At December 31, 2024, the Company utilized the IntraFi network of commercial banks which deposits $250,000 in each of its member banks to maintain the FDIC insurance limit.

Loss Per Share

Basic loss per share, which excludes antidilutive securities, is computed by dividing net loss by the weighted-average number of common shares outstanding for that particular period. In contrast, diluted loss per share considers the potential dilution that could occur from other equity instruments that would increase the total number of outstanding shares of common stock. Such amounts include shares potentially issuable under outstanding options, restricted stock, and warrants.

The following outstanding options, restricted stock grants, convertible preferred shares and warrants were excluded from the computation of basic and diluted net loss per share for the periods presented because including them would have had an anti-dilutive effect.

	Nine months ended September 30,	
	2025	**2024**
Warrants to purchase common stock	19,079,777	19,886,360
Options to purchase common stock	6,706,747	1,731
Convertible preferred shares outstanding	210	210

Reclassification of Prior Year Presentation

Certain prior year amounts have been reclassified. These reclassifications had no effect on the financial position or reported results of operations for the periods presented. In the Condensed Consolidated Statements of Stockholders' Equity for the three months ended March 31, 2024, the presentation of the public offering sale of common stock, warrants, and pre-funded warrants was presented as proceeds, net of offering costs, of $6.2 million in additional paid-in capital and $1.8 million attributed to the exercise of pre-funded warrants. In the current presentation, this is now presented as $8.0 million, net of offering costs of $1.0 million for the public offering of common stock, warrants, and pre-funded warrants and $1 thousand attributed to the exercise of pre-funded warrants.

NOTE 3. ACCRUED LIABILITIES

Accrued liabilities consist of the following (in thousands):

	September 30, 2025	December 31, 2024
Operating costs	$ 133	$ 200
Employee related	858	1,336
	$ 991	$ 1,536

NOTE 4. COMMITMENTS AND CONTINGENCIES

Simdax license agreement

On November 13, 2013, the Company acquired certain assets of Phyxius Pharma, Inc. ("Phyxius") pursuant to an asset purchase agreement by and among the Company, Phyxius and the stockholders of Phyxius, dated October 21, 2013. Among these assets was a license with Orion Corporation ("Orion") for the exclusive, sublicensable right to develop and commercialize pharmaceutical products containing levosimendan, 2.5 mg/ml concentrate for solution for infusion / 5ml vial in the United States and Canada (the "License"). On October 9, 2020 and January 25, 2022, the Company entered into amendments to the License to include in the scope of the License two new oral product formulations containing levosimendan, in capsule and solid dosage form (TNX-103) and a subcutaneously administered dosage form (TNX-102), subject to specified limitations (together, the "Product").

On February 19, 2024, the Company entered into an amendment to the License providing global rights to oral and subcutaneous formulations of levosimendan used in the treatment of pulmonary hypertension in heart failure with preserved ejection fraction ("PH-HFpEF"). The amendment also reduced the tiered royalties based on worldwide net sales of the product by the Company and its sublicensees, increased the License's existing milestone payment due to Orion upon the grant of United States Food and Drug Administration approval of a levosimendan-based product to $10.0 million and added a milestone payment to Orion of $5.0 million due upon the grant of regulatory approval for a levosimendan-based product in Japan. The amendment also (i) increased the Company's obligations to make certain non-refundable commercialization milestone payments to Orion, aggregating to up to $45.0 million, contingent upon achievement of certain cumulative worldwide sales of the product by the Company, and (ii) reduced the maximum price per capsule payable by the Company to Orion, under a yet-to-be-negotiated supply agreement, for the commercial supply of oral levosimendan-based product. Pursuant to the License, the Company and Orion will agree to a new trademark when commercializing levosimendan in either of the dosage forms.

On September 3, 2025, the Company entered into an amendment License providing exclusive worldwide rights to develop, commercialize, manufacture, and have manufactured any orally-administered pharmaceutical product containing levosimendan and, in addition to the Company's existing rights to develop and commercialize subcutaneously administered products containing levosimendan, to manufacture or have manufactured such products. The amendment also calls for Orion to supply the Company with levosimendan to the extent reasonably necessary or useful to manufacture orally-administered products containing levosimendan for purposes of developing such products, and sets forth the terms for such supply, including the price of levosimendan ordered by the Company of low triple-digit thousands in Euros per kilogram, payment terms, and active pharmaceutical ingredient specifications.

The term of the License extends until 10 years after the launch of the Product in the territory, provided that the License will continue after the end of the term in each country in the territory until the expiration of Orion's patent rights in the Product in such country. In the event that no regulatory approval for the Product has been granted in the United States on or before September 20, 2030, however, either party will have the right to terminate the License with immediate effect.

The License also grants the Company a right of first refusal to commercialize new developments of the Product, including developments as to the formulation, presentation, means of delivery, route of administration, dosage or indication but, pursuant to the February 2024 amendment, excluding new applications of levosimendan for neurological diseases and disorders developed by Orion.

As of September 30, 2025, the Company has not met any of the developmental milestones under the License and, accordingly, has not recorded any liability for the contingent payments due to Orion.

Litigation

The Company is subject to litigation in the normal course of business, none of which management believes will have a material adverse effect on the Company's consolidated financial statements.

