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

FORM 10-Q

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

For the quarterly period ended June 30, 2024

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: 001-40045

NEXIMMUNE, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware	**42-2518457**
(State or other jurisdiction of incorporation or organization)	**(IRS Employer Identification No.)**
9119 Gaither Road Gaithersburg, MD	**20877**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (301) 825-9810

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

Title of Each Class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.0001 par value per share	**NEXI**	**OTC Pink**

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

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

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

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

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

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

As of August 7, 2024, the registrant had 1,394,671 shares of common stock, $0.0001 par value per share, outstanding.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q ("this Quarterly Report") contains forward-looking statements that involve risks and uncertainties. All statements other than statements of historical facts contained in this Quarterly Report are forward-looking statements. In some cases, you can identify forward-looking statements by words such as "anticipate," "believe," "contemplate," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "seek," "should," "target," "will," "would," or the negative of these words or other comparable terminology. These forward-looking statements include, but are not limited to, statements about:

- our plans and expectations for the proposed dissolution and liquidation;
- our ability to execute successfully on our reduction-in-force announced in November 2023;
- our plans and expectations with respect to any potential alternatives to the dissolution, including with respect to the development of the Artificial Immune Modulation ("AIM") in vivo directly-injectable modality ("INJ") platform, any potential product candidates developed using our AIM INJ platform, or any of NEXI-001, NEXI-002 or NEXI-003;
- our financial performance;
- our ability to continue as a going concern; and
- our expectations related to the use of our cash.

These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described in the "Risk Factors" section in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023, filed with the U.S. Securities and Exchange Commission ("SEC"), on April 16, 2024 and those described under the "Risk Factors" section and elsewhere in this Quarterly Report. Moreover, we operate in a very competitive and rapidly changing environment, and new risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this Quarterly Report may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable as of the date of this Quarterly Report, we cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur. We undertake no obligation to update publicly any forward-looking statements for any reason after the date of this Quarterly Report to conform these statements to new information, actual results or to changes in our expectations, except as required by law.

You should read this Quarterly Report and the documents that we reference in this Quarterly Report and have filed with the SEC as exhibits to this Quarterly Report with the understanding that our actual future results, levels of activity, performance, and events and circumstances may be materially different from what we expect.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

NEXIMMUNE, INC.

BALANCE SHEETS

	June 30, 2024	December 31, 2023
	(unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 2,424,112	$ 3,202,452
Restricted cash	20,000	20,000
Assets held for sale	175,000	1,444,043
Prepaid expenses and other current assets	507,751	734,464
Total current assets	3,126,863	5,400,959
Property and equipment, net	1,106,608	1,352,901
Operating lease right-of-use assets	—	46,716
Other non-current assets	1,627,829	1,793,373
Total assets	$ 5,861,300	$ 8,593,949
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 1,281,161	$ 1,336,318
Accrued expenses	3,455,430	3,679,105
Operating lease liabilities, current	—	68,809
Total current liabilities	4,736,591	5,084,232
Warrant liability	204,170	—
Total liabilities	4,940,761	5,084,232
Commitments and contingencies		
Contingently redeemable warrants	224,189	—
Stockholders' equity		
Series A Preferred Stock, $0.0001 par value, 1 share authorized, issued and outstanding as of June 30, 2024 and no shares authorized, issued and outstanding as of December 31, 2023.	—	—
Common Stock, $0.0001 par value per share, 250,000,000 shares authorized as of June 30, 2024 and December 31, 2023; 1,394,671 and 1,066,320 shares issued and outstanding as of June 30, 2024 and December 31, 2023, respectively.	139	2,646
Additional paid-in-capital	228,694,296	226,101,118
Accumulated deficit	(227,998,085)	(222,594,047)
Total stockholders' equity	696,350	3,509,717
Total liabilities and stockholders' equity	$ 5,861,300	$ 8,593,949

On October 18, 2023, the Company effected a one-for-twenty-five (1-for-25) reverse stock split of its common stock. The total authorized number of shares were not reduced. All historical share and per share amounts reflected in this report have been adjusted to reflect the reverse stock split.

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

NEXIMMUNE, INC.

