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 June 30, 2026

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

For the transition period from _____ to _____

Commission File No. **001-40899**

Bone Biologics Corporation
(Exact name of registrant as specified in its charter)

Delaware	**42-1743430**
(State or other jurisdiction of incorporation or formation)	(I.R.S. employer identification number)

2 Burlington Woods Drive, Ste 100, Burlington, MA 01803
(Address of principal executive offices and Zip Code)

(781) 552-4452
(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, $0.001 par value per share	**BBLG**	**The Nasdaq Capital Market**
Warrants to Purchase Common stock, $0.001 par value per share	**BBLGW**	**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 (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

☒ Yes ☐ No

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

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

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

☐ Yes ☒ No

As of August 14, 2026, there were 2,756,057 shares of the issuer’s common stock, $0.001 par value, outstanding.

Bone Biologics Corporation
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NOTE ON FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this "Form 10-Q") contains forward-looking statements. Such forward-looking statements include those that express plans, anticipation, intent, contingency, goals, targets or future development and/or otherwise are not statements of historical fact. These forward-looking statements are based on our current expectations and projections about future events and they are subject to risks and uncertainties known and unknown that could cause actual results and developments to differ materially from those expressed or implied in such statements. These forward-looking statements are subject to a number of risks, uncertainties and assumptions. For a more detailed listing of some of the risks and uncertainties facing the Company, please see our Annual Report on Form 10-K for the fiscal year ended December 31, 2025, filed with the Securities and Exchange Commission ("SEC") on March 2, 2026 and subsequent Quarterly Reports on Form 10-Q or other reports filed with the SEC.

All statements other than historical facts contained in this report, including statements regarding our future financial position, capital expenditures, cash flows, business strategy and plans and objectives of management for future operations are forward-looking statements. The words "anticipate," "believe," "expect," "future," "plan," "estimate," "can," "could," "may," "might," "will," "would," and similar expressions are intended to identify forward-looking statements. These statements include, among others, information regarding future operations, future capital expenditures, and future net cash flow. Such statements reflect our management's current views with respect to future events and financial performance and involve risks and uncertainties, including, without limitation, our ability to raise additional capital to fund our operations, inflation, rising interest rates, governmental responses there to and possible recession caused thereby, obtaining Food and Drug Administration and other regulatory authorization to market our drug and biological products, successful completion of our clinical trials, our ability to achieve regulatory authorization to market our lead product NELL-1/DBM, the success of our patent application, our reliance on third party manufacturers for our drug products, market acceptance of our products, our dependence on licenses for certain of our products, our reliance on the expected growth in demand for our products, exposure to product liability and defect claims, development of a public trading market for our securities, and various other matters, many of which are beyond our control.

Should one or more of these risks or uncertainties occur, or should underlying assumptions prove to be incorrect, actual results may vary materially and adversely from those anticipated, believed, estimated or otherwise indicated. Consequently, all of the forward-looking statements made in this Form 10-Q are qualified by these cautionary statements and accordingly there can be no assurances made with respect to the actual results or developments. We undertake no obligation to revise or publicly release the results of any revision to these forward-looking statements, except as required by law. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements.

Unless expressly indicated or the context requires otherwise, the terms "Company," "we," "us," and "our" in this document refer to Bone Biologics Corporation, a Delaware corporation and its wholly owned subsidiary as defined under the heading "Management's Discussion and Analysis" in this Form 10-Q.

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

Bone Biologics Corporation

Condensed Consolidated Balance Sheets

	June 30, 2026 (unaudited)	December 31, 2025
Assets		
Current Assets		
Cash	**$ 4,031,780**	$ 5,334,322
Advances on research and development contract services	**208,972**	208,972
Prepaid insurance	**126,264**	232,946
Prepaid financing costs	**52,666**	-
Interest Receivable	**6,986**	9,895
Prepaid expenses	**10,000**	10,000
Total current assets	**4,436,668**	5,796,135
Total assets	**$ 4,436,668**	$ 5,796,135
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable and accrued expenses	**$ 511,472**	$ 417,884
Warrant liability	**546**	703
Total current liabilities	**512,018**	418,587
Total liabilities	**512,018**	418,587
Commitments and Contingencies	-	-
Stockholders' Equity		
Preferred Stock, $0.001 par value per share; 20,000,000 shares authorized; none issued or outstanding at June 30, 2026 and December 31, 2025	**-**	-
Common stock, $0.001 par value per share; 100,000,000 shares authorized; 1,810,380 and 1,795,260 shares issued and outstanding at June 30, 2026 and December 31, 2025, respectively	**1,810**	1,795
Additional paid-in capital	**93,592,899**	93,506,122
Accumulated deficit	**(89,670,059)**	(88,130,369)
Total stockholders' equity	**3,924,650**	5,377,548
Total liabilities and stockholders' equity	**$ 4,436,668**	$ 5,796,135

See accompanying notes to unaudited condensed consolidated financial statements.

Bone Biologics Corporation

Condensed Consolidated Statements of Operations

	Three Months Ended June 30, 2026 (unaudited)	Three Months Ended June 30, 2025 (unaudited)	**Six Months Ended June 30, 2026** (unaudited)	Six Months Ended June 30, 2025 (unaudited)
Revenues	**$ -**	**$ -**	**$ -**	**$ -**
Operating expenses				
Research and development	**308,747**	191,608	**450,344**	615,186
General and administrative	**499,359**	556,467	**1,162,816**	1,171,377
Total operating expenses	**808,106**	748,075	**1,613,160**	1,786,563
Loss from operations	**(808,106)**	(748,075)	**(1,613,160)**	(1,786,563)
Other income (expense)				
Change in fair value of warrant liability	**(108)**	902	**157**	2,257
Interest income	**34,512**	6,654	**73,313**	26,695
Total other income	**34,404**	7,556	**73,470**	28,952
Net Loss	**$ (773,702)**	$ (740,519)	**$ (1,539,690)**	$ (1,757,611)
Weighted average shares outstanding – basic and diluted	**1,796,755**	557,787	**1,796,012**	544,277
Loss per share – basic and diluted	**$ (0.43)**	$ (1.33)	**$ (0.86)**	$ (3.23)

See accompanying notes to unaudited condensed consolidated financial statements.

Bone Biologics Corporation

Condensed Consolidated Statement of Stockholders' Equity
For the Six Months ended June 30, 2026
(unaudited)

	Common Stock		Additional Paid-in	Accumulated	Total Stockholders'
	Shares	Amount	Capital	Equity	Equity
Balance at December 31, 2025	1,795,260	$ 1,795	$ 93,506,122	$(88,130,369)	$ 5,377,548
Fair value of vested stock options	-	-	23,505	-	23,505
Options issued to settle accrued bonus	-	-	34,854	-	34,854
Net Loss	-	-	-	(765,988)	(765,988)
Balance at March 31, 2026	1,795,260	1,795	93,564,481	(88,896,357)	4,669,919
Fair value of vested stock options	-	-	8,253	-	8,253
Issuance of common shares from ATM, net of costs of $2,090	15,120	15	20,165	-	20,180
Net Loss	-	-	-	(773,702)	(773,702)
Balance at June 30, 2026	**1,810,380**	**$ 1,810**	**$ 93,592,899**	**$(89,670,059)**	**$ 3,924,650**

See accompanying notes to unaudited condensed consolidated financial statements.