NOTE 5. STOCKHOLDERS' EQUITY

Common Stock and Preferred Stock

Common Stock

The Company's Certificate of Incorporation, as amended, authorizes the issuance of 400,000,000 shares of $0.0001 par value common stock. As of September 30, 2025 and December 31, 2024, there were 5,907,233 and 3,420,906 shares of common stock issued and outstanding, respectively.

Preferred Stock

Under the Company's Certificate of Incorporation, as amended, the Board is authorized, without further stockholder action, to provide for the issuance of up to 10,000,000 shares of preferred stock, par value $0.0001 per share, in one or more series, to establish from time to time the number of shares to be included in each such series, and to fix the designation, powers, preferences and rights of the shares of each such series and the qualifications, limitations and restrictions thereof. Of the potential 10,000,000 shares of preferred stock, 5,181,346 are designated as Series A Stock and 4,818,654 remain undesignated. As of September 30, 2025 and December 31, 2024, there were 210 shares of Series A Stock outstanding, convertible in the aggregate into one share of common stock.

Common Stock and Pre-Funded Warrants

March 2025 Private Placement Financing (the "March 2025 Offering")

On March 4, 2025, the Company entered into a securities purchase agreement with certain accredited investors for the purchase and sale, in a private placement financing by the Company, of (i) an aggregate of 378,346 shares of its common stock, and pre-funded warrants to purchase an aggregate of 3,760,726 shares of common stock at an offering price of $6.04 per share of common stock and $6.03 per pre-funded warrant, resulting in gross proceeds of $25.0 million. The pre-funded warrants do not expire and have an exercise price of $0.01. The net proceeds of the March 2025 Offering, after deducting placement agent fees and direct offering expenses were $23.2 million. The relative fair value allocated to the common stock and pre-funded warrants was $2.3 million and $22.7 million, respectively.

Also, on March 5, 2025 and in connection with the March 2025 Offering, the Company entered into a registration rights agreement (the "March 2025 Registration Rights Agreement") with the purchasers, pursuant to which the Company agreed to register for resale the shares of common stock issued in the March 2025 Offering and the shares of common stock issuable upon exercise of the pre-funded warrants issued in the March 2025 Offering within 45 days of the closing date. Pursuant to the March 2025 Registration Rights Agreement, on April 15, 2025, the Company filed a resale registration statement on Form S-3 with the SEC, which went effective on April 23, 2025.

The March 2025 Registration Rights Agreement includes liquidated damages provisions that meet the definition of a registration payment arrangement that is within the scope of ASC 825-20. The Company determined at the initial issuance of the pre-funded warrants that it is not probable that a payment would be required as it has both the intent and ability to satisfy the March 2025 Registration Rights Agreement. Therefore, the Company did not record a liability at inception but will evaluate the contingency at each reporting period. As of September 30, 2025, no events had occurred that would change our initial assessment of this provision.

August 2024 Private Placement Financing (the "August 2024 Offering")

On August 6, 2024, the Company entered into a securities purchase agreement with certain accredited investors for the purchase and sale, in a private placement financing by the Company, of (i) an aggregate of 1,450,661 shares of its common stock, and pre-funded warrants to purchase an aggregate of 31,882,671 shares of common stock and (ii) accompanying warrants to purchase up to an aggregate of 16,666,666 shares of its common stock (or, in lieu thereof, additional pre-funded warrants) at a combined offering price of $3.00 per share of common stock and accompanying warrant, or $2.99 per pre-funded warrant and accompanying warrant, resulting in gross proceeds of $99.7 million. The pre-funded warrants do not expire and have an exercise price of $0.01. The net proceeds of the August 2024 Offering after deducting placement agent fees and direct offering expenses were $92.3 million. The relative fair value allocated to the common stock, pre-funded warrants, and accompanying warrants was $3.2 million, $69.4 million, and $27.1 million, respectively.

Also, on August 6, 2024 and in connection with the August 2024 Offering, the Company entered into a registration rights agreement (the "August 2024 Registration Rights Agreement") with the purchasers, pursuant to which the Company agreed to register for resale the shares of common stock issued in the August 2024 Offering and the shares of common stock issuable upon exercise of the warrants issued in the August 2024 Offering within 60 days following the effective date of the August 2024 Registration Rights Agreement. Pursuant to the August 2024 Registration Rights Agreement, on August 30, 2024, the Company filed a resale registration statement on Form S-3 with the SEC, which went effective on September 12, 2024.

The August 2024 Registration Rights Agreement includes liquidated damages provisions that meet the definition of a registration payment arrangement that is within the scope of ASC 825-20. The Company determined at the initial issuance of the pre-funded warrants and accompanying warrant that it is not probable that a payment would be required as it has both the intent and ability to satisfy the August 2024 Registration Rights Agreement. Therefore, the Company did not record a liability at inception but

will evaluate the contingency at each reporting period. As of September 30, 2025, no events have occurred that would change our initial assessment of this provision.

February 2024 Registered Public Offering (the "February 2024 Offering")

On February 8, 2024, the Company entered into a securities purchase agreement with certain purchasers for the purchase and sale, in a registered public offering by the Company, of (i) an aggregate of 421,260 shares of its common stock, and pre-funded warrants to purchase an aggregate of 1,178,740 shares of common stock and (ii) accompanying warrants to purchase up to an aggregate of 3,200,000 shares of its common stock at a combined offering price of $5.65 per share of common stock and associated warrant, or $5.649 per pre-funded warrant and accompanying warrant, resulting in gross proceeds of $9.0 million. The net proceeds of the February 2024 Offering after deducting placement agent fees and direct offering expenses were $8.0 million. The relative fair value allocated to the common stock, pre-funded warrants and warrants was $0.9 million, $2.4 million, and $5.7 million, respectively.

