

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 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: 001-15911

Imunon, Inc.

(Exact name of Registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

52-1256615

(I.R.S. Employer
Identification Number)

**997 Lenox Drive, Suite 100,
Lawrenceville, NJ 08648**
(Address of principal executive offices)

(609) 896-9100
(Registrant's telephone number, including area code)

NA

(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.01 per share	IMNN	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 checkmark whether the Registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit such files). Yes No

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

Large accelerated filer

Non-accelerated filer

Emerging growth company

Accelerated filer

Smaller reporting 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 May 9, 2025, the Registrant had 14,620,732 shares of common stock, \$0.01 par value per share, outstanding.

IMUNON, INC.

QUARTERLY REPORT ON
FORM 10-Q

TABLE OF CONTENTS

	<u>Page(s)</u>
<u>PART I: FINANCIAL INFORMATION</u>	
Item 1. <u>Financial Statements</u>	
<u>Condensed Consolidated Balance Sheets as of March 31, 2025 (Unaudited) and December 31, 2024</u>	1
<u>Condensed Consolidated Statements of Operations (Unaudited) for the Three Months Ended March 31, 2025 and 2024</u>	3
<u>Condensed Consolidated Statements of Comprehensive Loss (Unaudited) for the Three Months Ended March 31, 2025 and 2024</u>	4
<u>Condensed Consolidated Statements of Cash Flows (Unaudited) for the Three Months Ended March 31, 2025 and 2024</u>	5
<u>Condensed Consolidated Statements of Changes in Stockholders' Equity (Unaudited) for the Three Months Ended March 31, 2025</u>	6
<u>Condensed Consolidated Statements of Changes in Stockholders' Equity (Unaudited) for the Three Months Ended March 31, 2024</u>	7
<u>Notes to the Condensed Consolidated Financial Statements (Unaudited)</u>	8
Item 2. <u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	14
Item 3. <u>Quantitative and Qualitative Disclosures about Market Risk</u>	26
Item 4. <u>Controls and Procedures</u>	26
<u>PART II: OTHER INFORMATION</u>	
Item 1. <u>Legal Proceedings</u>	27
Item 1A. <u>Risk Factors</u>	27
Item 2. <u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	27
Item 3. <u>Defaults Upon Senior Securities</u>	27
Item 4. <u>Mine Safety Disclosures</u>	27
Item 5. <u>Other Information</u>	27
Item 6. <u>Exhibits</u>	28
<u>SIGNATURES</u>	29

Cautionary Note Regarding Forward-Looking Statements

This report includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). All statements other than statements of historical fact are “forward-looking statements” for purposes of this Quarterly Report on Form 10-Q, including, without limitation, any projections of earnings, revenue or other financial items, any statements of the plans and objectives of management for future operations (including, but not limited to, pre-clinical development, clinical trials, manufacturing and commercialization), uncertainties and assumptions regarding any continuing impact of the COVID-19 pandemic on our business, operations, clinical trials, supply chain, strategy, goals and anticipated timelines, any statements concerning proposed drug candidates, potential therapeutic benefits, or other new products or services, any statements regarding future economic conditions or performance, any changes in the course of research and development activities and in clinical trials, any possible changes in cost and timing of development and testing, capital structure, financial condition, working capital needs and other financial items, and any statements of assumptions underlying any of the foregoing. In some cases, forward-looking statements can be identified using terminology such as “may,” “will,” “expects,” “plans,” “anticipates,” “estimates,” “potential” or “continue,” or the negative thereof or other comparable terminology. Although we believe that our expectations are based on reasonable assumptions within the bounds of our knowledge of our industry, business, and operations, we cannot guarantee that actual results will not differ materially from our expectations.

Our future financial condition and results of operations, as well as any forward-looking statements, are subject to inherent risks and uncertainties, including, but not limited to, the inherent uncertainty in the drug development process, our ability to raise additional capital to fund our planned future operations, our ability to obtain or maintain U.S. Food and Drug Administration (“FDA”) and foreign regulatory approvals for our drug candidates, our ability to enroll patients in our clinical trials, risks relating to third parties’ conduct of our clinical trials, risks relating to government, private health insurers and other third-party payers coverage or reimbursement, risks relating to commercial potential of a drug candidate in development, changes in technologies for the treatment of cancer, impact of development of competitive drug candidates by others, risks relating to intellectual property, volatility in the market price of our common stock, potential inability to maintain compliance with The Nasdaq Marketplace Rules and the impact of adverse capital and credit market conditions. These and other risks and assumptions are described in Item 1A. Risk Factors in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, and in other documents that we file or furnish with the Securities and Exchange Commission. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. All forward-looking statements speak only as of the date they are made, and we do not intend to update or revise any forward-looking statements even if new information becomes available in the future, except as required by law or applicable regulations. We operate in a highly competitive, highly regulated, and rapidly changing environment and our business is in a state of evolution. Therefore, it is likely that new risks will emerge, and that the nature and elements of existing risks will change, over time. It is not possible for management to predict all such risk factors or changes therein, or to assess either the impact of all such risk factors on our business or the extent to which any individual risk factor, combination of factors, or new or altered factors, may cause results to differ materially from those contained in any forward-looking statement.

Except where the context otherwise requires, in this Quarterly Report on Form 10-Q, the “Company,” “Imunon,” “we,” “us,” and “our” refer to Imunon, Inc., a Delaware corporation and its wholly owned subsidiaries.

Trademarks

The Company’s brand and product names contained in this document are trademarks, registered trademarks, or service marks of Imunon, Inc. or its subsidiary in the United States (“U.S.”) and certain other countries. This document also contains references to trademarks and service marks of other companies that are the property of their respective owners.

PART I: FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

IMUNON, INC.

CONDENSED CONSOLIDATED
BALANCE SHEETS

	March 31, 2025 <u>(Unaudited)</u>	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,871,756	\$ 5,872,767
Advances and deposits on clinical programs and other current assets	2,220,200	2,136,192
Total current assets	<u>5,091,956</u>	<u>8,008,959</u>
Property and equipment (at cost, less accumulated depreciation and amortization)	<u>734,243</u>	<u>541,272</u>
Other assets:		
Operating lease right-of-use assets, net	985,887	1,117,133
Deposits and other assets	50,000	50,000
Total other assets	<u>1,035,887</u>	<u>1,167,133</u>
Total assets	<u>\$ 6,862,086</u>	<u>\$ 9,717,364</u>

See accompanying notes to the unaudited condensed consolidated financial statements.

IMUNON, INC.

CONDENSED CONSOLIDATED
BALANCE SHEETS
(Continued)

	March 31, 2025 <u>(Unaudited)</u>	December 31, 2024
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable – trade	\$ 1,858,602	\$ 1,300,026
Other accrued liabilities	3,543,407	3,033,747
Operating lease liability - current portion	394,878	452,358
Total current liabilities	5,796,887	4,786,131
Operating lease liability - non-current portion	613,171	686,935
Total liabilities	6,410,058	5,473,066
Commitments and contingencies	-	-
Stockholders' equity:		
Preferred stock - \$0.01 par value (100,000 shares authorized, and no shares issued or outstanding at March 31, 2025 and December 31, 2024)	-	-
Common stock - \$0.01 par value (112,500,000 shares authorized; 14,620,754 and 14,500,707 shares issued at March 31, 2025 and December 31, 2024, respectively; and 14,620,732 and 14,500,685 shares outstanding at March 31, 2025 and December 31, 2024, respectively)	146,207	145,007
Additional paid-in capital	411,296,548	410,987,523
Accumulated deficit	(410,905,539)	(406,803,044)
Total stockholders' equity before treasury stock	537,216	4,329,486
Treasury stock, at cost (22 shares at March 31, 2025 and December 31, 2024)	(85,188)	(85,188)
Total stockholders' equity	452,028	4,244,298
Total liabilities and stockholders' equity	\$ 6,862,086	\$ 9,717,364

See accompanying notes to the unaudited condensed consolidated financial statements.

IMUNON, INC.

CONDENSED CONSOLIDATED
STATEMENTS OF OPERATIONS
(Unaudited)

	For the Three Months Ended March 31,	
	2025	2024
Operating expenses:		
Research and development	\$ 2,165,092	\$ 3,293,861
General and administrative	1,980,207	1,717,585
Total operating expenses	<u>4,145,299</u>	<u>5,011,446</u>
Loss from operations	<u>(4,145,299)</u>	<u>(5,011,446)</u>
Other income (expense):		
Investment income, net	42,804	81,921
Net loss	<u>\$ (4,102,495)</u>	<u>\$ (4,929,525)</u>
Weighted average shares outstanding		
Basic and diluted	<u>14,558,186</u>	<u>9,399,831</u>
Net loss per common share		
Basic and diluted	<u>\$ (0.28)</u>	<u>\$ (0.52)</u>

See accompanying notes to the unaudited condensed consolidated financial statements.

IMUNON, INC.

CONDENSED CONSOLIDATED
STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited)

	For the Three Months Ended March 31,	
	2025	2024
Other comprehensive loss		
Changes in:		
Realized and unrealized gains on available for sale securities, net	\$ -	\$ 72,305
Net loss	(4,102,495)	(4,929,525)
Total comprehensive loss	<u>\$ (4,102,495)</u>	<u>\$ (4,857,220)</u>

See accompanying notes to the unaudited condensed consolidated financial statements.

IMUNON, INC.

CONDENSED CONSOLIDATED
STATEMENTS OF CASH FLOWS
(Unaudited)

	For the Three Months Ended March 31,	
	2025	2024
Cash flows from operating activities:		
Net loss	\$ (4,102,495)	\$ (4,929,525)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	66,681	70,301
Amortization of right-of-use assets	131,246	108,009
Realized losses, net, on investment securities	-	73,466
Stock-based compensation	204,533	(30,679)
Realization of deferred income tax asset	-	1,280,385
Net changes in:		
Advances, deposits, and other current assets	(84,008)	259,561
Accounts payable and accrued liabilities	936,992	(2,705,402)
Net cash used in operating activities	(2,847,051)	(5,873,884)
Cash flows from investing activities:		
Purchases of investment securities	-	(105,949)
Proceeds from sale and maturity of investment securities	-	2,500,000
Purchases of property and equipment	(259,652)	(11,755)
Net cash (used in) provided by investing activities	(259,652)	2,382,296
Cash flows from financing activities:		
Proceeds from sale of common stock equity, net of issuance costs	105,692	-
Net cash provided by financing activities	105,692	-
Net change in cash and cash equivalents	(3,001,011)	(3,491,588)
Cash and cash equivalents at beginning of period	5,872,767	5,838,566
Cash and cash equivalent at end of period	\$ 2,871,756	\$ 2,346,978

See accompanying notes to the unaudited condensed consolidated financial statements.