Bone Biologics Corporation

Condensed Consolidated Statement of Stockholders' Equity
For the Six Months ended June 30, 2025
(unaudited)

	Common Stock		Additional Paid-in	Accumulated	Total Stockholders'
	Shares	Amount	Capital	Equity	Equity
Balance at December 31, 2024	492,417	$ 492	$ 88,504,543	$(85,021,378)	$ 3,483,657
Fair value of vested stock options	-	-	50,605	-	50,605
Options issued to settle accrued bonus	-	-	46,183	-	46,183
Issuance of common shares from ATM, net of costs of $13,029	52,843	53	347,496	-	347,549
Net Loss	-	-	-	(1,017,092)	(1,017,092)
Balance at March 31, 2025	545,260	545	88,948,827	(86,038,470)	2,910,902
Fair value of vested stock options	-	-	72,899	-	72,899
Proceeds from sale of common stock and warrants in public offering, net of offering costs of $647,208	793,750	794	4,351,998	-	4,352,792
Exercise of pre-funded warrants	346,250	346	(346)	-	-
Net Loss	-	-	-	(740,519)	(740,519)
Balance at June 30, 2025	**1,685,260**	**$ 1,685**	**$ 93,373,378**	**$(86,778,989)**	**$ 6,596,074**

See accompanying notes to unaudited condensed consolidated financial statements.

Bone Biologics Corporation

Condensed Consolidated Statements of Cash Flows

	Six months Ended June 30, 2026 (unaudited)	Six months Ended June 30, 2025 (unaudited)
Cash flows from operating activities		
Net loss	**$ (1,539,690)**	$ (1,757,611)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	**31,758**	123,504
Change in fair value of warrant liability	**(157)**	(2,257)
Changes in operating assets and liabilities:		
Advances on research and development contract services	**-**	49,087
Prepaid insurance	**106,682**	125,403
Interest receivable	**2,909**	-
Prepaid financing costs	**(52,666)**	-
Accounts payable and accrued expenses	**128,442**	76,870
Net cash used in operating activities	**(1,322,722)**	(1,385,004)
Cash flows from financing activities		
Proceeds from issuance of common shares from ATM, net of costs	**20,180**	347,549
Proceeds from sale of common stock and warrants in public offering, net of offering costs	**-**	4,352,792
Net cash provided by financing activities	**20,180**	4,700,341
Net increase (decrease) in cash	**(1,302,542)**	3,315,337
Cash, beginning of period	**5,334,322**	3,325,131
Cash, end of period	**$ 4,031,780**	$ 6,640,468
Supplemental information		
Income taxes paid	**$ -**	$ -
Noncash investing and financing activities		
Options issued to settle accrued bonus	**$ 34,854**	46,183

See accompanying notes to unaudited condensed consolidated financial statements.

1. The Company

Bone Biologics Corporation (the "Company") is a medical device company that is currently focused on bone regeneration in spinal fusion using the recombinant human protein known as NELL-1. NELL-1 in combination with DBM, demineralized bone matrix, is an osteopromotive recombinant protein that provides target specific control over bone regeneration. The NELL-1 technology platform has been licensed exclusively for worldwide applications to the Company through a technology transfer from the UCLA Technology Development Group on behalf of UC Regents ("UCLA TDG"). UCLA TDG and the Company received guidance from the U.S. Food and Drug Administration ("FDA") that NELL-1/DBM will be classified as a device/drug combination product that will require an FDA-approved pre-market approval ("PMA") application before it can be commercialized in the United States.

The production and marketing of the Company's products and its ongoing research and development activities are subject to extensive regulation by numerous governmental authorities in the United States. Prior to marketing in the United States, any combination product developed by the Company must undergo rigorous preclinical (animal) and clinical (human) testing and an extensive regulatory approval process implemented by the FDA under the Federal Food, Drug and Cosmetic Act. There can be no assurance that the Company will not encounter problems in clinical trials that will cause the Company or the FDA to delay or suspend clinical trials.

The Company's success will depend in part on its ability to obtain patents and product license rights, maintain trade secrets, and operate without infringing on the proprietary rights of others, both in the United States and other countries. There can be no assurance that patents issued to or licensed by the Company will not be challenged, invalidated, rendered unenforceable, or circumvented, or that the rights granted thereunder will provide proprietary protection or competitive advantages to the Company.

Going Concern and Liquidity

The Company has no significant operating history and since inception to June 30, 2026, has incurred accumulated losses of approximately $89.7 million. The Company will continue to incur significant expenses for development activities for their lead product NELL-1/DBM. Operating expenditures for the next twelve months are estimated at $6.2 million. The accompanying consolidated financial statements for the six months ended June 30, 2026 have been prepared assuming the Company will continue as a going concern. As reflected in the accompanying financial statements, the Company incurred a net loss of $1.5 million and used net cash in operating activities of $1.3 million during the six months ended June 30, 2026. These factors raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are issued. In addition, our independent registered public accounting firm, in their audit report to the financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025, expressed substantial doubt about the Company's ability to continue as a going concern. The consolidated financial statements do not include any adjustments related to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

At June 30, 2026, the Company had cash of $4.0 million. On July 7, 2026, the Company entered into a securities purchase agreement with an investor (the "July 2026 Private Placement"), and after deducting cash costs of $357,000, the Company received net proceeds of approximately $2.7 million from the offering.

Available cash including the July 2026 Private Placement is expected to fund the Company's operations into the second quarter of 2027.

The Company will continue to attempt to raise additional debt and/or equity financing to fund future operations and to provide additional working capital. However, there is no assurance that such financing will be consummated or obtained in sufficient amounts necessary to meet the Company's needs. If cash resources are insufficient to satisfy the Company's on-going cash requirements, the Company will be required to scale back or discontinue its product development programs, or obtain funds if available (although there can be no certainties) through strategic alliances that may require the Company to relinquish rights to its technology, or substantially reduce or discontinue its operations entirely. No assurance can be given that any future financing will be available or, if available, that it will be on terms that are satisfactory to the Company. Even if the Company is able to obtain additional financing, it may contain undue restrictions on the Company's operations, in the case of debt financing, or cause substantial dilution for its stockholders, in the case of equity financing.

Reverse Stock Split

On June 5, 2025, the Company filed an amendment to its amended and restated certificate of incorporation, as amended, with the Secretary of State of the State of Delaware to effect a 1-for-6 reverse stock split of its outstanding common stock and warrants. The amendment was authorized by the Company's stockholders on May 30, 2025, and was effective on June 10, 2025.

All share and per share amounts have been retro-actively restated as if the reverse stock split occurred at the beginning of the earliest period presented.