Pre-Funded Warrants Activity

The following table summarizes the Company's pre-funded warrant activity for the nine months ended September 30, 2025:

	Prefunded Warrants	Weighted Average Exercise Price
Outstanding at December 31, 2024	**31,882,671**	**$ 0.01**
Issued	3,760,726	0.01
Exercised	(1,315,282)	0.01
Canceled/Expired	(1,343)	0.01
Outstanding at September 30, 2025	**34,326,772**	**$ 0.01**

Warrants

The following table summarizes the Company's warrant activity for the nine months ended September 30, 2025, not including pre-funded warrants:

	Warrants	Weighted Average Exercise Price
Outstanding at December 31, 2024	**19,874,360**	**$ 5.77**
Exercised	(792,699)	4.64
Canceled/Expired	(1,884)	1,249.17
Outstanding at September 30, 2025	**19,079,777**	**$ 5.69**

August 2024 Warrants

As described above, as part of the August 2024 Offering, the Company issued unregistered warrants to purchase 16,666,666 shares of its common stock at an exercise price of $4.50 per share. The warrants expire at the earlier of (i) 30 trading days following the date of the Company's initial public announcement of topline data from its Phase 3 LEVEL trial (the "Topline Data Announcement"), (ii) immediately upon the exercise of the August 2024 pre-funded warrants if such exercise is prior to the Topline Data Announcement, provided that if the pre-funded warrant is not exercised in full, the warrant expires proportionally to the extent the pre-funded warrant is exercised, and (iii) August 8, 2029. The warrants have an estimated term of 1.8 years. The unregistered warrants were offered in a private placement under Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act") and Regulation D promulgated thereunder. In accordance with ASC 815, Derivatives and Hedging, these warrants are classified as equity and their relative fair value of $27.1 million was recognized as additional paid in capital. The estimated fair value is determined using the Black-Scholes option pricing model using the following assumptions: remaining estimated term of 1.8 years, risk free interest rate of 3.83%, expected dividends of zero, and expected volatility of 177.27%.

February 2024 Warrants

As described above, as a part of the February 2024 Offering, the Company issued registered warrants to purchase 3,200,000 shares of its common stock at an exercise price of $5.65 per share and contractual term of five years. In accordance with ASC 815, Derivatives and Hedging, these warrants are classified as equity and their relative fair value of $5.7 million was recognized as additional paid in capital. The estimated fair value was determined using the Black-Scholes option pricing model using the following assumptions: remaining estimated term of 5.0 years, risk free interest rate of 4.12%, expected dividends of zero, and expected volatility of 131.87%.

Stock-Based Compensation

Stock Incentive Plans

In June 2022, the Company adopted the 2022 Stock Incentive Plan, as amended on June 7, 2024 and October 25, 2024, (the "2022 Plan"), with the outstanding shares available for future grants under prior plans, as well as outstanding awards under prior plans that subsequently expire, terminate or are surrendered or forfeited, generally being assumed by the 2022 Plan. Unexpired awards granted under certain prior plans may be subject to the terms of such prior plans.

Under the 2022 Plan, with the approval of the Board's Compensation Committee, the Company may grant stock options, stock appreciation rights, restricted stock, restricted stock units, performance shares, performance units, cash-based awards or other stock-based awards. Stock options granted under the 2022 Plan may be either incentive stock options ("ISOs") or nonqualified stock options ("NSOs"). ISOs may be granted only to employees. NSOs may be granted to employees, consultants and directors. Stock options under the 2022 Plan may be granted with a term of up to ten years and at prices no less than fair market value at the time of grant. Stock options granted generally vest over one to four years.

A total of 1,881,121 shares remained available for issuance under the 2022 Plan as of September 30, 2025.

Summary of Stock Option Activity

Transactions during the nine months ended September 30, 2025 related to stock options granted to employees and directors under Company option plans were as follows:

	Shares	Weighted average exercise price per Share	Weighted average remaining contractual life (years)	Aggregate intrinsic value (in thousands)
Options outstanding as of December 31, 2024	3,126,436	$ 6.66	9.95	$ 783
Granted	3,330,000	5.87		
Forfeited	(3)	109,440.00		
Options outstanding as of September 30, 2025	6,456,433	$ 6.21	9.43	$ 11,000
Options exercisable at September 30, 2025	755	$ 2,461.98	6.32	$ 1

The Company recorded compensation expense for stock options granted under Company stock incentive plans of $5.5 million and $14.0 million for the three and nine months ended September 30, 2025, respectively, and $9 thousand and $35 thousand for the three and nine months ended September 30, 2024, respectively.

As of September 30, 2025, there were unrecognized compensation costs of $18.4 million related to non-vested stock option awards that will be recognized on a straight-line basis over the weighted average remaining vesting period of 1.55 years.