IMUNON, INC.

CONDENSED CONSOLIDATED
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(Unaudited)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

	Common Stock Outstanding		Additional Paid-in Capital	Treasury Stock		Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount		Shares	Amount		
Balance at January 1, 2025	14,500,707	\$ 145,007	\$ 410,987,523	22	\$ (85,188)	\$ (406,803,044)	\$ 4,244,298
Net loss	-	-	-	-	-	(4,102,495)	(4,102,495)
Sale of equity through equity financing facilities, net of costs	120,047	1,200	104,492	-	-	-	105,692
Stock-based compensation expense	-	-	204,533	-	-	-	204,533
Balance at March 31, 2025 (unaudited)	<u>14,620,754</u>	<u>\$ 146,207</u>	<u>\$ 411,296,548</u>	<u>22</u>	<u>\$ (85,188)</u>	<u>\$ (410,905,539)</u>	<u>\$ 452,028</u>

See accompanying notes to the unaudited condensed consolidated financial statements.

IMUNON, INC.

CONDENSED CONSOLIDATED
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(Unaudited)

FOR THE THREE MONTHS ENDED MARCH 31, 2024

	Common Stock Outstanding		Additional Paid-in Capital	Treasury Stock		Accumulated Other Comprehensive Income	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount		Shares	Amount			
Balance at January 1, 2024	9,399,811	\$ 93,998	\$401,500,838	22	\$(85,188)	\$ 60,796	\$(388,182,802)	\$ 13,387,642
Net loss	-	-	-	-	-	-	(4,929,525)	(4,929,525)
Issuance of stock upon vesting of restricted shares	1,100	11						11
Realized and unrealized gains (losses), net, on investments securities	-	-	-	-	-	72,305	-	72,305
Stock-based compensation expense	-	-	(30,690)	-	-	-	-	(30,690)
Balance at March 31, 2024 (unaudited)	<u>9,400,911</u>	<u>\$ 94,009</u>	<u>\$401,470,148</u>	<u>22</u>	<u>\$(85,188)</u>	<u>\$ 133,101</u>	<u>\$(393,112,327)</u>	<u>\$ 8,499,743</u>

See accompanying notes to the unaudited condensed consolidated financial statements.

IMUNON, INC.

NOTES TO THE CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
(UNAUDITED)

MARCH 31, 2025

Note 1. Business Description

Imunon, Inc. (“Imunon” or the “Company”) is a clinical-stage biotechnology company focused on advancing a portfolio of innovative treatments that harness the body’s natural mechanisms with the aim to generate safe, effective and durable responses across a broad array of human diseases, constituting a differentiating approach from conventional therapies. Imunon is developing its non-viral DNA technology across its modalities. The first modality, TheraPlas®, is developed for the coding of proteins and cytokines in the treatment of solid tumors where an immunological approach is deemed promising. The second modality, PlaCCine®, is developed for the coding of viral antigens that can elicit a strong immunological response. This technology may represent a promising platform for the development of vaccines in infectious diseases.

The Company’s lead clinical program, IMNN-001, is a DNA-based immunotherapy for the localized treatment of advanced ovarian cancer that has completed multiple clinical trials including one Phase II clinical trial (OVATION 2). IMNN-001 works by instructing the body to produce safe and durable levels of powerful cancer-fighting molecules, such as interleukin-12 and interferon gamma, at the tumor site. Additionally, the Company has completed dosing in a first-in-human study of its COVID-19 booster vaccine (IMNN-101). The Company will continue to leverage these modalities and to advance, either directly or through partnership, the technological frontier of plasmid DNA to better serve patients with difficult-to-treat conditions.

Note 2. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements, which include the accounts of the Company and its wholly owned subsidiaries, have been prepared in accordance with generally accepted accounting principles in the United States (“GAAP”) for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. All significant intercompany balances and transactions have been eliminated in consolidation. During the quarter ended March 31, 2025, there were no changes to the Company’s accounting policies. Certain information and disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations.

In the opinion of management, all adjustments, consisting only of normal recurring accruals considered necessary for a fair presentation, have been included in the accompanying unaudited condensed consolidated financial statements. Operating results for the three months ended March 31, 2025 and 2024 are not necessarily indicative of the results that may be expected for any other interim period(s) or for any full year. For further information, refer to the consolidated financial statements and notes thereto included in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2024, filed with the Securities and Exchange Commission on February 27, 2025.

The preparation of financial statements in conformity with GAAP requires management to make judgments, estimates, and assumptions that affect the amounts reported in the Company’s financial statements and accompanying notes. Actual results could differ materially from those estimates. Events and conditions arising subsequent to the most recent balance sheet date have been evaluated for their possible impact on the financial statements and accompanying notes.

Going Concern Uncertainty

Since inception, the Company has incurred substantial operating losses, principally from expenses associated with the Company’s research and development programs, clinical trials conducted in connection with the Company’s drug candidates, and applications and submissions to the FDA. The Company has not generated significant revenue and has incurred significant net losses in each year since inception. For the quarter ended March 31, 2025, the Company had a net loss of \$4.1 million and used \$2.8 million to fund operations. As of March 31, 2025, the Company has incurred approximately \$411 million of cumulative net losses. As of March 31, 2025, the Company had \$2.9 million in cash and cash equivalents to fund its operations.

The Company’s ability to raise additional capital may be adversely impacted by potential worsening global economic conditions and the recent disruptions to, and volatility in, financial markets in the U.S. and worldwide resulting from the recent tariff announcement by the U.S. federal government, the Russian invasion of Ukraine and the unrest in the Middle East. The Company continues to monitor its operating activities in light of these events, and it is possible that these events could result in a variety of risks to the business. The specific impact, if any, is not readily determinable as of the date of these consolidated Financial Statements.

The Company has based its estimates on assumptions that may prove to be wrong. The Company may need to obtain additional funds sooner or in greater amounts than it currently anticipates. Potential sources of financing include strategic relationships, public or private sales of the Company’s shares or debt and other sources. If the Company raises funds by selling additional shares of common stock or other securities convertible into common stock, the ownership interest of existing stockholders may be diluted.

The actual amount of funds the Company will need to operate is subject to many factors, some of which are beyond the Company’s control. These factors include the progress of research activities; the number and scope of research programs; the progress of preclinical and clinical development activities; the progress of the development efforts of parties with whom the Company has entered into research and development agreements; the costs associated with additional clinical trials of drug candidates; the ability to maintain current research and development licensing arrangements and to establish new research and development and licensing arrangements; the ability to achieve milestones under licensing arrangements; the costs involved in prosecuting and enforcing patent claims and other intellectual property rights; and the costs and timing of regulatory approvals.

A fundamental component of the ability to continue as a going concern is the Company's ability to raise capital as required, as to which no assurances can be provided. To address the additional funding requirements of the Company, management has undertaken the following initiatives:

- it has assessed its current expenditures and will reduce spending where necessary;
- it will pursue additional capital funding in the public and private markets through equity sales and/or debt facilities;
- it will pursue possible partnerships and collaborations; and
- it will pursue potential out licensing for its drug candidates.

The Company's ability to continue as a going concern will depend on its ability to raise additional capital, attain further operating efficiencies, reduce expenditures, and, ultimately, to generate revenue. There are no assurances that these future funding and operating efforts will be successful. If management is unsuccessful in these efforts, the Company's current capital is not expected to be sufficient to fund our operations for the next twelve months.

Management's plan includes private or public equity financings, collaborations, or other strategic transactions such as raising funds from outside investors via its ATM program and other potential funding sources. The Company may not be able to obtain funding on acceptable terms, or at all. The terms of any financing may adversely affect the holdings or the rights of the Company's stockholders. The Company's ability to raise additional funds will depend, among other factors, on financial, economic and market conditions, many of which are outside of its control, and it may be unable to raise financing when needed, or on terms favorable to the Company. If the Company is unable to obtain sufficient capital to fund its operations it may be required to evaluate alternatives. The Company's financial statements do not include any adjustments relating to the recoverability and classification of assets, carrying amounts or the amount and classification of liabilities that may be required should the Company be unable to continue as a going concern.

Note 3. New Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the FASB and are adopted by the Company as of the specified effective date. Unless otherwise discussed, the Company believes that the impact of recently issued accounting pronouncements will not have a material impact on the Company's consolidated financial position, results of operations, and cash flows, or do not apply to its operations.

In December 2023, the FASB issued ASU No. 2023-09, "Improvements to Income Tax Disclosures", which requires disclosure of disaggregated income taxes paid, prescribes standard categories for the components of the effective tax rate reconciliation, and modifies other income tax-related disclosures. ASU No. 2023-09 is effective for the Company's Annual Report on Form 10-K for the year ended December 31, 2025. Early adoption is permitted. The Company is currently evaluating the impact of the ASU on the income tax disclosures within the consolidated financial statements, the Company expects changes to the Company's income tax disclosure.

In November 2024, the FASB issued Accounting Standards Update No. 2024-03, "Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures: Disaggregation of Income Statement Expenses" ("ASU 2024-03"). ASU 2024-03 will require more detailed information about the types of expenses in commonly presented income statement captions such as "Cost of sales" and "Selling, general and administrative expenses". The new guidance is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027 with early adoption permitted. The Company is currently evaluating the impact that this change will have on the Company's disclosures.

Note 4. Net Loss per Common Share

Basic and diluted net loss per common share was computed by dividing net loss for the year by the weighted average number of shares of common stock outstanding, both basic and diluted, during each period. The impact of common stock equivalents has been excluded from the computation of diluted weighted average common shares outstanding in periods where there is a net loss, as their effect is anti-dilutive.