2. Summary of Significant Accounting Policies

Basis of Presentation

The interim condensed consolidated financial statements included herein reflect all material adjustments (consisting of normal recurring adjustments and reclassifications and non-recurring adjustments) which, in the opinion of management, are ordinary and necessary for a fair presentation of results for the interim periods. Certain information and footnote disclosures required under the accounting principles generally accepted in the United States of America ("GAAP") have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). The Company believes that the disclosures are adequate to make the information presented not misleading. The condensed consolidated balance sheet information as of December 31, 2025 was derived from the audited consolidated financial statements included in the Company's Annual Report on Form 10-K filed with the SEC on March 2, 2026 (the "2025 Annual Report"). These condensed consolidated financial statements should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2025 and notes thereto included in the 2025 Annual Report.

The results of operations for the six months ended June 30, 2026 are not necessarily indicative of the results to be expected for the entire fiscal year ended December 31, 2026 or for any other period.

Segment Information

The Company operates and reports in one segment, which focuses on bone regeneration in spinal fusion using the recombinant human protein known as NELL-1. The Company's operating segment is reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (the "CODM"), which is the Company's Chief Executive Officer and President (the "CEO").

The CODM uses consolidated net income (loss) as the sole measure of segment profit or loss. Significant segment expenses include research and development, salaries, insurance, and stock-based compensation. Operating expenses include all remaining costs necessary to operate our business, which primarily include external professional services and other administrative expenses (see Note 8).

Use of Estimates

The preparation of the accompanying 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 consolidated financial statements and reported amounts of expenses during the reporting period.

Significant estimates include the assumptions used in the accounting for potential liabilities, the valuation of the warrant liability, the valuation of debt and equity instruments, the valuation of stock options and warrants issued for services, and the realizability of the Company's deferred tax assets. Actual results could differ from those estimates.

Macroeconomic environment and geopolitical events

The Company is also subject to additional risks and uncertainties arising from changes to the macroeconomic environment and geopolitical events. U.S. and global financial markets have experienced volatility and disruption due to macroeconomic and geopolitical events such as the implementation of tariffs, inflation, the risk of a recession and ongoing conflicts in other countries. In addition, if equity and credit markets deteriorate, it may make any future debt or equity financing more difficult to obtain on favorable terms, and potentially more dilutive to existing stockholders. The Company cannot predict at this time to what extent it and its collaborators, employees, suppliers, contract manufacturers and/or vendors could potentially be negatively impacted by these events.

Cash

Cash primarily consists of bank demand deposits maintained by a major financial institution. At June 30, 2026, the Company holds $3.7 million in a flexible CD account at Bank of America. This CD has no set maturity date, and funds can be withdrawn any time without penalty.

The Company's policy is to maintain its cash balances with financial institutions with high credit ratings and in accounts insured by the Federal Deposit Insurance Corporation (the "FDIC") and/or by the Securities Investor Protection Corporation (the "SIPC"). The Company may periodically have cash balances in financial institutions in excess of the FDIC and SIPC insurance limits of $250,000 and $500,000, respectively. The Company has not experienced any losses to date resulting from this policy.

Research and Development Costs

Research and development costs include, but are not limited to, payroll and other personnel expenses, consultants, expenses incurred under agreements with contract research and manufacturing organizations and animal clinical investigative sites and the cost to manufacture clinical trial materials. Research and development costs are generally charged to operations ratably over the life of the underlying contracts, unless the achievement of milestones, the completion of contracted work, the termination of an agreement, or other information indicates that a different expensing schedule is more appropriate. However, payments for research and development costs that are contractually defined as non-refundable are charged to operations as incurred.

Payments made pursuant to contracts are initially recorded as advances on research and development contract services in the Company's consolidated balance sheet and are then charged to research and development costs in the Company's consolidated statement of operations as those contract services are performed. Expenses incurred under contracts in excess of amounts advanced are recorded as research and development contract liabilities in the Company's consolidated balance sheets, with a corresponding charge to research and development costs in the Company's consolidated statements of operations. The Company reviews the status of its various clinical trial and research and development contracts on a quarterly basis.

Fair Value of Financial Instruments

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The Company defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The fair value hierarchy is based on three levels of inputs that may be used to measure fair value, of which the first two are considered observable and the last is considered unobservable:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 assumptions: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities including liabilities resulting from embedded derivatives associated with certain warrants to purchase common stock.

The fair value of financial instruments measured on a recurring basis was as follows:

	As of June 30, 2026			
Description	**Total**	**Level 1**	**Level 2**	**Level 3**
Liabilities:				
Warrant liability	$ 546	—	—	$ 546
Total liabilities at fair value	$ 546	—	—	$ 438

The following table provides a roll-forward of the warrant liability measured at fair value on a recurring basis using unobservable level 3 inputs for the six month period ended June 30, 2026 as follows:

	June 30, 2026
Warrant liability	
Balance as of beginning of period – December 31, 2025	$ 703
Change in fair value	(157)
Balance as of June 30, 2026	$ 546

The Company believes the carrying amount of certain financial instruments, including cash and accounts payable approximate their values based on their short-term nature and are excluded from the fair value tables above.

Stock Based Compensation

Accounting Standards Codification ("ASC") 718, *Compensation – Stock Compensation*, prescribes accounting and reporting standards for all share-based payment transactions to employees and non-employees. Transactions include incurring liabilities, or issuing or offering to issue shares, options, and other equity instruments such as employee stock ownership plans and stock appreciation rights. Share-based payments to employees, including grants of employee stock options, are recognized as compensation expense in the consolidated financial statements based on their fair values. That expense is recognized over the period during which an employee is required to provide services in exchange for the award, known as the requisite service period (usually the vesting period). Recognition of compensation expense for non-employees is in the same period and manner as if the Company had paid cash for the services.

Warrants

The Company accounts for warrants as either equity-classified or liability-classified instruments based on an assessment of the warrant's specific terms and applicable authoritative guidance in ASC 480, *Distinguishing Liabilities from Equity* ("ASC 480"), and ASC 815, *Derivatives and Hedging* ("ASC 815"). 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 of the requirements for equity classification under ASC 815, including whether the warrants are indexed to the Company's own common stock and whether the warrant holders could potentially require "net cash settlement" in a circumstance outside of the Company's control, among other conditions for equity classification. For issued or modified warrants that meet all of the criteria for equity classification, the warrants are required to be recorded as a component of additional paid-in capital at the time of issuance. For issued or modified warrants that do not meet all of the criteria for equity classification, the warrants are required to be liability classified and recorded at their initial fair value on the date of issuance and remeasured at fair value at each balance sheet date thereafter. Changes in the estimated fair value of the warrants that are liability classified are recognized as a non-cash gain or loss in the statement of operations at each balance sheet date.

Net Loss per Common Share

Basic loss per share is computed by dividing the loss available to common shareholders by the weighted-average number of common shares outstanding during the period. Diluted loss per share is computed similar to basic loss per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. Diluted loss per common share reflects the potential dilution that could occur if options and warrants were to be exercised or converted or otherwise resulted in the issuance of common stock that then shared in the earnings of the entity.

Since the effects of outstanding options and warrants are anti-dilutive for the six months ended June 30, 2026 and 2025, shares of common stock underlying these instruments have been excluded from the computation of loss per common share.