Inducement Stock Options

The Company granted an employment inducement stock option award for 250,000 shares of common stock to a new employee on January 21, 2025. This employment inducement stock option was awarded in accordance with the employment inducement award exemption provided by Nasdaq Listing Rule 5635(c)(4) and was therefore not awarded under the Company's stockholder approved equity plan. The option award will vest in four equal annual installments beginning on the first anniversary of the date of issuance, subject to the employee's continued employment with the Company through each applicable vesting date. The option has a 10-year term and an exercise price of $6.45 per share, the January 21, 2025 closing price of the Company's common stock. The estimated fair value of the inducement stock option award was $1.4 million using the Black-Scholes option pricing model based on market prices and the following assumptions at the date of inducement option grant: risk-free interest rate of 4.49%, dividend yield of 0%, volatility factor for our common stock of 123.41% and an expected life of 6 years.

The Company granted an employment inducement stock option award for 157 shares of common stock, to its then-new President and Chief Executive Officer on July 6, 2021. The employment inducement stock option award was granted in accordance with the employment inducement award exemption provided by Nasdaq Listing Rule 5635(c)(4) and was therefore not awarded under the Company's stockholder approved equity plan. This award vested as follows: 25% on the one-year anniversary of the Chief Executive Officer's employment start date and an additional 25% on each of the following three anniversaries of the Chief Executive Officer's employment start date, subject to continued employment. The option has a 10-year term and an exercise price of $3,152 per share, the July 6, 2021 closing price of our common stock. As of September 30, 2025, 75% of the vesting milestones had been achieved. The estimated fair value of this inducement stock option award was $403 thousand using the Black-Scholes option pricing model based on market prices and the following assumptions at the date of inducement option grant: risk-free interest rate of 1.13%, dividend yield of 0%, volatility factor for our common stock of 99.36% and an expected life of 7 years.

The Company also granted an employment inducement stock option award for 157 shares of common stock to its then-new Chief Medical Officer on January 15, 2021. This employment inducement stock option was awarded in accordance with the employment inducement award exemption provided by Nasdaq Listing Rule 5635(c)(4) and was therefore not awarded under the Company's stockholder approved equity plan. The option award will vest as follows: 25% upon initiation of a Phase 3 trial; 25% upon database lock; 25% upon acceptance for review of an investigational NDA; and 25% upon approval. The options have a 10-year term and an exercise price of $2,848 per share, the January 15, 2021 closing price of our common stock. As of September 30, 2025, two of the vesting milestones had been achieved. The estimated fair value of the inducement stock option award granted was $403 thousand using the Black-Scholes option pricing model based on market prices and the following assumptions at the date of inducement option grant: risk-free interest rate of 11%, dividend yield of 0%, volatility factor for our common stock of 103.94% and an expected life of 10 years.

Inducement stock option compensation expense totaled $89 thousand and $326 thousand for the three and nine months ended September 30, 2025, respectively, and $6 thousand and $121 thousand for the three and nine months ended September 30, 2024, respectively. As of September 30, 2025, there was $1.4 million of remaining unrecognized compensation expense related to these inducement stock options.

NOTE 6. SEGMENTS

Operating segments are identified as components of an entity about which separate discrete financial information is available for evaluation by the Chief Operating Decision Maker ("CODM"), or decision-making group, in making decisions on how to allocate resources and assess performance. The Company's CODM, the President and Chief Executive Officer, views the Company's operations as one operating segment, which is focused on identifying and developing therapeutics that address cardiovascular and pulmonary diseases with high unmet medical need, with an initial therapeutic focus on pulmonary hypertension. The Company does not have revenue in the current comparative period, incurs expenses primarily in the United States and manages the business activities on a consolidated basis.

The accounting policies of the cardiovascular and pulmonary therapeutics segment are the same as those described in the summary of significant accounting policies.

The CODM assesses performance for the cardiovascular and pulmonary therapeutics segment and decides how to allocate resources based on net loss that also is reported on the income statement as consolidated net loss. The measure of segment assets is reported on the balance sheet as cash and cash equivalents.

The Company has not generated any product revenue in the current period and expects to continue to incur significant expenses and operating losses for the foreseeable future as the Company advances its product candidates through all stages of development and clinical trials.

As such, the CODM uses cash forecast models in deciding how to invest into the cardiovascular and pulmonary therapeutics segment. Such cash forecast models are reviewed to assess the entity-wide operating results and performance. Net loss is used to monitor budget versus actual results. Monitoring budgeted versus actual results, net cash used in operating activities for the period and cash on hand are used in assessing performance of the segment.

The table below summarizes the significant expense categories regularly reviewed by the CODM for the three and nine months ended September 30, 2025 and 2024 (in thousands).

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Operating expenses:				
Research and development	$ 10,328	$ 3,112	$ 22,132	$ 8,115
General and administrative	6,478	1,507	17,804	4,084
Total operating expenses	$ 16,806	$ 4,619	$ 39,936	$ 12,199
Net operating loss	(16,806)	(4,619)	(39,936)	(12,199)
Other segment items (a)				
Interest income	1,017	665	2,901	887
Interest expense	-	(7)	-	(24)
Other income (expense), net	(15)	-	(24)	1
Net loss (b)	$ (15,804)	$ (3,961)	$ (37,059)	$ (11,335)

(a) Other segment items included in segment loss includes interest income and interest expense.

(b) The Company is a single operating segment and therefore the measure of segment net loss is the same as consolidated net loss and does not require reconciliation.

For the nine months ended September 30, 2025 and 2024, the net cash used in operating activities was $22.4 million and $11.3 million, respectively. The table below summarizes the significant asset categories regularly reviewed by the CODM at September 30, 2025 and September 30, 2024 (in thousands).