STATEMENTS OF OPERATIONS
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	**2023**	**2024**	**2023**
Operating expenses:				
Research and development	$ 647,373	$ 4,880,338	$ 1,391,396	$ 11,004,382
General and administrative	2,082,494	2,904,321	4,095,937	6,605,686
Loss on assets held for sale	779,439	—	779,439	—
Total operating expenses	3,509,306	7,784,659	6,266,772	17,610,068
Loss from operations	(3,509,306)	(7,784,659)	(6,266,772)	(17,610,068)
Other income (expense):				
Interest income	31,870	223,321	46,660	498,059
Change in fair value of warrant liability	1,185,373	—	2,606,212	—
Loss on issuance of common stock and warrants	—	—	(1,111,614)	—
Offering costs	—	—	(740,836)	—
Other income (expense)	(34,702)	(5,166)	62,312	(19,572)
Other income, net	1,182,541	218,155	862,734	478,487
Net loss	$ (2,326,765)	$ (7,566,504)	$ (5,404,038)	$ (17,131,581)
Basic and diluted per common share	$ (1.69)	$ (7.25)	$ (4.11)	$ (16.42)
Basic and diluted weighted-average number of common shares outstanding	1,380,395	1,043,138	1,315,447	1,043,138

On October 18, 2023, the Company effected a one-for-twenty-five (1-for-25) reverse stock split of its common stock. All historical share and per share amounts reflected in this report have been adjusted to reflect the reverse stock split.

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

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(unaudited)

		Stockholders' Equity						
		Series A Preferred Stock		Common Stock				
	Contingently redeemable warrants	Shares	Amount	Shares	Amount	Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity
Balance at January 1, 2024	$ —	—	$ —	1,066,320	$ 2,646	$ 226,101,118	$ (222,594,047)	$ 3,509,717
Issuance of common stock and placement agent warrant	—	—	—	117,000	11	212,766	—	212,777
Issuance and exercise of pre-funded warrants	—	—	—	187,731	19	1,973,221	—	1,973,240
Reclass warrants to temporary equity	224,189	—	—			(224,189)		(224,189)
Adjustment due to reverse split	—	—	—	—	(2,539)	2,539	—	—
Stock-based compensation	—	—	—	—	—	348,301	—	348,301
Net loss	—	—	—	—	—	—	(3,077,273)	(3,077,273)
Balance at March 31, 2024	224,189	—	$ —	1,371,051	$ 137	$ 228,413,756	$ (225,671,320)	$ 2,742,573
Issuance of preferred stock	—	1	—	—	—	—	—	—
Vesting of restricted stock units	—	1	—	23,620	2	(2)	—	—
Stock-based compensation	—	—	—	—	—	280,542	—	280,542
Net loss	—	—	—	—	—	—	(2,326,765)	(2,326,765)
Balance at June 30, 2024	224,189	2	$ —	1,394,671	$ 139	$ 228,694,296	$ (227,998,085)	$ 696,350
Balance at January 1, 2023	$ —	—	$ —	1,043,138	$ 2,608	$ 222,547,530	$ (190,249,654)	$ 32,300,484
Stock-based compensation	—	—	—	—	—	842,446	—	842,446
Net loss	—	—	—	—	—	—	(9,565,077)	(9,565,077)
Balance at March 31, 2023	$ —	—	$ —	1,043,138	$ 2,608	$ 223,389,976	$ (199,814,731)	$ 23,577,853
Stock-based compensation	—	—	—	—	—	991,133	—	991,133
Net loss	—	—	—	—	—	—	(7,566,504)	(7,566,504)
Balance at June 30, 2023	$ —	—	$ —	1,043,138	$ 2,608	$ 224,381,109	$ (207,381,235)	$ 17,002,482

On October 18, 2023, the Company effected a one-for-twenty-five (1-for-25) reverse stock split of its common stock. All historical share and per share amounts reflected in this report have been adjusted to reflect the reverse stock split.

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

NEXIMMUNE, INC.

STATEMENTS OF CASH FLOWS
(Unaudited)

	Six Months Ended June 30,	
	2024	**2023**
Cash flows from operating activities		
Net loss	$ (5,404,038)	$ (17,131,581)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	190,320	530,922
Loss on sale of assets held for sale	779,439	—
Gain on asset disposal	(30,105)	—
Change in fair value of warrant liability	(2,606,212)	—
Offering costs associated with warrant liabilities	740,836	—
Loss on issuance of common stock and warrants	1,111,614	—
Stock-based compensation	628,843	1,833,579
Non-cash lease expense	46,716	263,815
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	236,264	472,188
Other non-current assets	165,544	—
Accounts payable	(55,157)	(1,794,864)
Accrued expenses	(223,675)	(2,211,999)
Operating lease liabilities	(68,809)	(275,641)
Net cash used in operating activities	(4,488,420)	(18,313,581)
Cash flows from investing activities		
Purchase of property and equipment	—	(47,739)
Proceeds from disposal of equipment	566,131	—
Net cash provided by (used in) investing activities	566,131	(47,739)
Cash flows from financing activities		
Proceeds from issuance of common stock and warrants, net of issuance costs	3,143,949	—
Net cash provided by financing activities	3,143,949	—
Net decrease in cash, cash equivalents and restricted cash	(778,340)	(18,361,320)
Cash, cash equivalents and restricted cash at beginning of period	3,222,452	34,697,340
Cash, cash equivalents and restricted cash at end of period	$ 2,444,112	$ 16,336,020

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

NEXIMMUNE, INC.