The following sets forth the number of shares of common stock underlying outstanding options and warrants as of June 30, 2026 and 2025:

	June 30,	
	2026	**2025**
Warrants	2,753,827	2,994,037
Stock options	106,479	87,856
	2,860,306	3,081,893

New Accounting Standards

In November 2024, the Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update ("ASU") 2024-03 "Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses." This ASU requires public business entities to disclose, for interim and annual reporting periods, additional information about certain income statement expense categories. The requirements are effective for fiscal years beginning after December 15, 2026, and for interim periods beginning after December 15, 2027. Entities are permitted to apply either the prospective or retrospective transition methods. The Company is in the process of evaluating the adoption of this ASU to determine its impact on the Company's disclosures.

In November 2024, the FASB issued ASU 2024-04 "Debt with Conversion and Other Options (Subtopic 470-20)". This ASU clarifies the requirements related to accounting for the settlement of a debt instrument as an induced conversion. An induced conversion is when a company induces debt holders to convert their debt into equity shares under changed terms and involved additional consideration. The amendments in this ASU are effective for all entities for annual reporting periods beginning January 1, 2026, and interim reporting periods within those annual reporting periods. The adoption of this ASU has not had a material effect on the Company's financial position, results of operations or cash flows.

In December 2025, the FASB issued ASU No. 2025-11, Interim Reporting (Topic 270): Narrow-Scope Improvements, which includes amendments to clarify interim reporting requirements and applicability of Topic 270 and codifies a principle requiring disclosure of material events and changes since the most recent annual reporting period. This guidance is effective for the Company for interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. The Company is in the process of evaluating the impact of adoption of this ASU on its Condensed Consolidated Financial Statements.

The Company's management has evaluated all other recently issued, but not yet effective, accounting standards and guidance that have been issued or proposed by the FASB or other standards-setting bodies through the filing date of these financial statements and does not believe the future adoption of any such pronouncements will have a material effect on the Company's financial position and results of operations.

3. Research and Development

The Company has developed a stand-alone platform technology through significant laboratory and small and large animal research over more than ten years to generate the current applications across broad fields of use, including the completion of two preclinical sheep studies that demonstrated our recombinant NELL-1 ("rhNELL-1") growth factor effectively promotes bone formation in a phylogenetically advanced spine model.

During 2024, the Company announced the treatment of the first subjects in the multicenter, prospective, randomized pilot clinical study of our NB1 bone graft device. NB1 is NELL-1 protein combined with demineralized bone matrix (DBM) to provide rapid, specific and guided control over bone regeneration.

The pilot clinical study will evaluate the safety and effectiveness, fusion success, pain, function improvement and adverse events of NB1 in up to 30 adult subjects who undergo transforaminal lumbar interbody fusion to treat degenerative disc disease. To be enrolled in the study, subjects must have DDD at one level from L2-S1 and may also have up to Grade 1 spondylolisthesis or Grade 1 retrolisthesis at the involved level. The study is being conducted in Australia. The study design was previously reviewed and agreed upon by the FDA's Division of Orthopedic Devices in a Pre-submission to support progression to a pivotal clinical trial in the United States.

The Company has entered into various agreements with Contract Manufacturing Organizations ("CMOs"), Contract Research Organizations and other third parties related to our pilot clinical study. For the six-month periods ended June 30, 2026 and 2025, research and development expenses were principally attributable to clinical trials conducted for the Company's lead product candidate. At June 30, 2026, the estimated remaining commitment under these agreements is approximately $201,199.

Research and development costs are summarized below based on the respective geographical regions where such costs are incurred.

	Six Months Ended June 30,	
	2026	**2025**
United States	$ 273,504	$ 416,259
Australia	165,823	198,927
Singapore	11,017	-
Total	$ 450,344	$ 615,186

4. Warrant Liability

In October 2022, the Company issued warrants in connection with a public offering. Certain provisions of the warrants require liability classification under ASC 815. The warrants are remeasured at fair value using a Black-Scholes valuation model at each reporting date, with changes in fair value recognized in earnings.

The fair value of the warrant liability was $546 and $703 as of June 30, 2026 and December 31, 2025, respectively.

5. Stockholders' Equity

Preferred Stock

The Company's amended and restated certificate of incorporation authorizes the Company to issue a total of 20,000,000 shares of preferred stock. No shares have been issued.

Common Stock

The Company's amended and restated certificate of incorporation authorizes the Company to issue a total of 100,000,000 shares of common stock. As of June 30, 2026 and December 31, 2025, the Company had an aggregate of 1,810,380 and 1,795,260 shares of common stock outstanding, respectively.

At the Market (ATM) Offering Program

In September 2024, the Company entered into an At The Market Offering Agreement (the "ATM Agreement") with H.C. Wainwright & Co., LLC ("Wainwright"). Under the ATM Agreement, the Company may, from time to time, in its sole discretion, issue and sell through Wainwright up to $1,143,121 of shares of its common stock. In December 2024, the Company filed a prospectus supplement and increased the aggregate offering that can be sold under the ATM Agreement by $535,000. In March 2026, the Company filed an additional prospectus supplement and increased the aggregate offering that can be sold under the ATM Agreement to $1,064,000 (the "ATM Facility").

Pursuant to the ATM Agreement, the Company may sell the shares by any method permitted that is deemed an "at the market" offering as defined in Rule 415 under the Securities Act. The Company will pay Wainwright a commission of 3.0% of the gross sales price per share sold under the ATM Agreement.

During the three months ended June 30, 2026, the Company sold 15,120 shares of common stock through the ATM Facility for net proceeds of $20,180, after deducting $2,090 in offering costs. The Company did not sell any shares of common stock through the ATM Facility during the three months ended March 31, 2026.

The Company did not sell any shares of common stock through the ATM facility during the three months ended June 30, 2025. During the three months ended March 31, 2025, the Company sold 52,843 shares of common stock through the ATM Facility for net proceeds of $347,549, after deducting $13,029 in offering costs.

June 2025 Public Offering

On June 27, 2025, the Company issued investors 793,750 shares of its common stock and pre-funded warrants to purchase 456,250 shares of common stock for $4.00 per share (the shares of common stock had a public offering price of $4.00 per share. The pre-funded warrants had a public offering price of $3.999 per share, and the Company also received at closing the pre-funded warrants exercise price of $0.001 per share). In addition, the Company issued investors Series D warrants to purchase 1,250,000 shares of its common stock (exercise price of $4.00 per share), expiring on June 30, 2030, and Series E warrants to purchase 1,250,000 shares of common stock (exercise price of $4.00 per share), expiring on December 30, 2026. The net proceeds received from the sale of common stock, pre-funded warrants and warrants, net of cash costs of $647,208, was $4,352,792.

In June 2025, 346,250 shares of common stock were issued upon the exercise of 346,250 pre-funded warrants.

In addition, warrants to purchase 75,000 shares of common stock were issued to the placement agent. The placement agent warrants have an exercise price of $5.00 per share and were exercisable immediately upon issuance for a term of five years.