	September 30, 2025	September 30, 2024
Assets:		
Cash and cash equivalents	$ 99,369	$ 98,311

NOTE 7. SUBSEQUENT EVENTS

Subsequent to September 30, 2025, the Company received a total of $1.2 million from the exercise of pre-funded warrants for 115,244 shares of common stock and warrants for 221,098 shares of common stock.

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

The following discussion and analysis should be read in conjunction with the unaudited condensed consolidated financial statements and notes thereto included in Part I, Item 1 of this Quarterly Report on Form 10-Q and with the audited condensed consolidated financial statements and related notes thereto included as part of our Annual Report on Form 10-K for the year ended December 31, 2024. All references in this Quarterly Report to "Tenax Therapeutics," "we," "our" and "us" means Tenax Therapeutics, Inc.

Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, which are subject to the "safe harbor" created by those sections. Forward-looking statements are based on our management's beliefs and assumptions and on information currently available to them. In some cases, you can identify forward-looking statements by words such as "might," "may," "will," "should," "could," "would," "expects," "plans," "anticipates," "believes," "estimates," "projects," "predicts," "potential" and similar expressions intended to identify forward-looking statements. These statements reflect our current view with respect to future events and are subject to risks, uncertainties and assumptions related to various factors that could cause actual results and the timing of events to differ materially from future results expressed or implied by such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in the section titled "Risk Factors" included in our most recent Annual Report on Form 10-K filed with the SEC. Furthermore, such forward-looking statements speak only as of this Quarterly Report on Form 10-Q. Except as required by law, we undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements.

Overview

Tenax Therapeutics is a clinical-stage pharmaceutical company leveraging clinical insights to develop novel cardiopulmonary therapies. We employ a clinician-driven drug development approach, led by key opinion leaders and advised by thought leaders who are pulmonary hypertension and heart failure experts and informed by their clinical insights to precisely target disease pathophysiology. We are currently actively conducting the LEVEL clinical trial to evaluate levosimendan as our prioritized product candidate, and have deprioritized a Phase 3 clinical trial of imatinib, two drugs supported by promising evidence that they may significantly improve the lives of patients with pulmonary hypertension. Importantly, both levosimendan and imatinib have already been approved in other indications and prescribed around the world for more than 20 years, and we believe their mechanisms of action are uniquely suitable to target and treat pulmonary hypertension. We believe this derisked approach of using already-approved drugs that provide well-established safety profiles from millions of patients, combined with a development path led by preeminent cardiology and pulmonary hypertension experts, puts us in a strong position to deliver breakthrough cardiopulmonary therapies designed to improve patients' function and quality of life.

Recent Events

In March 2025, we closed a private placement financing (the "March 2025 Offering") raising gross proceeds of approximately $25.0 million. We intend to use the net proceeds from the March 2025 Offering to advance our Phase 3 oral levosimendan program, by completing our ongoing Phase 3 LEVEL study of TNX-103 in pulmonary hypertension resulting from heart failure with preserved ejection fraction (PH-HFpEF) and initiating a second global Phase 3 study, LEVEL-2. We intend to submit marketing authorization applications following completion of the two Phase 3 trials of levosimendan and, when appropriate, a single Phase 3 trial of imatinib.

Patient enrollment in our Phase 3 LEVEL study continues, with high rates of study and therapy continuation during the blinded and open-label extension stages. We expect to enroll 230 patients in the first half of 2026. LEVEL is being conducted in the United States and Canada. We remain on track to commence LEVEL-2 this year. The LEVEL-2 trial will have a global footprint.

Given our resources on September 30, 2025, we believe we can continue our operations through 2027.

Financial Overview – Three and Nine Months Ended September 30, 2025 (in thousands)

	For the three months ended September 30,		Increase/	% Increase/	For the nine months ended September 30,		Increase/	% Increase/
	2025	2024	(Decrease)	(Decrease)	2025	2024	(Decrease)	(Decrease)
Operating expenses:								
Research and development	$ 10,328	$ 3,112	$ 7,216	232 %	$ 22,132	$ 8,115	$ 14,017	173 %
General and administrative	6,478	1,507	4,971	330 %	17,804	4,084	13,720	336 %
Total operating expenses	$ 16,806	$ 4,619	$ 12,187	264 %	$ 39,936	$ 12,199	$ 27,737	227 %
Net operating loss	(16,806)	(4,619)	(12,187)	264 %	(39,936)	(12,199)	(27,737)	227 %
Other segment items								
Interest income	1,017	665	352	53 %	2,901	887	2,014	227 %
Interest expense	-	(7)	7	(100) %	-	(24)	24	(100) %
Other income (expense), net	(15)	-	(15)	(100) %	(24)	1	(25)	100 %
Net loss	$ (15,804)	$ (3,961)	$ (11,843)	299 %	$ (37,059)	$ (11,335)	$ (25,724)	227 %

Research and Development Expenses

Research and development expenses include, but are not limited to, (i) expenses incurred under agreements with CROs and investigative sites, which conduct a substantial portion of our pre-clinical and clinical studies; (ii) the cost of supplying clinical trial materials; (iii) payments to CROs and consultants; (iv) employee-related expenses, including salaries, non-cash stock compensation expense, and benefits; and (v) facilities, depreciation and other allocated expenses, including direct and allocated expenses for rent and maintenance of facilities and equipment, depreciation of leasehold improvements, equipment, and other supplies. All research and development expenses are expensed as incurred. Research and development expenses and percentage changes for the three and nine months ended September 30, 2025 and 2024 are as follows (in thousands):