The total number of shares of common stock issuable upon exercise of warrants, stock option grants and equity awards were 7,137,111 and 1,197,390 shares for the periods ended March 31, 2025 and 2024, respectively. For the three-month periods ended March 31, 2025 and 2024, diluted loss per common share was the same as basic loss per common share as the other warrants, and equity awards that were convertible into shares of the Company's common stock were excluded from the calculation of diluted loss per common share as their effect would have been anti-dilutive. The Company did not pay any dividends during the first three months of 2025 or 2024.

Note 5. Segment Performance Measures and Expenses

The Company operates in one segment for the research and development of our product candidates. The Company's chief operating decision maker ("CODM") has been identified as the Chief Executive Officer and President, who reviews operating results to make decisions about allocating resources and assessing performance for the entire Company based on consolidated financial information. Consequently, we view the entire organization as one reportable segment and the strategic purpose of all operating activities (including general & administrative expenses) is to support that one segment. As a pre-revenue research and development company, the CODM evaluates company-wide performance and allocates resources based on non-financial research and development milestones achieved, and to a lesser extent, financial measures of performance such as clinical development (research and development expenses) and general and administrative expenses incurred. Our CODM does not generally evaluate our performance using asset or historical cash flow information.

The table below provides a summary of the significant expense categories and consolidated net loss details provided to the CODM (in thousands):

	For the three months ended March 31,			
	(In thousands)		Change Increase (Decrease)	
	2025	2024		
Operating Expenses:				
Clinical Research				
OVATION	\$ 214	\$ 287	\$ (73)	(25.4)%
Vaccine	58	571	(513)	(89.8)%
Other Clinical and regulatory	574	477	97	20.3%
Subtotal	846	1,335	(489)	(36.6)%
Non-Clinical R&D and CMC				
OVATION	913	405	508	125.4%
PlaCCine Vaccine	-	1,215	(1,215)	-%
Manufacturing (CMC)	406	339	67	19.8%
Subtotal	1,319	1,959	(640)	(32.7)%
Research and development expenses	2,165	3,294	(1,129)	(34.3)%
General and administrative expenses	1,980	1,717	263	15.3%
Total operating expenses	4,145	5,011	(866)	(17.3)%
Loss from operations	\$ (4,145)	\$ (5,011)	\$ (866)	(17.3)%

Note 6. Other Accrued Liabilities

Other accrued liabilities at March 31, 2025 and December 31, 2024 include the following:

	March 31, 2025	December 31, 2024
Amounts due to contract research organizations and other contractual agreements	\$ 952,003	\$ 1,048,036
Accrued payroll and related benefits	2,550,804	1,945,111
Accrued professional fees and other	40,600	40,600
Total	<u>\$ 3,543,407</u>	<u>\$ 3,033,747</u>

Note 7. Stockholders' Equity

On May 15, 2024, the Company filed with the SEC a shelf registration statement on Form S-3 (the "2024 Registration Statement") for the offer and sale of up to \$75 million of its securities. The 2024 Registration Statement was declared effective on May 22, 2024. The 2024 Registration Statement is intended to provide the Company with flexibility to raise capital in the future for general corporate purposes. However, the Company's ability to offer and sell its securities in a primary offering on the 2024 Registration Statement is limited by General Instruction I.B.6 of Form S-3 (the "Baby Shelf Limitation"), which limits the amount that the Company can offer to up to one-third of its public float during any trailing 12-month period. The Company would no longer be subject to the Baby Shelf Limitation if its public float exceeds \$75 million.

At the Market Offering Agreement

On May 15, 2024, the Company amended the At the Market Offering Agreement, dated as of May 25, 2022 (the "ATM Agreement") with H.C. Wainwright & Co., LLC ("Wainwright") as sales agent. Pursuant to the terms of the amended ATM Agreement, the Company may offer and sell, from time to time, through Wainwright, shares of the Company's common stock having an aggregate offering price of up to \$5,500,000. The Company intends to use the net proceeds from any offering under the amended ATM Agreement for general corporate purposes, including research and development activities, capital expenditures and working capital.

On July 30, 2024, the Company notified Wainwright that it was suspending its use of and terminating the "at the market offering" sales agreement prospectus (the "ATM Prospectus"), related to the potential issuance from time to time of the Company's common stock pursuant to the ATM Agreement, by and between the Company and Wainwright. Notwithstanding the termination of the ATM Prospectus, the ATM Agreement remains in full force and effect.

On September 3, 2024, the Company filed a new prospectus supplement to the 2024 Registration Statement with the SEC for an aggregate offering price of up to \$5,500,000 related to the potential issuance from time to time of the Company's common stock pursuant to the ATM Agreement with Wainwright as sales agent.

The Company sold 88,796 shares of common stock under the ATM Agreement for net proceeds of \$99,506 during 2024. The Company sold 120,047 shares of common stock under the ATM Agreement for net proceeds of \$105,693 during the quarter ended March 31, 2025.

July 2024 Offering

On July 30, 2024, the Company entered into the July 2024 Purchase Agreement with the Purchasers, pursuant to which the Company issued, in a registered direct offering, an aggregate of 5,000,000 shares of the Company's common stock at an offering price of \$2.00 per share for gross proceeds of \$10.0 million before the deduction of placement agent fees and offering expenses. In a concurrent private placement and also pursuant to the July 2024 Purchase Agreement, the Company issued to the Purchasers the Warrants to purchase an aggregate of 5,000,000 shares of its common stock at an exercise price of \$2.00 per share.

The Warrants became exercisable immediately after issuance for a term of five and one-half years following the date of issuance. The closing of the July 2024 Offering occurred on August 1, 2024.

Note 8. Stock-Based Compensation

The Company has long-term compensation plans that permit the granting of equity-based awards in the form of stock options, restricted stock, restricted stock units, stock appreciation rights, other stock awards, and performance awards.

In 2018, stockholders approved the Imunon, Inc. 2018 Stock Incentive Plan (the "2018 Plan"). The 2018 Plan, as amended, permits the granting of 1,970,000 shares of Imunon common stock as equity awards in the form of incentive stock options, nonqualified stock options, restricted stock, restricted stock units, stock appreciation rights, other stock awards, performance awards, or in any combination of the foregoing.

As of March 31, 2025, there were a total of 1,975,073 shares of Imunon common stock reserved for issuance under the 2018 Plan, which were comprised of 1,751,551 shares of Imunon common stock subject to equity awards previously granted under the 2018 Plan and the Company's 2007 Stock Incentive Plan and 223,522 shares of Imunon common stock available for future issuance under the 2018 Plan.

As of March 31, 2025, the Compensation Committee of the Board of Directors approved the grant of inducement stock options (the "Inducement Option Grants") to purchase a total of 230,500 shares of Imunon common stock. Each Inducement Option Grant has a weighted exercise price of \$0.98 per share. Each Inducement Option Grant vests over three years, with one-third vesting on the one-year anniversary of the employee's first day of employment with the Company and one-third vesting on the second and third anniversaries thereafter, subject to the new employee's continued service relationship with the Company on each such date. Each Inducement Option Grant has a ten-year term and is subject to the terms and conditions of the applicable stock option agreement.

Total compensation cost related to stock options and restricted stock awards was approximately \$0.2 million of expense for period ended March 31, 2025 and \$31,000 reversal for period ended March 31, 2024. Of these amounts, approximately \$49,000 for the period ended March 31, 2025 and \$65,000 for the period ended March 31, 2024 were charged to research and development expenses and \$0.2 million of expense for the period ended March 31, 2025 and \$96,000 reversal of expense for the period ended March 31, 2024 were charged to general and administrative expenses.

A summary of stock option awards and restricted stock grants, inclusive of awards granted under the 2018 Stock Plan and Inducement Option Grants for the three-months ended March 31, 2025 is presented below:

	<u>Stock Options</u>		<u>Restricted Stock Awards</u>		<u>Weighted Average Contractual Terms of Equity Awards (in years)</u>
	<u>Options Outstanding</u>	<u>Weighted Average Exercise Price</u>	<u>Non-vested Restricted Stock Outstanding</u>	<u>Weighted Average Grant Date Fair Value</u>	
Equity awards outstanding at January 1, 2025	1,645,873	\$ 1.95	39,700	\$ 0.99	
Equity awards granted	321,750	\$ 0.86	-	\$ -	
Equity awards terminated	(25,272)	\$ 1.49	-	\$ -	
Equity awards outstanding at March 31, 2025	<u>1,942,351</u>	\$ 1.78	<u>39,700</u>	\$ 0.99	8.7
Equity awards exercisable at March 31, 2025	<u>1,095,121</u>	\$ 2.30			8.3
Aggregate intrinsic value of equity awards exercisable at March 31, 2025	<u>\$ 19,431</u>				

As of March 31, 2025, there was \$0.5 million of total unrecognized compensation cost related to non-vested stock-based compensation arrangements. That cost is expected to be recognized over a period of three to four years. The weighted average grant date fair values of the stock options granted were \$0.81 during the three-month periods ended March 31, 2025.

The fair values of stock options granted were estimated at the date of grant using the Black-Scholes option pricing model. The Black-Scholes model was originally developed for use in estimating the fair value of traded options, which have different characteristics from the Company's stock options. The model is also sensitive to changes in assumptions, which can materially affect the fair value estimate. The Company used the following assumptions for determining the fair value of options granted under the Black-Scholes option pricing model:

	<u>For the Three Months Ended March 31,</u>	
	<u>2025</u>	<u>2024</u>
Risk-free interest rate	4.31 to 4.55%	4.31%
Expected volatility	110.74 to 115.63%	111.82%
Expected life (in years)	9.0 to 10.0	9.0 to 10.0
Expected dividend yield	0.0%	0.0%

Expected volatilities utilized in the model are based on historical volatility of the Company's stock price. The risk-free interest rate is derived from values assigned to U.S. Treasury bonds with terms that approximate the expected option lives in effect at the time of grant.

Note 9. Warrants

Following is a summary of all warrant activity for the three-month period ended March 31, 2025:

Warrants	Number of Warrants Issued	Weighted Average Exercise Price
Warrants outstanding at December 31, 2024	5,155,060	\$ 2.51
Warrants outstanding at March 31, 2025	5,155,060	\$ 2.51
Aggregate intrinsic value of outstanding warrants at March 31, 2025	<u>\$ -</u>	
Weighted average remaining contractual terms at March 31, 2025	4.7 years	

Note 10. Leases

Lawrenceville, New Jersey Lease

In August 2023, the Company renewed its Lawrenceville office lease for a 24-month agreement for 9,850 square feet with monthly rent payments of approximately \$22,983 to \$23,394. In April 2025, the Company renewed its Lawrenceville office lease until November 30, 2028 for 4,359 square feet (to be reduced to 4,011 following April 1, 2026) with monthly rent payments of approximately \$10,361 to \$10,863.