6. Common Stock Warrants

A summary of warrant activity for the six months ended June 30, 2026 is presented below:

Subject to Exercise	Number of Warrants	Weighted Average Exercise Price	Weighted Average Life (Years)
Outstanding as of December 31, 2025	2,884,037	$ 13.59	2.63
Issued – 2026	-	-	-
Forfeited/Expired – 2026	(130,210)	12.00	-
Exercised – 2026	-	-	-
Outstanding as of June 30, 2026	**2,753,827**	**$ 13.66**	**2.25**

As of June 30, 2026, the Company had outstanding exercisable, but unexercised common stock warrants as follows:

Date Issued	Exercise Price	Number of Warrants	Expiration date
October 2021	$ 9,072.00	1,279	October 13, 2026
October 2022	$ 2,332.80	3,010	October 12, 2027
October 2022	$ 1,944.00	3,142	October 12, 2027
October 2022	$ 0.00	399	October 12, 2027
November 2023	$ 24.96	23,732	May 21, 2029
November 2023	$ 38.40	1,427	May 21, 2029
March 2024	$ 19.20	7,814	March 6, 2029
August 2024	$ 12.00	130,210	August 2, 2029
August 2024	$ 20.10	7,814	August 2, 2029
June 2025	$ 4.00	1,250,000	December 30, 2026
June 2025	$ 4.00	1,250,000	June 30, 2030
June 2025	$ 5.00	75,000	June 27, 2030
Total outstanding warrants at June 30, 2026		**2,753,827**	

Based on a fair market value of $1.37 per share on June 30, 2026, there were 399 exercisable but unexercised in-the-money common stock warrants on that date. Accordingly, the intrinsic value attributed to exercisable but unexercised common stock warrants at June 30, 2026 was $547.

7. Stock-based Compensation

2015 Equity Incentive Plan

The Company has 5,104,915 shares of common stock authorized and reserved for issuance under its 2015 Equity Incentive Plan, as amended (the "2015 Plan"). The reserve may be increased annually by the Board of Directors up to 5% of the Company's outstanding common stock as of the immediately preceding December 31. The 2015 Plan also provides for customary anti-dilution adjustments in the event of stock splits or other changes in the Company's capital structure.

Shares subject to awards that expire, are forfeited, canceled or repurchased become available for future grant under the 2015 Plan. However, shares withheld for tax withholding purposes and the gross number of shares issued upon the exercise of stock appreciation rights or options through net exercise or tender of previously owned shares are not returned to the share reserve.

The 2015 Plan permits the grant of incentive stock options to employees and non-statutory stock options, stock appreciation rights, restricted stock, restricted stock units, performance awards, cash-based awards and other stock-based awards to employees, directors, consultants and certain affiliated service providers. The 2015 Plan is administered by the Compensation Committee of the Board of Directors, which has the authority to determine award recipients and the terms and conditions of awards, subject to the provisions of the plan.

A summary of stock option activity for the six months ended June 30, 2026 is presented below:

Subject to Exercise	Number of Options	Weighted Average Exercise Price	Weighted Average Life (Years)	Aggregate Intrinsic Value
Outstanding as of December 31, 2025	87,777	$ 53.62	6.97	$ -
Granted – 2026	25,003	1.55	10.00	-
Forfeited/Expired – 2026	(6,301)	483.22	-	-
Exercised – 2026	-	-	-	-
Outstanding as of June 30, 2026	**106,479**	**$ 15.17**	**7.60**	**$ -**
Options vested and exercisable at June 30, 2026	**106,479**	**$ 15.17**	**7.60**	**$ -**

As of June 30, 2026, the Company had outstanding stock options as follows:

Date Issued	Exercise Price	Number of Options	Expiration date
January 2017	$ 73,800.00	2	January 1, 2027
January 2018	$ 70,920.00	2	January 1, 2028
January 2019	$ 3,384.00	15	January 1, 2029
October 2021	$ 7,560.00	35	October 26, 2031
January 2022	$ 5,068.80	21	January 1, 2032
August 2022	$ 2,323.58	78	August 23, 2032
September 2023	$ 30.72	4,468	September 12, 2033
January 2024	$ 28.08	1,337	January 8, 2034
September 2024	$ 10.38	15,357	September 17, 2034
October 2024	$ 11.28	4,700	October 16, 2034
January 2025	$ 5.82	13,529	January 15, 2027
June 2025	$ 5.28	41,932	June 5, 2035
January 2026	$ 1.55	25,003	January 8, 2036
Total outstanding options at June 30, 2026		**106,479**	

Based on a fair value of $1.37 per share on June 30, 2026, there were no exercisable but unexercised in-the-money common stock options on that date.

During the six months ended June 30, 2026 and 2025, the Company had stock-based compensation expense of $31,758 and $123,504, respectively, related to the vesting of stock options granted to the Company's employees and directors and included in our reported net loss. Vesting of options differs based on the terms of each option. In addition, during the six months ended June 30, 2026 and 2025, options exercisable into 25,003 and 13,529, shares of common stock respectively, were issued to employees in settlement of previously accrued bonuses of $34,854 and $46,183, respectively. During the six months ended June 30, 2026, options exercisable into 6,301 shares of common stock expired.

The Company utilized the Black-Scholes option-pricing model. The assumptions used for the six months ended June 30, 2026 are as follows:

	June 30, 2026
Risk free interest rate	4.19%
Expected Volatility	136.42%
Expected life (in years)	5
Expected dividend yield	0%

The expected volatility is a measure of the amount by which the Company stock price is expected to fluctuate during the expected term of options granted. The Company determines the expected volatility based upon the historical volatility of our common stock since listing on the Nasdaq Capital Market. The Company does not believe that the future volatility of its common stock over an option's expected term is likely to differ significantly from the past. The risk-free interest rate used in the calculations is based on the implied yield available on U.S. Treasury issues with an equivalent term approximating the expected life of the options as calculated using the simplified method. The expected life of the options used was based on the contractual life of the option granted. Stock-based compensation is a non-cash expense because the Company settles these obligations by issuing shares of its common stock from its authorized shares instead of settling such obligations with cash payments.

8. Segment information

The CODM has been identified as the CEO. The Company's CODM evaluates performance and makes operating decisions about allocating resources based on financial data presented on a consolidated basis. Because the CODM evaluates financial performance on a consolidated basis, the Company has determined that it has a single operating segment composed of the consolidated financial results of Bone Biologics Corporation.

Significant segment expenses include research and development, salaries, insurance, and stock-based compensation. Operating expenses include all remaining costs necessary to operate our business, which primarily include external professional services and other administrative expenses. The following table presents the significant segment expenses and other segment items regularly reviewed by our CODM:

	Six months ended June 30,	
	2026	**2025**
Revenue	$ -	$ -
Less:		
Research and development	450,344	615,186
Salaries	250,000	250,000
Insurance	132,333	143,193
Stock-based compensation	31,758	123,504
Operating expenses	748,568	652,423
Interest income	(73,313)	(26,695)
Net loss	$ (1,539,690)	$ (1,757,611)

9. Commitments and Contingencies

UCLA TDG Exclusive License Agreement

Effective April 9, 2019, the Company entered into an Amended and Restated Exclusive License Agreement (the "License Agreement") with the University of California, Los Angeles Technology Development Group ("UCLA TDG"), which amended and restated the parties' prior license agreement. Under the License Agreement, UCLA TDG granted the Company exclusive rights to develop and commercialize NELL-1 technology for spinal fusion, osteoporosis and trauma applications.