	For the three months ended September 30,		Increase/	% Increase/	For the nine months ended September 30,		Increase/ (Decrease)	% Increase/
	2025	2024	(Decrease)	(Decrease)	2025	2024		(Decrease)
Clinical and preclinical development	$ 8,409	$ 2,690	$ 5,719	213 %	$ 17,197	$ 7,207	$ 9,990	139 %
Salary and benefits	646	272	374	138 %	1,485	635	850	134 %
Stock-based compensation	1,107	2	1,105	55,250 %	2,950	98	2,852	2,910 %
Other costs	166	148	18	12 %	500	175	325	186 %

Clinical and preclinical development costs increased $5.7 million and $10.0 million for the three and nine months ended September 30, 2025, respectively, as compared to the same periods in the prior year. Clinical and preclinical development costs for the three and nine months ended September 30, 2025 consists primarily of expenses associated with our ongoing Phase 3 LEVEL trial and our second global Phase 3 study, LEVEL-2, for which we are conducting start-up activities, compared with costs for the three and nine month periods ended September 30, 2024, associated with the planning of LEVEL and the initiation of the first LEVEL sites and enrollment of the first LEVEL patients.

Salary and benefits costs increased for the three and nine months ended September 30, 2025 as compared to the same periods in the prior year primarily due to higher salaries and additional performance-based compensation expense as a result of an increase in the number of employees. Non-cash stock-based compensation expense increased by $1.1 million and $2.9 million for the three and nine months ended September 30, 2025, respectively, as compared to the same periods in 2024 primarily due to stock options granted in December 2024, for which the expense is being amortized over a one year vesting period, in addition to new option grants made in 2025 to new and existing employees that vest and are being expensed over four years.

Other costs increased for the three and nine months ended September 30, 2025 as compared to the same periods in the prior year, primarily due to increased regulatory consulting costs as we expanded our ongoing Phase 3 LEVEL trial.

General and Administrative Expenses

General and administrative expenses consist primarily of compensation for executive, finance, legal and administrative personnel, including non-cash stock-based compensation. Other general and administrative expenses include facility costs not otherwise included in research and development expenses, legal and accounting services, and other professional and consulting services. General and administrative expenses and percentage changes for the three and nine months ended September 30, 2025 and 2024 are as follows (in thousands):

	For the three months ended September 30,		Increase/	% Increase/		For the nine months ended September 30,		Increase/	% Increase/	
	2025	2024	(Decrease)	(Decrease)		2025	2024	(Decrease)	(Decrease)	
Salary and benefits	$ 635	$ 630	$ 5	1	%	$ 1,853	$ 1,675	$ 178	11	%
Stock-based compensation	4,516	12	4,504	37,533	%	11,423	57	11,366	19,940	%
Legal and professional fees	926	682	244	36	%	3,235	1,732	1,503	87	%
Other costs	401	183	218	119	%	1,293	620	673	109	%

Non-cash stock-based compensation expense increased $4.5 million and $11.4 million for the three and nine months ended September 30, 2025, respectively, as compared to the same periods in 2024 primarily due to stock options granted in December 2024, for which the expense amortizes over a one-year vesting term, in addition to new option grants made in 2025.

Legal fees consist of the cost of our legal counsel as well as legal costs related to our intellectual property. Professional fees consist of the costs incurred for accounting fees, capital market expenses, consulting fees and investor relations services, as well as fees paid to the members of our Board of Directors. Legal and professional fees increased $0.2 million and $1.5 million for the three and nine month periods ended September 30, 2025, respectively, as compared to the same periods in the prior year primarily related to increased capital market expenses, consulting expenses, and accounting expenses.

Other costs include expenses incurred for franchise and other taxes, travel, supplies, insurance, depreciation, and other miscellaneous charges. Other costs increased $0.2 million and $0.7 million for the three and nine months ended September 30, 2025, respectively, as compared to the same periods in the prior year primarily due to increased franchise and other taxes, travel, and insurance related to the growth of the Company.

Interest Income, Interest Expense, and Other Income (Expense), net

Interest income increased $0.4 million and $2.0 million for the three and nine months ended September 30, 2025, respectively, as compared to the same periods in the prior year primarily related to higher interest income on increased cash deposits as a result of the August 2024 Offering and the March 2025 Offering, and increased interest rate. The Company had no interest expense for the three and nine months ended September 30, 2025 and an immaterial amount for the comparable periods in the prior year.

Liquidity, Capital Resources and Plan of Operation

We have incurred losses since our inception and, as of September 30, 2025, we had an accumulated deficit of $351.9 million. We will continue to incur losses until we generate sufficient revenue to offset our expenses, and we anticipate that we will continue to incur net losses for at least the next several years. We expect to incur additional expenses related to our development and potential commercialization of levosimendan and, over the long term, imatinib for PAH, and other potential indications, as well as identifying and developing other potential product candidates, and as a result, we will need to generate significant net product sales, royalty and other revenues to achieve profitability.