Huntsville, Alabama Lease

In January 2023, the Company renewed its Huntsville facility lease for a 60-month lease agreement for 11,420 square feet with monthly rent payments of approximately \$28,550 to \$30,903.

The following is a table of the lease payments and maturity of the Company's operating lease liabilities as of March 31, 2025:

2025	\$ 384,300
2026	362,976
2027	370,235
2028 and thereafter	30,903
Subtotal future lease payments	<u>1,148,414</u>
Less imputed interest	(140,366)
Total lease liabilities	<u>\$ 1,008,048</u>
Weighted average remaining life	2.59
Weighted average discount rate	9.98%

For the three-month period ended March 31, 2025, operating lease expense was \$165,232 and cash paid for operating leases included in operating cash flows was \$165,231. For the three-month period ended March 31, 2024, operating lease expense was \$154,514 and cash paid for operating leases included in operating cash flows was \$162,545.

Note 11. Commitments and Contingencies

We are not currently a party to any material legal proceedings.

Note 12. Subsequent Events

The Company has evaluated its subsequent events from March 31, 2025, through the date these consolidated financial statements were issued.

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

The following discussion and analysis of our financial condition and results of operations This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those discussed in forward-looking statements. Factors that might cause a difference include, but are not limited to, those discussed above under “Cautionary Note Regarding Forward-Looking Statements,” and in Item 1A. Risk factors in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

Overview

Imunon is a clinical-stage biotechnology company focused on advancing a portfolio of innovative treatments that harness the body’s natural mechanisms with the aim to generate safe, effective and durable responses across a broad array of human diseases, constituting a differentiating approach from conventional therapies. Imunon is developing its non-viral DNA technology across its modalities. The first modality, TheraPlas®, is developed for the coding of proteins and cytokines in the treatment of solid tumors where an immunological approach is deemed promising. The second modality, PlaCCine®, is developed for the coding of viral antigens that can elicit a strong immunological response. This technology may represent a promising platform for the development of vaccines in infectious diseases.

The Company’s lead clinical program, IMNN-001, is a DNA-based immunotherapy for the localized treatment of advanced ovarian cancer that has completed Phase II clinical development studies. IMNN-001 works by instructing the body to produce safe and durable levels of powerful cancer-fighting molecules, such as interleukin-12 and interferon gamma, at the tumor site. Additionally, the Company has entered into a first-in-human study of its COVID-19 booster vaccine (IMNN-101). We will continue to leverage these modalities and to advance the technological frontier of plasmid DNA to better serve patients with difficult-to-treat conditions.

Technology Platform

Imunon’s technology platform is optimized for the delivery of DNA and mRNA therapeutics via synthetic non-viral carriers and is capable of providing cell transfection for double-stranded DNA plasmids and large therapeutic RNA segments such as mRNA. There are two components to the system, a backbone with plasmid DNA or mRNA payload encoding therapeutic proteins, or pathogen antigens or tumor associated antigens or cancer neoantigens and a delivery system. The delivery system is designed to protect the DNA or mRNA from degradation and promote trafficking into cells and through intracellular compartments. We designed the delivery system by chemically modifying the low molecular weight polymer to improve its gene transfer activity without increasing toxicity. We believe that our non-viral DNA technology may be a viable alternative to current approaches to gene delivery due to several distinguishing characteristics, including enhanced molecular versatility that allows for complex modifications to potentially improve activity and safety.

The biocompatibility of these polymers reduces the risk of adverse immune response, thus allowing for repeated administration. Compared to naked DNA or cationic lipids, we believe that our delivery systems are generally more efficient, cost effective and have a more favorable safety profile. We believe that these advantages place Imunon in a position to capitalize on this technology platform.

TheraPlas Modality: IMNN-001 Development Program

Ovarian Cancer Overview

Ovarian cancer is the most lethal of gynecological malignancies among women with more than 60% of women dying within five years of diagnosis. This poor outcome is due in part to the lack of effective prevention and early detection strategies. There were approximately 20,000 new cases of ovarian cancer in the U.S. in 2021 with an estimated 13,000 deaths. Mortality rates for ovarian cancer declined very little in the last 40 years due to the unavailability of detection tests and improved treatments. Most women with ovarian cancer are not diagnosed until Stages III or IV, when the disease has spread outside the pelvis to the abdomen and areas beyond, causing swelling and pain. With the five-year survival rates for Stages III and IV at 41% and 20%, respectively, there remains a need for a therapy that not only reduces the recurrence rate but also meaningfully improves overall survival. Patients whose cancer recurs or progresses after initially responding to surgery and first-line chemotherapy have been divided into one of the two groups based on the time from completion of platinum therapy to disease recurrence or progression. This time period is referred to as platinum-free interval. The platinum-sensitive group has a platinum-free interval of longer than six months. This group generally responds to additional treatment with platinum-based therapies. The platinum-resistant group has a platinum-free interval of shorter than six months and is resistant to additional platinum-based treatments. Pegylated liposomal doxorubicin, topotecan, and bevacizumab are the only approved second-line therapies for platinum-resistant ovarian cancer. The overall response rate for these therapies is 10% to 20% with median overall survival (“OS”) of 11 to 12 months. Additionally, 10% to 15% of ovarian cancer cases nationwide are a result of germline or somatic BRCA mutations. With cognizance of tumor genetics, practice has shifted to include targeted agents in ovarian cancer treatment.

Poly (ADP-ribose) polymerase (“PARP”) enzymes are responsible for detecting and repairing single-stranded and double-stranded DNA breaks during cell replication. BRCA1/2 mutations hinder the homologous recombination repair pathway, and tumor cells utilize PARP enzymes to repair DNA. For this reason, these tumors are particularly sensitive to the mechanism of PARP inhibitors. PARP inhibitors have expanded treatment options in ovarian cancer in maintenance following front-line treatment, but few treatment options are left for women who are not eligible to receive PARP inhibitors and no product has ever demonstrated an OS improvement in the front-line treatment of newly diagnosed patients with ovarian cancer.

Immunotherapy is an attractive, novel approach for the treatment of ovarian cancer particularly since ovarian cancers are considered immunogenic tumors. Interleukin-12 (“IL-12”) is one of the most active cytokines for the induction of potent anti-cancer immunity acting through the induction of T-lymphocyte and natural killer cell proliferation. The precedence for the therapeutic role of IL-12 in ovarian cancer is based on epidemiologic and clinical and preclinical data.

IMNN-001 Immunotherapy

IMNN-001 is a DNA-based immunotherapeutic drug candidate for the localized treatment of ovarian cancer by intraperitoneally administering an IL-12 plasmid formulated with our proprietary TheraPlas delivery system. In this DNA-based approach, the immunotherapy is combined with a standard chemotherapy drug, which can potentially achieve better clinical outcomes than with chemotherapy alone. We believe that increases in IL-12 concentrations at tumor sites for several days after a single administration could create a potent immune environment against tumor activity and that a direct killing of the tumor with concomitant use of cytotoxic chemotherapy could result in a more robust and durable antitumor response than chemotherapy alone. We believe the rationale for local therapy with IMNN-001 is based on the following:

- Loco-regional production of the potent cytokine IL-12 avoids toxicities and poor pharmacokinetics associated with systemic delivery of recombinant IL-12;
- Persistent local delivery of IL-12 lasts up to one week and dosing can be repeated; and
- Local therapy is ideal for long-term maintenance therapy.

OVATION 1 Study. In February 2015, we announced that the FDA accepted the Phase I dose-escalation clinical trial of IMNN-001 in combination with the standard of care in neoadjuvant ovarian cancer (the “OVATION 1 Study”). The OVATION 1 Study was designed to:

- identify a tolerable and therapeutically active dose of IMNN-001 within certain safety parameters by recruiting and maximizing an immune response;
- enroll three to six patients per dose level and evaluate safety and efficacy; and
- attempt to define an optimal dose for a follow-on Phase I/II study.

In addition, the OVATION 1 Study established a unique opportunity to assess how cytokine-based compounds such as IMNN-001 directly affect ovarian cancer cells and the tumor microenvironment in newly diagnosed ovarian cancer patients. The study was designed to characterize the nature of the immune response triggered by IMNN-001 at various levels of the patients' immune system, including:

- Infiltration of cancer fighting T-cell lymphocytes into primary tumor and tumor microenvironment including peritoneal cavity, which is the primary site of metastasis of ovarian cancer;
- Changes in local and systemic levels of immuno-stimulatory and immune-suppressive cytokines associated with tumor suppression and growth, respectively; and
- Expression profile of a comprehensive panel of immune related genes in pre-treatment and IMNN-001-treated tumor tissue.

During 2016 and 2017, we announced data from the first 14 patients in the OVATION 1 Study. On October 3, 2017, we announced final translational research and clinical data from the OVATION 1 Study.

Key translational research findings from all evaluable patients were consistent with the earlier reports from analysis of the data and are summarized below:

- The intraperitoneal treatment of IMNN-001 in conjunction with standard-of-care neoadjuvant chemotherapy ("NACT") resulted in dose-dependent increases in IL-12 and Interferon-gamma (IFN γ) levels that were predominantly in the peritoneal fluid compartment with little to no changes observed in the patients' systemic circulation. These and other post-treatment changes including decreases in VEGF levels in peritoneal fluid were consistent with an IL-12 based immune mechanism;
- Consistent with previous analyses the effects observed in the immunohistochemistry analysis were pronounced decreases in the density of immunosuppressive T-cell signals (Foxp3, PD-1, PDL-1, IDO-1) and increases in CD8+ cells in the tumor microenvironment;

The ratio of CD8+ cells to immunosuppressive cells was increased in approximately 75% of patients, suggesting an overall shift in the tumor microenvironment from immunosuppressive to pro-immune stimulatory following treatment with IMNN-001. An increase in CD8+ to immunosuppressive T-cell populations was a leading indicator and believed to be a good predictor of improved OS; and
- Analysis of peritoneal fluid by cell sorting, not reported before, showed a treatment-related decrease in the percentage of immunosuppressive T-cell (Foxp3+), which was consistent with the reduction of Foxp3+ T-cells in the primary tumor tissue, and a shift in tumor naive CD8+ cell population to more efficient tumor killing memory effector CD8+ cells.