The Company is required to pay UCLA TDG an annual maintenance fee of $10,000, quarterly royalties equal to 3.0% of net sales of licensed products or methods, and minimum annual royalties ranging from $50,000 to $250,000 following the first commercial sale. Royalty obligations may be reduced for certain third-party royalty payments, and the Company is required to share a percentage of sublicense income with UCLA TDG.

The License Agreement also requires milestone payments of $100,000 upon enrollment of the first subject in a feasibility study, $250,000 upon enrollment of the first subject in a pivotal study, $500,000 upon regulatory approval of a licensed product or method, and $1,000,000 upon the first commercial sale. During 2024, the Company initiated its feasibility study for the NB1 bone graft device, triggering the initial $100,000 milestone payment.

In addition, the Company is obligated to pay aggregate diligence fees of up to $8.0 million based on specified cumulative net sales thresholds following the first commercial sale. The License Agreement also provides for a payment upon certain liquidity events equal to the greater of $500,000 or 2% of the related transaction proceeds.

The Company is required to use commercially reasonable efforts to develop and commercialize licensed products, reimburse UCLA TDG for patent-related costs, and indemnify UCLA TDG against certain third-party claims. UCLA TDG may terminate or convert the license to a non-exclusive license if specified diligence requirements are not met.

Payments to UCLA TDG under the Amended License Agreement for the six months ended June 30, 2026 and 2025 were $16,080 and $17,292, respectively.

Contingencies

The Company is subject to claims and assessments from time to time in the ordinary course of business. The Company's management does not believe that any such matters, individually or in the aggregate, will have a material adverse effect on the Company's business, financial condition, results of operations or cash flows.

10. Subsequent Events

July 2026 Private Placement

On July 7, 2026, the Company entered into a securities purchase agreement with an investor pursuant to which it issued 2,112,677 pre-funded warrants, 2,112,677 Series F warrants, and 2,112,677 Series G warrants. Each pre-funded warrant was sold together with one Series F warrant and one Series G warrant as a single unit for a combined purchase price of $1.419 per unit. The pre-funded warrants have an exercise price of $0.001 per share, while the Series F and Series G warrants each have an exercise price of $1.42 per share. After deducting offering costs of approximately $357,000, the Company received net proceeds of approximately $2.7 million. Through August 14, 2026, a total of 945,677 pre-funded warrants were exercised for proceeds of $945.

In addition, warrants to purchase 126,761 shares of common stock were issued to the placement agent. The placement agent warrants have an exercise price of $1.775 per share and were exercisable immediately upon issuance for a term of five years.

Item 2. Management's Discussion and Analysis.

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the condensed consolidated financial statements and the notes thereto included elsewhere in this Quarterly Report on Form 10-Q and audited consolidated financial statements for the years ended December 31, 2025 and 2024 and the related notes included in our Annual Report on Form 10-K filed for the fiscal year ended December 31, 2025, with the SEC on March 2, 2026. This discussion contains forward-looking statements reflecting our current expectations that involve risks and uncertainties. See "Note On Forward-Looking Statements" for a discussion of the uncertainties, risks and assumptions associated with these statements. Actual results and the timing of events could differ materially from those discussed in our forward-looking statements as a result of many factors.

Company Overview

We are a medical device company that is currently focused on bone regeneration in spinal fusion using the recombinant human protein known as NELL-1. NELL-1 in combination with DBM, demineralized bone matrix, is an osteopromotive recombinant protein that provides target specific control over bone regeneration. The NELL-1 technology platform has been licensed exclusively for worldwide applications to us through a technology transfer from UCLA TDG. UCLA TDG and the Company received guidance from the FDA that NELL-1/DBM will be classified as a device/drug combination product that will require an FDA-approved PMA before it can be commercialized in the United States.

We were founded by University of California professors in collaboration with an Osaka University professor and a University of Southern California surgeon in 2004 as a privately-held company with proprietary, patented platform technology. Our platform technology has been validated in sheep and non-human primate models to facilitate bone growth. We believe our platform technology has application in delivering improved outcomes in the surgical specialties of spinal, orthopedic, general orthopedic, plastic reconstruction, neurosurgery, interventional radiology, and sports medicine. Lead product development and clinical studies are targeted on spinal fusion surgery, one of the larger segments in the orthopedic market.

We are a clinical-stage entity. The production and marketing of our products and ongoing research and development activities are subject to extensive regulation by numerous governmental authorities in the United States. Prior to marketing in the United States, any combination product developed by us must undergo rigorous preclinical (animal) and clinical (human) testing and an extensive regulatory approval process implemented by the FDA under the Federal Food, Drug, and Cosmetic Act. There can be no assurance that we will not encounter problems in clinical trials that will cause us or the FDA to delay or suspend clinical trials.

Our success will depend in part on our ability to obtain and retain patents and product license rights, maintain trade secrets, and operate without infringing on the proprietary rights of others, both in the United States and other countries. In the second quarter of 2025, we submitted a patent application with the United States Patent and Trademark Office ("USPTO") regarding proprietary compositions of rhNELL-1 polypeptide for treating bone conditions There can be no assurance that the USPTO will approve our patent application or that the patents issued to or licensed by us will not be challenged, invalidated, rendered unenforceable, or circumvented, or that the rights granted thereunder will provide proprietary protection or competitive advantages to us.

During 2024, we announced the treatment of the first subjects in the multicenter, prospective, randomized pilot clinical study of our NB1 bone graft device. NB1 is NELL-1 protein combined with demineralized bone matrix (DBM) to provide rapid, specific and guided control over bone regeneration.

The pilot clinical study will evaluate the safety and effectiveness, fusion success, pain, function improvement and adverse events of NB1 in up to 30 adult subjects who undergo transforaminal lumbar interbody fusion to treat degenerative disc disease (DDD). To be enrolled in the study, subjects must have DDD at one level from L2-S1 and may also have up to Grade 1 spondylolisthesis or Grade 1 retrolisthesis at the involved level. The study is being conducted in Australia. The study design was previously reviewed and agreed upon by the FDA's Division of Orthopedic Devices in a Pre-submission to support progression to a pivotal clinical trial in the United States.

July 2026 Private Placement

On July 9, 2026, we issued an investor pre-funded warrants to purchase 2,112,677 shares of common stock, together with Series F Warrants (the "Series F Warrants") to purchase 2,112,677 shares of common stock and Series G Warrants (the "Series G Warrants," and together with the Series F Warrants, the "Warrants") to purchase 2,112,677 shares of common stock at a combined purchase price of $1.419 per pre-funded warrant and accompanying Series F Warrants and Series G Warrants, for net proceeds of approximately $2.7 million.

In addition, we issued the placement agent, or its designees, placement agent warrants to purchase 126,761 shares of common stock as compensation in connection with the private placement. Except for the exercise price, the placement agent warrants have substantially the same terms as the Series F Warrants.