NOTES TO UNAUDITED FINANCIAL STATEMENTS

1. Nature of the Business

NexImmune, Inc. (“Company,” “we,” “us” or “NexImmune”), a Delaware corporation headquartered in Gaithersburg, Maryland, was incorporated on June 7, 2011. The Company is an emerging biopharmaceutical company advancing a new generation of immunotherapies based on its proprietary Artificial Immune Modulation ("AIM") technology. The AIM nanotechnology platform, originally developed at Johns Hopkins University, is the foundation for an innovative approach to immunotherapy in which the body’s own immune system is stimulated to orchestrate a targeted T cell response against a disease. Central to the AIM technology are artificial AIM nanoparticles, which act as synthetic dendritic cells. These AIM nanoparticles can be programmed to present specific antigens to specific T cells orchestrating a highly targeted immune response. These AIM nanoparticles can be rapidly engineered to elicit an immune attack that can be directed toward any foreign substance or cell type in a patient’s body. The Company’s first two products, both for the treatment of different types of cancer, entered clinical trials in 2020. Following a strategic review of the Company's corporate strategy, including with respect to its adoptive cell therapy programs, the Company paused clinical development of its current AIM Adoptive Cell Therapy product candidates, NEXI-001 in Acute Myeloid Leukemia, NEXI-002 in Multiple Myeloma, and NEXI-003 in HPV related solid tumors which is designed to reduce costs and reallocate resources towards our AIM in vivo directly-injectable modality (“INJ”) preclinical development programs. As part of this strategy, the Company will focus on developing AIM INJ nanoparticle constructs and modalities for potential clinical evaluation in oncology and autoimmune disorders. The Company continues to explore several external opportunities to continue to advance these programs. As a result, the Company will focus its existing resources on its injectable platform in oncology and autoimmune diseases.

Going Concern

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 205-40, *Presentation of Financial Statements - Going Concern* ("ASC 205-40"), requires management to assess the Company’s ability to continue as a going concern for one year after the date the financial statements are issued. Under ASC 205-40, management has the responsibility to evaluate whether conditions and/or events raise substantial doubt about the Company’s ability to meet future financial obligations as they become due within one year after the date that the unaudited financial statements are issued. As required by this standard, management’s evaluation shall initially not take into consideration the potential mitigating effects of management’s plans that have not been fully implemented as of the date the unaudited financial statements are issued.

The accompanying unaudited financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has incurred recurring operating losses and negative cash flows from operations**.** The unaudited financial statements do not include any adjustments relating to the realization of the carrying value of assets or the amounts and classification of liabilities that might be necessary should we be unable to continue as a going concern.

As of June 30, 2024, the Company had an accumulated deficit of $228.0 million and negative cash flows from operating activities for the period ended June 30, 2024. The Company has no outstanding debt, $2.4 million in cash and cash equivalents as of June 30, 2024 and no other access to significant capital. The Company expects its negative cash flows from operating activities to exceed its currently available liquidity and thus has determined that its losses and negative cash flows from operations and uncertainty in obtaining additional liquidity sufficient to meet its obligations and sustain its operations raise substantial doubt about the Company’s ability to continue as a going concern for at least one year from the issuance date of these unaudited financial statements.

As the Company’s research and development activities mature and develop over the next year, the Company will require substantial funds to continue such activities. If the Company is unable to raise additional capital or otherwise achieve other alternatives to maximize the value of the business and its assets, the Company would expect to seek stockholder approval of the liquidation and dissolution of the Company at a special meeting. In this regard, management plans to raise additional capital through financing activities that may include public offerings and private placements of its common stock, preferred stock offerings, collaborations and licensing arrangements and issuances of debt and convertible debt instruments.

There are inherent uncertainties associated with fundraising activities which are not within the Company’s control. There are no assurances that such additional funding will be obtained, or that any funding that may be obtained would be sufficient for the Company to meet its obligations as they become due within one year, or that the Company will succeed in its future operations. If the Company cannot successfully raise additional capital, its liquidity, financial condition and business prospects will be materially and adversely affected. The Company is continually looking into further capital planning and the evaluation of strategic alternatives. There is substantial doubt about the Company’s ability to continue as a going concern.