The process of conducting preclinical studies and clinical trials necessary to obtain approval from the United States Food and Drug Administration is costly and time consuming. The probability of success for each product candidate and clinical trial may be affected by a variety of factors, including, among other things, the quality of the product candidate's early clinical data, investment in the program, competition, manufacturing capabilities and commercial viability. As a result of the uncertainties discussed above, uncertainty associated with clinical trial enrollment and risks inherent in the development process, we are unable to determine the duration and completion costs of current or future clinical stages of our product candidates or when, or to what extent, we will generate revenues from the commercialization and sale of any of our product candidates. Development timelines, probability of success and development costs vary widely. We are currently focused on developing our two product candidates, levosimendan and imatinib, and have prioritized levosimendan; however, we will need substantial additional capital in the future in order to finalize the development of levosimendan, commence its commercialization, potentially develop imatinib, and to continue with the development of other potential product candidates.

Liquidity

We have financed our operations since September 1990 through the issuance of debt and equity securities and loans from stockholders. We had total current assets of $102.8 million and $96.7 million and working capital of $96.2 million and $92.0 million as of September 30, 2025 and December 31, 2024, respectively. Our practice is to invest excess cash, where available, in short-term money market investment instruments and high quality corporate and government bonds.

We are currently conducting the LEVEL trial and intend to recruit patients concluding in approximately the first half of 2026. Our ability to continue to pursue development of our products, including completion of the second global Phase 3 trial (LEVEL-2), beyond 2027, will depend on obtaining license income, income from warrants exercised by investors should they elect to do so, or outside financial resources. There is no assurance that we will obtain any license agreement or outside financing or that we will otherwise succeed in obtaining any necessary resources.

Financings

On March 5, 2025, we sold in the March 2025 Offering an aggregate of 378,346 shares of our common stock and pre-funded warrants to purchase an aggregate of 3,760,726 shares of our common stock at an offering price of $6.04 per share of common stock and $6.03 per pre-funded warrant, resulting in gross proceeds of $25.0 million. The pre-funded warrants do not expire and have an exercise price of $0.01. Net proceeds from the offering were $23.2 million, after deducting the placement agent fees and offering expenses payable by the Company.

On August 8, 2024, we sold in the August 2024 Offering an aggregate of 1,450,661 shares of our common stock, and pre-funded warrants to purchase 31,882,671 shares of our common stock, along with accompanying warrants to purchase up to 16,666,666 shares of our common stock. The purchase price for each share and accompanying warrant was $3.00, with the accompanying warrant having an exercise price of $4.50 (provided, the purchase price for each pre-funded warrant and accompanying warrant was $2.99, with the pre-funded warrants having an exercise price of $0.01). Net proceeds from the offering were $92.3 million, after deducting the placement agent fees and offering expenses payable by the Company.

On February 8, 2024, we sold in the February 2024 Offering (i) an aggregate of 421,260 shares of our common stock and pre-funded warrants to purchase an aggregate of 1,178,740 shares of our common stock and (ii) accompanying warrants to purchase up to an aggregate of 3,200,000 shares of our common stock at a combined offering price of $5.65 per share of common stock and accompanying warrant, or $5.649 per pre-funded warrant and accompanying warrant. Net proceeds of the offering were $8.0 million, after deducting the placement agent fees and offering expenses payable by the Company.

Cash Flows

The following table shows a summary of our cash flows for the periods indicated (in thousands):

	Nine months ended September 30,	
	2025	**2024**
Net cash used in operating activities	$ (22,385)	$ (11,284)
Net cash provided by investing activities	-	-
Net cash provided by financing activities	26,903	99,803

Operating Activities

Net cash used in operating activities was $22.4 million for the nine months ended September 30, 2025, compared to $11.3 million for the nine months ended September 30, 2024. The increase in cash used in operating activities was primarily due to increased expenses as we expanded our clinical trials and increased payroll costs. The increase in payroll costs was primarily driven by the addition of new employees and targeted salary adjustments, reflecting a necessary investment to support our expanded clinical trial activity during the nine months ended September 30, 2025 as compared to the prior year.

Investing Activities

There was no net cash provided or consumed by investing activities for the nine months ended September 30, 2025 or the nine months ended September 30, 2024.

Financing Activities

Net cash provided by financing activities was $26.9 million for the nine months ended September 30, 2025, compared to $99.8 million for the nine months ended September 30, 2024, a decrease of $72.9 million. During the nine months ended September 30, 2025, the Company received proceeds of $23.2 million net cash provided from the sale of common stock and pre-funded warrants in the March 2025 Offering and $3.7 million from the exercise of warrants and pre-funded warrants. During the nine months ended September 30, 2024 the Company received proceeds of a total of $98.5 million from the August 8, 2024 and February 8, 2024 sales of common stock, and $1.8 million from the exercise of warrants and pre-funded warrants, offset by the principal payment of $0.5 million related to a short-term note.

Operating Capital and Capital Expenditure Requirements

Our future capital requirements will depend on many factors that include, but are not limited to the following:

- the initiation, design, footprint, progress, timing and completion of clinical trials for our product candidates and potential product candidates;
- the outcome, timing and cost of regulatory approvals and the regulatory approval process;
- delays that may be caused by changing regulatory requirements and resource levels at regulators;
- the number of product candidates we pursue;
- the costs involved in filing and prosecuting patent applications and enforcing and defending patent claims;
- the timing and terms of future collaboration, licensing, consulting or other arrangements that we may enter into;
- the cost and timing of establishing sales, marketing, manufacturing and distribution capabilities;
- the cost of procuring clinical and commercial supplies of our product candidates;
- the extent to which we acquire or invest in businesses, products or technologies; and
- the possible costs of litigation.

Based on our working capital on September 30, 2025, we believe we have sufficient capital on hand to fund operations through 2027.