The pre-funded warrants are immediately exercisable at an exercise price of $0.001 per share and remain outstanding until exercised in full. The Warrants, and placement agent warrants are exercisable commencing on the on the effective date of stockholder approval of the issuance of the shares of common stock issuable upon exercise of the Warrants (the "Stockholder Approval Date") at an exercise price of $1.42, $1.42, and $1.775 per share, respectively. The Series F Warrants and placement agent warrants expire on the fifth anniversary of the Stockholder Approval Date. The Series G Warrants expire on the eighteen-month anniversary of the Stockholder Approval Date.

In addition to the placement agent warrants, the placement agent received compensation consisting of cash fee equal to 7.0% and a management fee equal to 1.0% of the aggregate gross proceeds from the private placement. We also reimbursed the placement agent for non-accountable expenses in an amount of $35,000, and its legal fees and expenses and other out-of-pocket expenses in the amount of $50,000.

ATM Offering

In September 2024, we entered into the ATM Agreement with Wainwright. Under the ATM Agreement, we may, from time to time, in our sole discretion, issue and sell through Wainwright up to $1,143,121 of shares of its common stock. In December 2024, we filed a prospectus supplement and increased the aggregate offering that can be sold under the ATM Agreement by $535,000. In March 2026, we filed an additional prospectus supplement and increased the aggregate offering that can be sold under the ATM Facility to $1,064,000.

Pursuant to the ATM Agreement, we may sell the shares by any method permitted that is deemed an "at the market" offering as defined in Rule 415 under the Securities Act. We will pay Wainwright a commission of 3.0% of the gross sales price per share sold under the ATM Agreement.

During the three months ended June 30, 2026, the Company sold 15,120 shares of common stock through the ATM Facility for net proceeds of $20,180, after deducting $2,090 in offering costs.

Results of Operations

Since our inception, we devoted substantially all of our efforts and funding to the development of the NELL-1 protein and raising capital. We have not yet generated revenues from our planned operations.

Three months ended June 30, 2026 compared to the Three months ended June 30, 2025

	Three-months ended June 30, 2026	Three -months ended June 30, 2025	% Change
Operating expenses			
Research and development	**$ 308,747**	$ 191,608	61.13%
General and administrative	**499,359**	556,467	(10.26)%
Total operating expenses	**808,106**	748,075	8.02%
Loss from operations	**(808,106)**	(748,075)	8.02%
Change in fair value of warrant liability	**(108)**	902	(111.97)%

Interest income	**34,512**	6,654	418.67%
Net loss	**$ (773,702)**	$ (740,519)	4.48%

Research and Development

Our research and development expenditures increased from $191,608 for the three months ended June 30, 2025, to $308,747 for the same period in 2026, marking an increase of $117,139. The increase in costs can be attributed to our development activities to extend the shelf-life of our protein. We anticipate continued substantial investment in development activities for NELL-1 as we prepare for our pivotal clinical study in the future.

General and Administrative

Our general and administrative expenses decreased by $57,108, from $556,467 for the three months ended June 30, 2025, to $499,359 for the same period in 2026.

Change in fair value of warrant liability

In October 2022, we completed a public equity offering, which included the issuance of 9,029 warrants to purchase shares of common stock that expire in October 2027. The warrants provide for a Black Scholes value calculation in the event of certain fundamental transactions, which includes a floor on volatility utilized in the value calculation at 100% or greater. We have determined that this provision introduces leverage to the holders of the warrants that could result in a value that would be greater than the settlement amount of a fixed-for-fixed option on the Company's own equity shares. Accordingly, pursuant to ASC 815, we have classified the fair value of the warrants as a liability to be re-measured at the end of every reporting period with the change in value reported in the statement of operations.

The change in fair value of warrant liability represents the re-measurement of the outstanding warrants at June 30, 2026.

Six months ended June 30, 2026 compared to the Six months ended June 30, 2025

	Six-months ended June 30, 2026	Six-months ended June 30, 2025	% Change
Operating expenses			
Research and development	**$ 450,344**	$ 615,186	(26.80)%
General and administrative	**1,162,816**	1,171,377	(0.73)%
Total operating expenses	**1,613,160**	1,786,563	(9.71)%
Loss from operations	**(1,613,160)**	(1,786,563)	(9.71)%
Change in fair value of warrant liability	**157**	2,257	(93.04)%
Interest income	**73,313**	26,695	174.63%
Net loss	**$ (1,539,690)**	$ (1,757,611)	(12.40)%

Research and Development

Our research and development expenditures decreased from $615,186 for the six months ended June 30, 2025, to $450,344 for the same period in 2026, marking a decrease of $164,842. The decrease in costs can be attributed to timing of our clinical trial. We anticipate continued substantial investment in development activities for NELL-1 as we prepare for our pivotal clinical study in the future.

General and Administrative

Our general and administrative expenses decreased by $8,561, from $1,171,377 for the six months ended June 30, 2025, to $1,162,816 for the same period in 2026.

Change in fair value of warrant liability

In October 2022, we completed a public equity offering, which included the issuance of 9,029 warrants to purchase shares of common stock that expire in October 2027. The warrants provide for a Black Scholes value calculation in the event of certain fundamental transactions, which includes a floor on volatility utilized in the value calculation at 100% or greater. We have determined that this provision introduces leverage to the holders of the warrants that could result in a value that would be greater than the settlement amount of a fixed-for-fixed option on the Company's own equity shares. Accordingly, pursuant to ASC 815, we have classified the fair value of the warrants as a liability to be re-measured at the end of every reporting period with the change in value reported in the statement of operations.

The change in fair value of warrant liability represents the re-measurement of the outstanding warrants at June 30, 2026.

Liquidity and Capital Resources

Going Concern and Liquidity

We have no significant operating history and since inception to June 30, 2026 have incurred accumulated losses of approximately $89.7 million. We will continue to incur significant expenses for development activities for our lead product NELL-1/DBM. Operating expenditures for the next twelve months are estimated at $6.2 million. The accompanying consolidated financial statements for the six months ended June 30, 2026 have been prepared assuming we will continue as a going concern. As reflected in the financial statements, we incurred a net loss of $1.5 million and used net cash in operating activities of $1.3 million during the six months ended June 30, 2026. These factors raise substantial doubt about our ability to continue as a going concern within a reasonable period of time, which is considered to be one year after the date that the financial statements are issued. In addition, our independent registered public accounting firm, in their report on the Company's audited financial statements for the year ended December 31, 2025, expressed substantial doubt about our ability to continue as a going concern. The consolidated financial statements do not include any adjustments related to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

We will continue to attempt to raise additional debt and/or equity financing to fund future operations and to provide additional working capital. However, there is no assurance that such financing will be consummated or obtained in sufficient amounts necessary to meet our needs. If cash resources are insufficient to satisfy our on-going cash requirements, we will be required to scale back or discontinue our product development programs, or obtain funds if available (although there can be no certainties) through strategic alliances that may require us to relinquish rights to our technology or substantially reduce or discontinue our operations entirely. No assurance can be given that any future financing will be available or, if available, that it will be on terms that are satisfactory to us. Even if we are able to obtain additional financing, it may contain undue restrictions on our operations, in the case of debt financing, or cause substantial dilution for our stockholders, in the case of equity financing.

At June 30, 2026 and December 31, 2025, we had cash of $4,031,780 and $5,334,322, respectively. On July 7, 2026, the Company entered the July 2026 Private Placement and after deducting cash costs of $357,000, the Company received net proceeds of approximately $2.7 million from the offering.