On July 29, 2021, the Company announced final PFS results from the OVATION 1 Study published in the Journal of Clinical Cancer Research. Median PFS in patients treated per protocol (n=14) was 21 months and was 18.4 months for the ITT population (n=18) for all dose cohorts, including three patients who dropped out of the study after 13 days or less, and two patients who did not receive full NACT and IMNN-001 cycles. Under the current standard of care, in women with Stage III/IV ovarian cancer undergoing NACT, their disease progresses within about 12 months on average. The results from the OVATION 1 Study supported continued evaluation of IMNN-001 based on promising tumor response, as reported in the PFS data, and the ability for surgeons to completely remove visible tumors at the time of interval debulking surgery. IMNN-001 was well tolerated, and no dose-limiting toxicities were detected in the OVATION 1 Study. Intraperitoneal administration of IMNN-001 was feasible with broad patient acceptance.

OVATION 2 Study. The Company held an Advisory Board Meeting on September 27, 2017 with clinical investigators and scientific experts including those from Roswell Park Cancer Institute, Vanderbilt University Medical School, and M.D. Anderson Cancer Center to review and finalize clinical, translational research and safety data from the OVATION 1 Study to determine the next steps forward for our IMNN-001 immunotherapy program. On November 13, 2017, the Company filed its Phase I/II clinical trial protocol with the FDA for IMNN-001 for the localized treatment of ovarian cancer. The protocol was designed with a single dose escalation phase to 100 mg/m² to identify a tolerable dose of IMNN-001 within certain safety parameters while maximizing an immune response. The Phase I portion of the study would be followed by a continuation at the selected dose in approximately 110 patients randomized Phase II study.

In the OVATION 2 Study, patients in the IMNN-001 treatment arm would receive IMNN-001 plus chemotherapy pre- and post-interval debulking surgery ("IDS"). The OVATION 2 Study was designed to include up to 110 patients with Stage III/IV ovarian cancer, with 15 patients in the Phase I portion and up to 95 patients in Phase II. The sample size is consistent with a Phase II trial designed to inform the design of a Phase III trial comparing IMNN-001 with neoadjuvant + adjuvant chemotherapy versus neoadjuvant + adjuvant chemotherapy alone. As a Phase II study, the OVATION 2 Study was not powered for statistical significance. The primary endpoint is PFS and the primary analysis would be conducted after at least 80 events had been observed or after all patients had been followed for at least 16 months, whichever was later. Additional endpoints included objective response rate, chemotherapy response score, and surgical response.

On March 23, 2020, the Company announced that the European Medicines Agency (the “EMA”) Committee for Orphan Medicinal Products (“COMP”) had recommended that IMNN-001 be designated as an orphan medicinal product for the treatment of ovarian cancer. IMNN-001 previously received orphan designation from the FDA.

In February 2021, the Company announced that it had received Fast Track designation from the FDA for IMNN-001 and also provided an update on the OVATION 2 Study.

In September 2022, the Company announced that its Phase I/II OVATION 2 Study with IMNN-001 in advanced ovarian cancer had completed enrollment with 113 patients. In September 2023, the Company announced interim PFS and OS data with IMNN-001 in its Phase I/II OVATION 2 Study. Interim clinical data from the ITT population showed efficacy trends in PFS. Preliminary OS data followed a similar trend, showing an approximate 9-month improvement in the treatment arm over the control arm.

Subgroup analyses showed patients treated with a PARP inhibitor (“PARPi”) as maintenance therapy had longer PFS and OS if they were also treated with IMNN-001 compared with patients treated with NACT only. This was not a pre-specified subgroup when the protocol was initiated as PARP inhibitors were approved after the OVATION 2 Study was initiated. However given the change in the standard of care, this subgroup was pre-specified in the statistical analysis plan prior to the study read out.

- The median PFS in the PARPi + NACT group and the PARPi + NACT + IMNN-001 group was 15.7 months and 23.7 months, respectively.
- The median OS in the PARPi + NACT group was 45.6 months and has not yet been reached in the PARPi + NACT + IMNN-001 group.

Imunon also continues to see benefits in other secondary endpoints including an approximately 20% higher R0 tumor resection score and a doubling of the CRS 3 chemotherapy response score to approximately 30% in the treatment arm versus 14% in the control arm. Chemotherapy response score is considered a good prognostic indicator in ovarian cancer. The DSMB determined that safety analyses continue to show good tolerability of IMNN-001 in this setting.

In June 2024, the Company announced database lock for the OVATION 2 Study. At that time, median OS and PFS had been reached, and all patients in the open-label study had achieved treatment observation duration of 16 months, as required by protocol to evaluate efficacy. On July 11, 2024, a scientific advisory board with DSMB members, principal investigators, and scientific experts was held to review efficacy and safety data from the OVATION 2 study.

On July 30, 2024, the Company announced positive topline results from the Phase II OVATION 2 Study. Highlights from patients treated with IMNN-001 plus standard-of-care in a first-line treatment setting include:

- An 11.1 month increase in median OS compared with standard-of-care alone in the ITT population.
- A hazard ratio in the ITT population of 0.74, which indicates a 35% improvement in survival.
- Among the approximately 90% of trial participants who received at least 20% of specified treatments per-protocol in both study arms, patients in the IMNN-001 arm had a 15.7 month increase in median OS, representing a further extension of life with a hazard ratio of 0.64, a 56% improvement in survival.
- For nearly 40% of trial participants treated with a PARP inhibitor, the hazard ratio decreased further to 0.41, with median OS in the IMNN-001 treatment arm not yet reached at the time of database lock, compared with median OS of 37.1 months in the standard-of-care treatment arm.

The PFS results, the trial’s primary endpoint, support the OS results with:

- A three-month improvement in PFS compared with standard-of-care alone.
- A hazard ratio in the intent-to-treat population of 0.79, indicating a 27% improvement in delaying progression for the IMNN-001 treatment arm.

These initial results from the OVATION 2 Study were presented in a late-breaking session at the Society for Immunotherapy of Cancer (SITC) 39th Annual Meeting in November 2024.

On September 11, 2024, a scientific advisory board was held with DSMB members, principal investigators, and scientific experts to discuss and seek input on the protocol synopsis for the Phase III trial. A protocol synopsis was submitted along with a briefing document for review and input at the End-of-Phase II (“EOP2”) meeting with the U.S. Food and Drug Administration focused on the Phase III study. The EOP2 meeting was conducted in the fourth quarter of 2024.

- The positive outcome of the EOP2 in-person meeting with the U.S. Food and Drug Administration (FDA), supported the advancement of IMNN-001 for the treatment of advanced ovarian cancer into a Phase 3 pivotal study. The interaction with the FDA included an extensive review of data generated to date, including positive results from the recently completed Phase 2 OVATION 2 Study, which assessed IMNN-001 (100 mg/m² administered intraperitoneally weekly) plus neoadjuvant and adjuvant chemotherapy (NACT) of paclitaxel and carboplatin compared to standard-of-care NACT alone in 112 patients with newly diagnosed advanced ovarian cancer. Treatment was also generally well tolerated, with no reports of cytokine release syndrome or any other serious immune-related adverse events.

- The Company also held a Type C Chemistry, Manufacturing, and Controls (CMC) meeting with the FDA regarding production of IMNN-001 for the treatment of women with newly diagnosed advanced ovarian cancer. The goal of the meeting was to seek alignment and agreement with the FDA on key CMC topics to support IMNN-001 production for the planned Phase 3 pivotal trial and a potential future new biologic license application (BLA) submission. The meeting with the FDA included a review of the Company's current good manufacturing practice (cGMP) clinical-scale and commercial manufacturing process for IMNN-001, conducted at the company's manufacturing facility based in Huntsville, Alabama. The Agency agreed that the Company's potency assay which measures interferon-gamma (IFN- γ) is acceptable for the Phase 3 clinical study and for use in a commercial setting for release of drug product. The FDA also agreed with the Company's strategy to establish comparability of the core components of IMNN-001 produced by the Company with product previously produced through an external contract development and manufacturing organization.

In December 2024, the Company announced additional clinical data from ongoing analyses of results from the Phase 2 OVATION 2 Study. The updated results, based on an additional seven months of patient monitoring, showed the hazard ratio (HR) decreased from 0.74 to 0.69 in the ITT population, with an increase in median overall survival (OS) from 11.1 to 13 months following treatment with IMNN-001 plus standard-of-care (SoC) neoadjuvant and adjuvant chemotherapy (NACT) versus SoC alone. More than one-third of patients in the trial survived more than 36 months from the point of study enrollment, with 62% of those surviving patients from the IMNN-001 treatment arm and 38% from the SoC arm. Over 10% of trial participants have reached 48 months or beyond. In April 2025, the Company announced that an IMNN-001 abstract was accepted for oral presentation at the 2025 ASCO annual meeting. The Company also plans to submit the results for publication in a peer-reviewed medical journal.

In March 2025, the Company announced that the FDA is aligned with the protocol for the Phase 3 pivotal trial, called OVATION 3, of its lead candidate IMNN-001 in development for the treatment of women with newly diagnosed advanced ovarian cancer. The Company is currently initiating trial sites and working with trial investigators to begin enrolling study participants.

The Phase 3 OVATION 3 trial will assess the safety and efficacy of IMNN-001 (100 mg/m² administered intraperitoneally weekly) plus neoadjuvant and adjuvant chemotherapy (NACT) of paclitaxel and carboplatin compared to standard of care (SoC) NACT alone. Study participants will be randomized 1:1 and include women with newly diagnosed advanced ovarian cancer (stage 3 or 4) who are eligible for neoadjuvant therapy, the intent-to-treat (ITT) population, with a sub-group of women positive for homologous recombination deficiency (HRD) including BRCA1 or BRCA2 mutations. Participants who are HRD positive will receive poly ADP-ribose polymerase (PARP) inhibitors as part of standard maintenance therapy. The primary endpoint of the study is overall survival (OS), and secondary endpoints are surgical response score, chemotherapy response score, clinical response and time to second-line treatment. The study will also assess several exploratory endpoints.