Critical Accounting Policies and Significant Judgments and Estimates

Our unaudited condensed consolidated financial statements have been prepared in accordance with GAAP. The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the expenses during the reporting periods. These items are monitored and analyzed by us for changes in facts and circumstances, and material changes in these estimates could occur in the future. We base our estimates on historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Changes in estimates are reflected in reported results for the period in which they become known. Actual results may differ materially from these estimates under different assumptions or conditions. For information regarding our critical accounting policies and estimates, please refer to “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Summary of Critical Accounting Policies” contained in our Annual Report on Form 10-K for the year ended December 31, 2024 and Note 2 to our unaudited condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Off-Balance Sheet Arrangements

Since our inception, we have not engaged in any off-balance sheet arrangements, including the use of structured finance, special purpose entities or variable interest entities.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Smaller reporting companies are not required to provide the information required by this item.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As required by paragraph (b) of Rules 13a-15 and 15d-15 promulgated under the Exchange Act, under the supervision and with the participation of our management, including our President and Chief Executive Officer and our Interim Chief Financial Officer, we conducted an evaluation as of the end of the period covered by this Quarterly Report on Form 10-Q, of the effectiveness of our disclosure controls and procedures as defined in Exchange Act Rules 13a-15(e) and 15d-15(e).

In designing and evaluating our disclosure controls and procedures, management recognizes that any disclosure controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints, and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Based on their evaluation, our President and Chief Executive Officer and Interim Chief Financial Officer concluded that our disclosure controls and procedures were effective as of September 30, 2025, the end of the period covered by this Quarterly Report on Form 10-Q, in that they provide reasonable assurance that the information we are required to disclose in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods required by the SEC and is accumulated and communicated to our management, including our President and Chief Executive Officer and Interim Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during our most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. We routinely review our internal controls over financial reporting and from time to time make changes intended to enhance the effectiveness of our internal control over financial reporting. We will continue to evaluate the effectiveness of our disclosure controls and procedures and internal controls over financial reporting on an ongoing basis and will take action as appropriate.

During the most recently completed fiscal quarter, management reviewed all work generated in support of the financial statements and corresponding footnotes to determine areas which may be susceptible to human error. The review focused on limiting manual inputs into work papers wherever possible and tying inputs to external source documents. In addition, management also enhanced its work paper review to compare figures to prior year amounts or source documents and increased the number of calculations in the work papers that are reviewed and re-performed.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

There are no material pending legal proceedings to which we are a party or to which any of our property is subject.

ITEM 1A. RISK FACTORS

The risks we face have not materially changed from those disclosed in our Annual Report on Form 10-K for the year ended December 31, 2024.

ITEM 6. EXHIBITS

The following exhibits are being filed or furnished as part of this Quarterly Report on Form 10-Q and are numbered in accordance with Item 601 of Regulation S-K:

Exhibit Number	Description
10.1+	Amendment to the License Agreement of September 20, 2013 by and between Tenax Therapeutics, Inc. and Orion Corporation, dated as of September 3, 2025 (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed with the SEC on September 9, 2025).
31.1*	Certification of President and Chief Executive Officer pursuant to Section 302 of the Sarbanes Oxley Act of 2002.
31.2*	Certification of Interim Chief Financial Officer pursuant to Section 302 of the Sarbanes Oxley Act of 2002.
32.1**	Certification of President and 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 Interim 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*	Inline XBRL Document Set for the condensed consolidated financial statements and accompanying notes in Part I, Item 1, "Financial Statements" of this Quarterly Report on Form 10-Q.
104*	Inline XBRL for the cover page of this Quarterly Report on Form 10-Q, included in the Exhibit 101 Inline XBRL Document Set.

+ Portions of this Exhibit have been omitted pursuant to Items 601(b)(10)(iv) of Regulation S-K. The Company agrees to furnish supplementally an unredacted copy of this Exhibit to the Securities and Exchange Commission upon request.
* Filed herewith
** Furnished herewith

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.

Date: November 12, 2025

TENAX THERAPEUTICS, INC.

By: /s/ Thomas A. McGauley
Thomas A. McGauley
Interim Chief Financial Officer
(On behalf of the Registrant and as Principal Financial Officer and Accounting Officer)

EXHIBIT 31.1

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Christopher T. Giordano, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Tenax Therapeutics, 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: November 12, 2025

/s/ Christopher T. Giordano
Christopher T. Giordano
President and Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Thomas A. McGauley, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Tenax Therapeutics, 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: November 12, 2025

/s/ Thomas A. McGauley
Thomas A. McGauley
Interim Chief Financial Officer
(Principal Financial Officer and
Accounting Officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Tenax Therapeutics, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Christopher T. Giordano, President and Chief Executive Officer (Principal Executive Officer) of the Company, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the periods covered by the Report.

Date: November 12, 2025

/s/ Christopher T. Giordano
Christopher T. Giordano
President and Chief Executive Officer
(Principal Executive Officer)

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 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.

EXHIBIT 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Tenax Therapeutics, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Thomas A. McGauley, Interim Chief Financial Officer (Principal Financial and Accounting Officer) of the Company, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the periods covered by the Report.

Date: November 12, 2025

/s/ Thomas A. McGauley
Thomas A. McGauley
Interim Chief Financial Officer
(Principal Financial Officer and Accounting Officer)

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. Section 1350 , as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 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.