Available cash including the July 2026 Private Placement is expected to fund the Company's operations into the second quarter of 2027.

Cash Flows

Operating activities

For the six months ended June 30, 2026 and 2025, cash used in operating activities totaled $1,322,722 and $1,385,004, respectively.

Financing activities

During the six months ended June 30, 2026, cash provided by financing activities was $20,180 from the net proceeds of the ATM Facility compared to $4,700,341 during the six months ended June 30, 2025. During the six months ended June 30, 2025, cash provided by financing activities was from the net proceeds of the ATM Facility, the net proceeds of a public offering completed in June 2025 and the exercise of pre-funded warrants.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the Company's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

Critical Accounting Policies and Use of Estimates

See our most recent Annual Report on Form 10-K for the fiscal year ended December 31, 2025 for a discussion of our critical accounting policies and use of estimates. There have been no material changes to our critical accounting policies and use of estimates discussed in such report.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Not applicable.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our Chief Financial Officer and Chief Executive Officer, we evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of June 30, 2026. Based upon that evaluation, our Chief Financial Officer and Chief Executive Officer concluded that as of June 30, 2026, our disclosure controls and procedures were effective.

Changes in Internal Controls

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(d) and 15d-15(d) under the Exchange Act) that occurred during the quarter ended June 30, 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.

In the normal course of our business, we may periodically become subject to various lawsuits. We are not presently a party to any legal proceedings that, if determined adversely to us, would individually or taken together have a material adverse effect on our business, results of operations, financial condition or cash flows. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

Item 1A. Risk Factors.

For a discussion of the Company's potential risks or uncertainties, please see "Part I—Item 1A—Risk Factors" and "Part II—Item 7—Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC, and "Part I—Item 2—Management's Discussion and Analysis of Financial Condition and Results of Operations" herein. There have been no material changes from the risk factors as previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2025 except as noted herein.

There can be no assurance that our shares will continue to be listed on the Nasdaq Capital Market ("Nasdaq"), which would affect our common stock's liquidity and reduce our ability to raise capital.

On July 22, 2026, the SEC approved a new continued listing requirement codified as Nasdaq Listing Rule 5550(a)(6) that requires companies to maintain a market value of listed securities of at least $5 million (the "MVLS Requirement"). On July 29, 2026, the SEC provided notice that the order approving the MVLS Requirement was stayed pending a petition for review of the action. As of the date hereof, we are not in compliance with the MVLS Requirement if it were to come into effect. Under Nasdaq Listing Rule 5810(c)(1), if the MVLS Requirement comes into effect and we fail to meet the MVLS Requirement for 30 consecutive business days, our securities will be suspended and immediately delisted from the Nasdaq Capital Market, even if we are appealing a delisting determination to a Nasdaq Listing Qualifications Panel (the "Panel"), and the Panel will have limited discretion to reverse the delisting determination if it was issued in error or grant an exception for up to 180 days for us to demonstrate compliance with all requirements for initial listing on Nasdaq.

If the MVLS Requirement comes into effect, we cannot assure you that we will be able to regain compliance with the MVLS Requirement and maintain compliance with Nasdaq's other continued listing standards. Accordingly, our common stock and certain warrants could be delisted from Nasdaq. We and holders of our securities could be materially adversely impacted if our securities are delisted from Nasdaq. In particular:

- we may be unable to raise equity capital on acceptable terms or at all;
- we may lose the confidence of our business partners, which would jeopardize our ability to continue our business as currently conducted;
- the price of our common stock will likely decrease as a result of the loss of market efficiencies associated with Nasdaq and the loss of federal preemption of state securities laws;
- holders may be unable to sell or purchase our securities when they wish to do so;
- we may become subject to stockholder litigation;
- we may lose the interest of institutional investors in our common stock;
- we may lose media and analyst coverage;
- our common stock could be considered a "penny stock," which would likely limit the level of trading activity in the secondary market for our common stock; and
- we would likely lose any active trading market for our common stock, as it may only be traded on one of the over-the-counter markets, if at all.

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

None

Item 3. Defaults Upon Senior Securities.

None

Item 4. Mine Safety Disclosures.

Not Applicable

Item 5. Other Information.

Insider Trading Arrangements

During the three months ended June 30, 2026, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits.

(a) Exhibits required by Item 601 of Regulation S-K.

Exhibit Number	Exhibit Title	Incorporated by reference (unless otherwise indicated)			
		Form	File	Exhibit	Filing date
4.1	Form of Series F Warrant dated July 9, 2026	8-K	001-40899	4.1	July 9, 2026
4.2	Form of Series G Warrant dated July 9, 2026	8-K	001-40899	4.2	July 9, 2026
4.3	Form of Pre-Funded Warrant dated July 9, 2026	8-K	001-40899	4.3	July 9, 2026
4.4	Form of Placement Agent Warrant dated July 9, 2026	8-K	001-40899	4.4	July 9, 2026
10.1	Form of Securities Purchase Agreement dated July 7, 2026	8-K	001-40899	10.1	July 9, 2026
10.2	Form of Registration Rights Agreement dated July 7, 2026	8-K	001-40899	10.2	July 9, 2026
31.1*	Certification of the Company's Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, with respect to the registrant's Report on Form 10-Q for the quarter ended June 30, 2026.	—	—	—	—
31.2*	Certification of the Company's Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, with respect to the registrant's Report on Form 10-Q for the quarter ended June 30, 2026.	—	—	—	—
32.1**	Certification of the Company's Principal 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 the Company's Principal 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 (embedded within the Inline XBRL document)				

* 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.

BONE BIOLOGICS CORPORATION

Dated: August 14, 2026

By: */s/ Jeffrey Frelick*
Name: Jeffrey Frelick
Title: Chief Executive Officer
(on behalf of the registrant and as principal executive officer)

Exhibit 31.1

Certification of Principal Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
and Securities and Exchange Commission Release 34-46427

I, Jeffrey Frelick, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Bone Biologics Corporation;

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(s) 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(s) 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: August 14, 2026

/s/ Jeffrey Frelick
Jeffrey Frelick
Principal Executive Officer

Exhibit 31.2

Certification of Principal Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
and Securities and Exchange Commission Release 34-46427

I, Deina H. Walsh, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Bone Biologics Corporation;

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(s) 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(s) 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: August 14, 2026

/s/ Deina H. Walsh
Deina H. Walsh
Principal Financial Officer

Exhibit 32.1

Certification of Principal Executive Officer
Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Report of Bone Biologics Corporation (the "Company") on Form 10-Q for the period ended June 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jeffrey Frelick, 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 the best of my knowledge:

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

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

Date: August 14, 2026

/s/ Jeffrey Frelick
Jeffrey Frelick
Principal Executive Officer

Exhibit 32.2

Certification of Principal Financial Officer
Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Report of Bone Biologics Corporation (the "Company") on Form 10-Q for the period ended June 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Deina H. Walsh, Principal Financial 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 the best of my knowledge:

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

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

Date: August 14, 2026

/s/ Deina H. Walsh
Deina H. Walsh
Principal Financial Officer