IMNN-001 in Combination with bevacizumab. In February 2023, the Company and Break Through Cancer, a public foundation dedicated to supporting translational research in the most difficult-to-treat cancers that partners with top cancer research centers, announced the commencement of patient enrollment in a collaboration to evaluate IMNN-001 in combination with bevacizumab in patients with advanced ovarian cancer in the frontline, neoadjuvant clinical setting.

This Phase I/II study, titled “Targeting Ovarian Cancer Minimal Residual Disease (MRD) Using Immune and DNA Repair Directed Therapies,” is expected to enroll 50 patients with Stage III/IV advanced ovarian cancer and is being led by principal investigator Amir Jazaeri, M.D., Vice Chair for Clinical Research and Director of the Gynecologic Cancer Immunotherapy Program in the Department of Gynecologic Oncology and Reproductive Medicine at MD Anderson. Dana-Farber Cancer Institute, The Sidney Kimmel Comprehensive Cancer Center at Johns Hopkins and Memorial Sloan Kettering Cancer Center will also be participating in the trial. In addition, The Koch Institute for Integrative Cancer Research at the Massachusetts Institute of Technology (MIT) will provide artificial intelligence services including biomarker and genomic analysis.

Patients are being randomized 1:1 in a two-arm trial. In October 2023, the first patient began treatment at University of Texas MD Anderson Cancer Center in the Phase I/II Clinical Trial Evaluating IMNN-001 in Combination with Bevacizumab in Advanced Ovarian Cancer. The trial’s primary endpoint is detection of minimal residual disease (MRD) by second look laparoscopy (SLL), and the secondary endpoint is PFS. SLL data are expected within one year following the completion of enrollment and final PFS data are expected approximately three years following the completion of enrollment. This trial will also include a wealth of translational endpoints aimed at understanding the clonal evolution and immunogenomic features of the MRD phase of ovarian cancer that is currently undetectable by imaging or tumor markers.

As of March 31, 2025, fourteen patients were enrolled and treated in the study at the University of Texas MD Anderson Cancer Center and Memorial Sloan Kettering Cancer Center. John Hopkins Medicine Sidney Kimmel Cancer Care Center has been added as a clinical site for this study and is open to recruitment.

PLACCINE DNA VACCINE MODALITY: IMNN-101

In January 2021, the Company announced the filing of a provisional U.S. patent application for a novel DNA-based, investigational vaccine for preventing or treating infections from a broad range of infectious agents including the coronavirus disease using its PLACCINE DNA vaccine modality (“PLACCINE”). The provisional patent covers a family of novel composition of multi-cistronic vectors and polymeric nanoparticles that comprise the PLACCINE DNA vaccine platform technology for preventing or treating infectious agents that have the potential for global pandemics, including the SARS-CoV-2 virus and its variations, using the Company’s TheraPlas platform technology.

Imunon’s PLACCINE DNA vaccine modality is characterized by a single mono-cistronic or multi-cistronic DNA plasmid vector expressing single or multiple pathogen antigens delivered with a synthetic delivery system. We believe it is adaptable to creating vaccines for a multitude of pathogens, including emerging pathogens leading to pandemics as well as infectious diseases that have yet to be effectively addressed with current vaccine technologies. This flexible vaccine platform is well supported by an established supply chain to produce any plasmid vector and its assembly into a respective vaccine formulation.

The need for new vaccine technologies is urgent. Since 1980, more than 80 pathogenic viruses have been discovered, yet fewer than 4% have a commercially available prophylactic vaccine. We have engaged with the Biomedical Advanced Research and Development Authority (“BARDA”), a division of the U.S. Department of Health and Human Services, to consider certain pathogens BARDA has identified as the most urgent and the most important.

PLACCINE is an extension of the Company’s synthetic, non-viral TheraPlas delivery technology currently in development for the treatment of late-stage ovarian cancer with IMNN-001. Imunon’s proprietary multifunctional DNA vaccine technology concept is built on the flexible PLACCINE technology platform that is amenable to rapidly responding to the SARS-CoV-2 virus, as well as possible future mutations of SARS-CoV-2, other future pandemics, emerging bioterrorism threats, and novel infectious diseases. Imunon’s extensive experience with TheraPlas suggests that the PLACCINE-based nanoparticles are stable at storage temperatures of 4°C to 25°C, making vaccines developed on this platform easily suitable for broad world-wide distribution.

Imunon’s vaccine approach is designed to optimize the quality of the immune response dictating the efficiency of pathogen clearance and patient recovery. Imunon has taken a multivalent approach in an effort to generate an even more robust immune response that not only results in a strong neutralizing antibody response, but also a more robust and durable T-cell response. Delivered with Imunon’s synthetic polymeric system, the proprietary DNA plasmid is protected from degradation and its cellular uptake is facilitated.

COVID-19 Vaccine Overview

Emerging data from the recent literature indicate that the quality of the immune response as opposed to its absolute magnitude is what dictates SARS-CoV2 viral clearance and recovery and that an ineffective or non-neutralizing enhanced antibody response might actually exacerbate disease. The first-generation COVID-19 vaccines were developed for rapid production and deployment and were not optimized for generating cellular responses that result in effective viral clearance. Though early data have indicated some of these vaccines to be over 95% effective, these first-generation vaccines were primarily designed to generate a strong antibody response, and while they have been shown to provide prophylactic protection against disease, the durability of this protection is currently unclear. Most of these vaccines have been specifically developed to target the SARS-CoV-2 Spike (S) protein (antigen), though it is known that restricting a vaccine to a sole viral antigen creates selection pressure that can serve to facilitate the emergence of viral resistance. Indeed, even prior to full vaccine rollout, it has been observed that the S protein is a locus for rapid evolutionary and functional change as evidenced by the D614G, Y453F, 501Y.V2, and VUI-202012/01 mutations/deletions. This propensity for mutation of the S protein leads to future risk of efficacy reduction over time as these mutations accumulate.

Our Next Generation Vaccine Initiative

Imunon's vaccine candidate comprises a single plasmid vector containing the DNA sequence encoding multiple SARS-CoV-2 antigens. Delivery will be evaluated intramuscularly, intradermally, or subcutaneously with a non-viral synthetic DNA delivery carrier that facilitates vector delivery into the cells of the injected tissue and has potential immune adjuvant properties. Unique designs and formulations of Imunon vaccine candidates may offer several potential key advantages. The synthetic polymeric DNA carrier is an important component of the vaccine composition as it has the potential to facilitate the vaccine immunogenicity by improving vector delivery and, due to potential adjuvant properties, attract professional immune cells to the site of vaccine delivery.

Future vaccine technology will need to address viral mutations and the challenges of efficient manufacturing, distribution, and storage. We believe the adaptation of our TheraPlas technology, PLACCINE, has the potential to meet these challenges. Our approach is described in our provisional patent filing and is summarized as a DNA vaccine technology platform characterized by a single plasmid DNA with multiple coding regions. The plasmid vector is designed to express multiple pathogen antigens. It is delivered via a synthetic delivery system and has the potential to be easily modified to create vaccines against a multitude of infectious diseases, addressing:

- **Viral Mutations:** PLACCINE may offer broad-spectrum and mutational resistance (variants) by targeting multiple antigens on a single plasmid vector.
- **Durable Efficacy:** PLACCINE delivers a DNA plasmid-based antigen that could result in durable antigen exposure and a robust vaccine response to viral antigens.
- **Storage & Distribution:** PLACCINE allows for stability that is compatible with manageable vaccine storage and distribution.
- **Simple Dosing & Administration:** PLACCINE is a synthetic delivery system that should require a simple injection that does not require viruses or special equipment to deliver its payload.

On September 2, 2021, the Company announced results from preclinical in vivo studies showing production of antibodies and cytotoxic T-cell response specific to the spike antigen of SARS-CoV-2 when immunizing BALB/c mice with the Company's next-generation PLACCINE DNA vaccine platform. Moreover, the antibodies to SARS-CoV-2 spike antigen prevented the infection of cultured cells in a viral neutralization assay. The production of antibodies predicts the ability of PLACCINE to protect against SARS-CoV-2 exposure, and the elicitation of cytotoxic T-cell response shows the vaccine's potential to eradicate cells infected with SARS-CoV-2. These findings demonstrated the potential immunogenicity of Imunon's PLACCINE DNA vaccine, which is intended to provide broad-spectrum protection and resistance against variants by incorporating multiple viral antigens, to improve vaccine stability at storage temperatures of 4°C and above, and to facilitate cheaper and easier manufacturing.

On January 31, 2022, the Company announced the initiation of a nonhuman primate (“NHP”) challenge study with Imunon’s DNA-based approach for a SARS-CoV-2 vaccine. The NHP pilot study followed the generation of encouraging mouse data and will evaluate the Company’s lead vaccine formulations for safety, immunogenicity and protection against SARS-CoV-2. In completed preclinical studies, Imunon demonstrated a favorable safety profile and efficient immune responses including IgG response, neutralizing antibodies and T-cell responses that parallel the activity of commercial vaccines following intramuscular (IM) administration of novel vaccine compositions expressing a single viral antigen. In addition, vector development has shown promise of neutralizing activity against a range of SARS-CoV-2 variants. Imunon’s DNA-based vaccines have been based on a simple intramuscular injection that does not require viral encapsulation or special equipment for administration.

PLACCINE has demonstrated the potential to be a powerful platform that provides for rapid design capability for targeting two or more different variants of a single virus in one vaccine. There is a clear public health need for vaccines today that address more than one strain of viruses, like COVID-19, which have fast evolving variant capability to offer the widest possible protection. Murine model data has thus far been encouraging and suggests that the Company’s approach provides not only flexibility, but also the potential for efficacy comparable to benchmark COVID-19 commercial vaccines with durability to protect for more than six months.

In September 2022, the Company provided an update on the progress made in the development of a DNA-based vaccine using its PLACCINE platform technology. The Company reported evidence of IgG, neutralizing antibody, and T-cell responses to its SARS-CoV-2 PLACCINE vaccines in normal mice. In this murine model, the Company’s multivalent PLACCINE vaccine targeted against two different variants showed to be immunogenic as determined by the levels of IgG, neutralizing antibodies, and T-cell responses. Additionally, our multivalent vaccine was equally effective against two different variants of the COVID-19 virus while the commercial mRNA vaccine appeared to have lost some activity against the newer variant.

Final data from its proof-of-concept (“PoC”) mouse challenge study confirmed that a PLACCINE DNA-based vaccine can produce robust levels of IgG, neutralizing antibodies, and T-cell responses. The data demonstrated the ability of the Company’s PLACCINE vaccine to protect a SARSCoV-2 mouse model in a live viral challenge. In the study, mice were vaccinated with a PLACCINE vaccine expressing the SARS-CoV-2 spike antigen from the D614G variant or the Delta variant, or a combination vaccine expressing both the D614G and Delta spike variants. The vaccination was administered by intramuscular injection on Day 0 and Day 14, followed by challenge with live SARS-CoV-2 virus on Day 42. All three vaccines, including the single and dual antigen vaccines, were found to have a favorable safety profile and elicited IgG responses and inhibited the viral load by 90-95%. The dual antigen vaccine was equally effective against both variants of the SARS CoV-2 virus.

In March 2023, the Company announced final results from the non-human primate (NHP) study involving three vaccine-treated non-human primates. The final data were consistent with the earlier data and showed excellent immunological response and viral clearance. More specifically, in this NHP study, we examined PLACCINE activity against a more advanced SARS-CoV-2 variants and at a DNA dose that was not previously tested in NHP and demonstrated robust IgG responses, neutralizing antibody responses and complete clearance of virus following the challenge as seen in the previous study.

In March 2023, the Company filed with the FDA a pre-IND package in advance of beginning human testing of a SARS-CoV-2 seasonal booster vaccine. In July 2023, the FDA confirmed in a written response our strategy agreeing that a platform approach to pre-clinical toxicology testing with reference to updated SARS-CoV-2 genes that align with current variant of concern may be used without additional need for toxicology studies. This demonstrated the flexibility and versatility of our platform, which allows for the rapid production and development of any vaccine by simply changing the antigen coding cassette.

On April 18, 2024, the Company announced that it received clearance from the FDA to begin a Phase I clinical trial with a seasonal COVID-19 booster vaccine. The Company filed an Investigational New Drug (IND) application for IMNN-101 in late February. The primary objectives of the Phase I study are to evaluate safety, tolerability, neutralizing antibody response, and the vaccine's durability (duration of immunogenicity) in healthy adults. Secondary objectives of the study include evaluating the ability of the IMNN-101 vaccine to elicit binding antibodies and cellular responses and their associated durability. The Phase I study enrolled 24 subjects to evaluate three escalating doses of IMNN-101. For this study, IMNN-101 has been designed to protect against the SARS-CoV-2 Omicron XBB1.5 variant, in accordance with the FDA's Vaccines and Related Biological Products Advisory Committee's June 2023 announcement of the framework for updated COVID-19 doses.

In February 2025, the Company announced topline safety and immunogenicity data from ongoing analyses of results from the Company's Phase I proof-of-concept clinical trial of IMNN-101. The Phase I study was conducted in 24 healthy volunteers as a seasonal COVID-19 vaccine, targeting the SARS-CoV-2 Omicron XBB1.5 spike antigen. IMNN-101 was administered as a single dose vaccine without a booster dose in study participants who were previously vaccinated against the Omicron XBB1.5 variant. Results demonstrated that IMNN-101 is safe and well-tolerated with no serious adverse effects. IMNN-101 induced a persistent 2- to 4-fold increase in serum neutralizing antibody (NAb) titers from baseline through Week 4, further increasing NAb titers between Week 2 and Week 4. The immune response was observed against the XBB1.5 variant and many newer variants following treatment, demonstrating the IMNN-101 vaccine's cross-reactivity.

The participants in the Phase I trial had high baseline immune characteristics presumably from prior infection and multiple previous vaccinations against COVID-19 and ongoing infection as evidenced by the rise in viral nucleocapsid antigen during the study period. Modest increases in T cell responses were observed in this setting of trial participants having received multiple immunizations prior to the study.

The Phase I trial was designed to establish PoC for IMNN-101 as an advancement in vaccine technology. Imunon intends to seek partnership and/or business development opportunities to develop the scientific and business case for IMNN-101 as a future vaccine to address viral mutations.

Business Plan and Going Concern Risk

We have not generated and do not expect to generate any revenue from product sales in the next several years, if at all. An element of our business strategy has been to pursue, as resources permit, the research and development of a range of drug candidates for a variety of indications. We may also evaluate licensing products from third parties to expand our current product pipeline. This is intended to allow us to diversify the risks associated with our research and development expenditures. To the extent we are unable to maintain a broad range of drug candidates, our dependence on the success of one or a few drug candidates would increase and would have a more significant impact on our financial prospects, financial condition, and market value. We may also consider and evaluate strategic alternatives, including investment in, or acquisition of, complementary businesses, technologies, or products. Drug research and development is an inherently uncertain process and there is a high risk of failure at every stage prior to approval. The timing and the outcome of clinical results are extremely difficult to predict. The success or failure of any preclinical development and clinical trial can have a disproportionately positive or negative impact on our results of operations, financial condition, prospects, and market value.

Our current business strategy includes the possibility of entering into collaborative arrangements with third parties to complete the development and commercialization of our drug candidates. In the event that third parties are contracted to manage the clinical trial process for one or more of our drug candidates, the estimated completion date would largely be under the control of that third party rather than us. We cannot forecast with any degree of certainty which proprietary products or indications, if any, will be subject to future collaborative arrangements, in whole or in part, and how such arrangements would affect our development plan or capital requirements. We may also apply for subsidies, grants or government or agency-sponsored studies that could reduce our development costs. However, we cannot forecast with any degree of certainty whether we will be selected to receive any subsidy, grant or governmental funding.

As of March 31, 2025, the Company had \$2.9 million in cash and cash equivalents to fund its operations. The Company's primary sources of cash have been proceeds from the issuance and sale of its common stock, including via its at-the-market ("ATM") program and other potential funding transactions. There can be no assurance that the Company will be able to do so in the future on a timely basis on terms acceptable to the Company, or at all. The Company has not yet commercialized any of its product candidates. Even if the Company commercializes one or more of its product candidates, it may not become profitable in the near term. The Company's ability to achieve profitability depends on several factors, including its ability to obtain regulatory approval for its product candidates, successfully complete any post-approval regulatory obligations and successfully commercialize its product candidates alone or in partnership.

Such conditions raise substantial doubts about the Company's ability to continue as a going concern. Based on the above, management has determined there is substantial doubt regarding our ability to continue as a going concern. The report of our independent registered public accounting firm for the year ended December 31, 2024, includes an explanatory paragraph which expresses substantial doubt about our ability to continue as a going concern. See also Note 2 to the Condensed Consolidated Financial Statements contained in this Quarterly Report on Form 10-Q.

Management's plan includes private or public equity financings, collaborations, or other strategic transactions such as raising funds from outside investors via its ATM program and other potential funding sources. The Company may not be able to obtain funding on acceptable terms, or at all. The terms of any financing may adversely affect the holdings or the rights of the Company's stockholders. The Company's ability to raise additional funds will depend, among other factors, on financial, economic and market conditions, many of which are outside of its control, and it may be unable to raise financing when needed, or on terms favorable to the Company. If the Company is unable to obtain sufficient capital to fund its operations it may be required to evaluate alternatives. The Company's financial statements do not include any adjustments relating to the recoverability and classification of assets, carrying amounts or the amount and classification of liabilities that may be required should the Company be unable to continue as a going concern.

As a result of the risks and uncertainties discussed in the 2024 Annual Report filed on February 27, 2025 with the SEC, among others, we are unable to estimate the duration and completion costs of our research and development projects or when, if ever, and to what extent we will receive cash inflows from the commercialization and sale of a product if one of our drug candidates receives regulatory approval for marketing, if at all. Our inability to complete any of our research and development activities, preclinical studies or clinical trials in a timely manner or our failure to enter into collaborative agreements when appropriate could significantly increase our capital requirements and could adversely impact our liquidity. While our estimated future capital requirements are uncertain and could increase or decrease as a result of many factors, including the extent to which we choose to advance our research and development activities, preclinical studies and clinical trials, or whether we are in a position to pursue manufacturing or commercialization activities, we will need significant additional capital to progress our drug candidates through development and clinical trials, obtain regulatory approvals and manufacture and commercialize approved products, if any. We do not know whether we will be able to access additional capital when needed or on terms favorable to us or our stockholders. Our inability to raise additional capital, or to do so on terms reasonably acceptable to us, would jeopardize the future success of our business.

Financing Overview

Equity, Debt and Other Forms of Financing

During 2025 and 2024 through the date of this Quarterly Report on Form 10-Q, we issued a total of 5.2 million shares of common stock as discussed below for approximately \$9.2 million in net proceeds.

On May 15, 2024, the Company filed with the SEC a shelf registration statement on Form S-3 (the “2024 Registration Statement”) for the offer and sale of up to \$75 million of its securities. The 2024 Registration Statement was declared effective on May 22, 2024. The 2024 Registration Statement is intended to provide the Company with flexibility to raise capital in the future for general corporate purposes. However, the Company’s ability to offer and sell its securities in a primary offering on the 2024 Registration Statement is limited by General Instruction I.B.6 of Form S-3 (the “Baby Shelf Limitation”), which limits the amount that the Company can offer to up to one-third of its public float during any trailing 12-month period. The Company would no longer be subject to the Baby Shelf Limitation if its public float exceeds \$75 million. In the first quarter of 2025, the Company sold 120,047 shares of common stock for net proceeds of \$105,693. The Company did not sell any shares of common stock under the ATM program in 2024.

Significant Accounting Policies

Our significant accounting policies are more fully described in Note 1 to our consolidated financial statements included in our 2024 Annual Report on Form 10-K for the year ended December 31, 2024 filed with the SEC on February 27, 2025. See Note 3 to the Condensed Consolidated Financial Statements contained in this Quarterly Report on Form 10-Q.

As a clinical-stage biopharmaceutical company, our business, and our ability to execute our strategy to achieve our corporate goals are subject to numerous risks and uncertainties. Material risks and uncertainties relating to our business and our industry are described in “Item 1A. Risk Factors” under “Part II: Other Information” included herein.

FINANCIAL REVIEW FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024

Results of Operations

For the three months ended March 31, 2025, our net loss was \$4.1 million compared to a net loss of \$4.9 million for the same three-month period of 2024.

With \$2.9 million in cash and cash equivalents, short-term investments and interest receivable at March 31, 2025, such conditions raise substantial doubts about the Company’s ability to continue as a going concern. Based on the above, management has determined there is substantial doubt regarding our ability to continue a going concern.

Management’s plan includes raising funds from the issuance and sale of its common stock via its ATM program and other funding transactions. However, as mentioned above, there is no assurance such funding will be available to the Company or that it will be obtained on terms favorable to the Company or will provide the Company with sufficient funds to meet its objectives. The Company’s financial statements do not include any adjustments relating to the recoverability and classification of assets, carrying amounts or the amount and classification of liabilities that may be required should the Company be unable to continue as a going concern.

	For the three months ended March 31,			
	(In thousands)		Change Increase (Decrease)	
	2025	2024		
Operating Expenses:				
Clinical Research				
OVATION	\$ 214	\$ 287	\$ (73)	(25.4)%
Vaccine	58	571	(513)	(89.8)%
Other Clinical and regulatory	574	477	97	20.3%
Subtotal	846	1,335	(489)	(36.6)%
Non-Clinical R&D and CMC				
OVATION	913	405	508	125.4%
PlaCCine Vaccine	-	1,215	(1,215)	-%
Manufacturing (CMC)	406	339	67	19.8%
Subtotal	1,319	1,959	(640)	(32.7)%
Research and development expenses	2,165	3,294	(1,129)	(34.3)%
General and administrative expenses	1,980	1,717	263	15.3%
Total operating expenses	4,145	5,011	(866)	(17.3)%
Loss from operations	\$ (4,145)	\$ (5,011)	\$ (866)	(17.3)%

Research and Development Expenses

Research and development (“R&D”) expenses were \$2.2 million in the first quarter of 2025 compared to \$3.3 million in same period of 2024. Clinical costs associated with the OVATION program were \$0.2 million in the first quarter of 2025 compared to \$0.3 million in 2024. Clinical costs associated with the PlaCCine vaccine trial were \$58,000 in the first quarter of 2025 compared to \$0.6 million in the first quarter of 2024. Other clinical and regulatory costs were \$0.6 million the first quarter of 2025 compared to \$0.5 million in the same period of 2024. R&D costs associated with the development of IMNN-001 to support the OVATION program were \$0.9 million in the first quarter of 2025 compared to \$0.4 million in same period of 2024. The development of the PLACCINE DNA vaccine technology platform was \$1.2 million in the first quarter of 2024. CMC costs were \$0.4 million in the first quarter of 2025 compared to \$0.3 million in the same period of 2024.

General and Administrative Expenses

General and administrative expenses were \$2.0 million in the first quarter of 2025 compared to \$1.7 million in the same period of 2024. The increase was primarily attributable to higher employee-related expenses of \$0.5 million offset by lower legal expenses of \$0.2 million.

Investment income from the Company’s short-term investments was \$43,000 for the first quarter of 2025 compared to \$82,000 for the same period in 2024.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Since inception, we have incurred significant losses and negative cash flows from operations. We have financed our operations primarily through the net proceeds from the sales of equity, credit facilities and amounts received under product licensing agreements. The process of developing IMNN-001 and other drug candidates and technologies requires significant research and development work and clinical trial studies, as well as significant manufacturing and process development efforts. We expect these activities, together with our general and administrative expenses, to result in significant operating losses for the foreseeable future. Our expenses have significantly and regularly exceeded our income, and we had an accumulated deficit of \$411 million at March 31, 2025.

At March 31, 2025, we had total current assets of \$5.1 million and current liabilities of \$5.8 million, resulting in a negative net working capital of \$0.7 million. At March 31, 2025, we had cash and cash equivalents of \$2.9 million. At December 31, 2024, we had total current assets of \$8.0 million and current liabilities of \$4.8 million, resulting in net working capital of \$3.2 million. We have substantial future capital requirements to continue our research and development activities and advance our drug candidates through various development stages. The Company believes these expenditures are essential for the commercialization of its technologies.

Net cash used in operating activities for the first three months of 2025 was \$2.8 million. Net cash used by investing activities was \$0.3 million during the first three months of 2025.

The Company will continue to seek additional capital through further public or private equity offerings, debt financing, additional strategic alliance and licensing arrangements, collaborative arrangements, or some combination of these financing alternatives. If we raise additional funds through the issuance of equity securities, the percentage ownership of our stockholders could be significantly diluted, and the newly issued equity securities may have rights, preferences, or privileges senior to those of the holders of our common stock. If we raise funds through the issuance of debt securities, those securities may have rights, preferences, and privileges senior to those of our common stock. If we seek strategic alliances, licenses, or other alternative arrangements, such as arrangements with collaborative partners or others, we may need to relinquish rights to certain of our existing or future technologies, drug candidates, or products we would otherwise seek to develop or commercialize on our own, or to license the rights to our technologies, drug candidates, or products on terms that are not favorable to us. The overall status of the economic climate could also result in the terms of any equity offering, debt financing, or alliance, license, or other arrangement being even less favorable to us and our stockholders than if the overall economic climate were stronger. We also will continue to look for government sponsored research collaborations and grants to help offset future anticipated losses from operations and, to a lesser extent, interest income.

If adequate funds are not available through either the capital markets, strategic alliances, or collaborators, we may be required to delay or, reduce the scope of, or terminate our research, development, clinical programs, manufacturing, or commercialization efforts, or effect additional changes to our facilities or personnel, or obtain funds through other arrangements that may require us to relinquish some of our assets or rights to certain of our existing or future technologies, drug candidates, or products on terms not favorable to us.

Such conditions raise substantial doubts about the Company's ability to continue as a going concern. Management's plan includes raising funds from the issuance and sale of its common stock via its ATM program and other funding transactions. However, as mentioned above, there is no assurance such funding will be available to the Company or that it will be obtained on terms favorable to the Company or will provide the Company with sufficient funds to meet its objectives. The Company's financial statements do not include any adjustments relating to the recoverability and classification of assets, carrying amounts or the amount and classification of liabilities that may be required should the Company be unable to continue as a going concern.

Off-Balance Sheet Arrangements and Contractual Obligations

None.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information required under this item.

Item 4. CONTROLS AND PROCEDURES

We have carried out an evaluation, under the supervision and with the participation of management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as that term is defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended. Based on that evaluation, our principal executive officer and principal financial officer have concluded that, as of March 31, 2025, which is the end of the period covered by this report, our disclosure controls and procedures are effective at the reasonable assurance level in alerting them in a timely manner to material information required to be included in our periodic reports with the SEC.

There were no changes in our internal control over financial reporting identified in connection with the evaluation that occurred during the period covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

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

PART II: OTHER INFORMATION

Item 1. Legal Proceedings

We are not currently a party to any material legal proceedings.

Item 1A. Risk Factors

There have been no material changes to our risk factors from those disclosed under “Risk Factors” in Part I, Item 1A of our 2024 Annual Report on Form 10-K. The risks and uncertainties described in our 2024 Annual Report on Form 10-K are not the only ones we face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also materially adversely affect our business, financial condition, or results of operations.

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.

During the quarter ended March 31, 2025, no directors or executive officers entered into, modified or terminated, contracts, instructions or written plans for the sale or purchase of the Company’s securities that were intended to satisfy the affirmative defense conditions of Rule 10b5-1.

Item 6. Exhibits.

- 10.1++ [Offer Letter of Employment, dated February 1, 2025, between Imunon, Inc. and Douglas Faller, incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K of the Company filed on February 10, 2025 \(SEC File No. 001-15911\).](#)
- 31.1+ [Certification of Chief Executive Officer pursuant to Rule 13a-14\(a\)/15d-14\(a\), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)
- 31.2+ [Certification of Chief Financial Officer pursuant to Rule 13a-14\(a\)/15d-14\(a\), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)
- 32.1* [Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.](#)
- 101** The following materials from the Company’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2025 formatted in XBRL (Extensible Business Reporting Language): (i) the unaudited Consolidated Balance Sheets, (ii) the unaudited Consolidated Statements of Operations, (iii) the unaudited Consolidated Statements of Comprehensive Loss, (iv) the unaudited Consolidated Statements of Cash Flows, (v) the unaudited Consolidated Statements of Change in Stockholders’ Equity (Deficit), and (vi) Notes to Consolidated Financial Statements.
- + Filed herewith.
- ++ Management contract or compensatory plan or arrangement.
- * Exhibit 32.1 is being furnished and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, nor shall such exhibit be deemed to be incorporated by reference in any registration statement or other document filed under the Securities Act of 1933, as amended, or the Securities Exchange Act, except as otherwise stated in such filing.
- ** XBRL information is filed herewith.
- 104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

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.

May 12, 2025

IMUNON, INC.

Registrant

By: /s/ Stacy R. Lindborg Ph.D.

Stacy R. Lindborg, Ph.D.

Chief Executive Officer

By: /s/ David Gaiero

David Gaiero

Chief Financial Officer

**IMUNON, INC.
CERTIFICATION**

I, Stacy R. Lindborg Ph.D., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Imunon, 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 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.

Imunon, Inc.

May 12, 2025

By: /s/ Stacy R. Lindborg Ph.D.
Stacy R. Lindborg Ph.D.
Chief Executive Officer

**IMUNON, INC.
CERTIFICATION**

I, David Gaiero, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Imunon, 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 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.

Imunon, Inc.

May 12, 2025

By: /s/ David Gaiero
David Gaiero
Chief Financial Officer

IMUNON, INC.

SECTION 1350 CERTIFICATIONS*

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), each of the undersigned hereby certifies that, to the best of his knowledge, (i) the Quarterly Report on Form 10-Q for the period ended March 31, 2025 of Imunon, Inc. (the "Company") filed with the Securities and Exchange Commission on the date hereof fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act and (ii) the information contained in such report fairly presents, in all material respects, the financial condition and results of operations of the Company.

May 12, 2025

By: /s/ Stacy R. Lindborg Ph. D.Stacy R. Lindborg Ph.D.
Chief Executive Officer

May 12, 2025

By: /s/ David GaieroDavid Gaiero
Chief Financial Officer

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