Reverse Stock Split

On October 18, 2023, the Company effected a one-for-twenty-five (1-for-25) reverse stock split of its common stock (the “Reverse Stock Split”). The total authorized number of shares were not reduced. The Reverse Stock Split, which was approved by stockholders at a special stockholder meeting on October 17, 2023, was consummated pursuant to a Certificate of Amendment filed with the Secretary of State of Delaware on October 18, 2023. The Reverse Stock Split was effective on October 18, 2023. All references to common stock, warrants to purchase common stock, options to purchase common stock, share data, per share data and related information contained in the unaudited financial statements have been retrospectively adjusted to reflect the effect of the Reverse Stock Split for all periods presented.

Approval of Plan of Dissolution and Postponement of Special Meeting

On November 2, 2023, the Board of Directors of the Company (the "Board"), unanimously approved the liquidation and wind up of the Company through a dissolution pursuant to a plan of liquidation and dissolution (the "Plan of Liquidation and Dissolution"), subject to stockholder approval, while continuing to pursue alternatives intended to maximize the value of the business and its assets.

On February 2, 2024, the Company entered into a securities purchase agreement (the “Purchase Agreement”) with a single healthcare focused institutional investor (the “Investor”), pursuant to which the Company agreed to issue and sell, in a registered direct offering priced at-the-market under the rules of The Nasdaq Stock Market (the “Registered Offering”) (i) an aggregate of 117,000 shares (the “Shares”) of common stock, par value $0.0001 per share, of the Company (“Common Stock”), at an offering price of $12.05 per share, and (ii) pre-funded warrants (the “Pre-Funded Warrants”) exercisable for up to 187,731 shares of Common Stock (the “Pre-Funded Warrant Shares”), at an offering price of $12.049 per Pre-Funded Warrant, for aggregate gross proceeds from the February 2024 Offerings (as defined below) of approximately $3.7 million before deducting the placement agent fee and related offering expenses. The February 2024 Offerings closed on February 6, 2024 and all Pre-Funded Warrants were exercised at closing.

In a concurrent private placement (the “Private Placement” and, together with the Registered Offering, the “February 2024 Offerings”), the Company issued to the Investor unregistered warrants to purchase up to an aggregate of 304,731 shares of Common Stock (the “Unregistered Warrants”) at an exercise price of $12.05 per share. Each Unregistered Warrant is exercisable immediately and will expire two years from the initial exercise date. The Unregistered Warrants and the shares of our Common Stock issuable upon the exercise of the Unregistered Warrants are not being registered under the Securities Act of 1933, as amended (the “Securities Act”), are not being offered pursuant to the Registration Statement and are being offered pursuant to the exemption provided in Section 4(a)(2) under the Securities Act, and/or Rule 506(b) promulgated thereunder.

As a result of the February 2024 Offerings described above, the Company had determined to postpone its special meeting of stockholders for the purpose of approving the liquidation and dissolution of the Company and the Plan of Liquidation and Dissolution, which was previously scheduled to reconvene on Wednesday, February 7, 2024.

On June 11, 2024, the Board of Directors of the Company (the "Board"), unanimously approved the liquidation and wind up of the Company through a dissolution pursuant to a plan of liquidation and dissolution (the "Plan of Liquidation and Dissolution"), subject to stockholder approval, while continuing to pursue alternatives intended to maximize the value of the business and its assets. The Company scheduled a special meeting of stockholders for the purpose of approving the liquidation and dissolution of the Company and the Plan of Liquidation and Dissolution on July 11, 2024, which was adjourned to reconvene on July 19, 2024, adjourned to reconvene on August 2, 2024 and again adjourned to reconvene on August 9, 2024 to permit the Company to continue to pursue alternatives intended to maximize the value of the business and its assets.

2. Basis of Presentation and Significant Accounting Policies

The accompanying unaudited financial statements were prepared in accordance with the rules and regulations of the U.S. Securities and Exchange Commission (“SEC”) for interim financial information. Accordingly, they do not include all of the information required by U.S. generally accepted accounting principles (“GAAP”) for complete financial statements. Any reference in these notes to applicable guidance is meant to refer to the authoritative GAAP as found in the ASC and Accounting Standards Updates (“ASU”) of the FASB. These financial statements should be read in conjunction with the audited financial statements and the accompanying notes to the financial statements contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2023, as filed with the SEC on April 16, 2024.

In management’s opinion, the accompanying unaudited financial statements contain all adjustments, including normal, recurring adjustments, necessary to fairly present the financial position as of June 30, 2024 and December 31, 2023, and the

unaudited statements of operations, statements of changes in stockholders' equity and statements of cash flows for the three and six month periods ended June 30, 2024 and 2023. Interim results are not necessarily indicative of results for an entire year.

Stock-Based Compensation

The Company records compensation expense associated with stock options and other forms of equity compensation based on the estimated fair value at the grant date. Compensation expense related to awards to employees and non-employees with service based vesting conditions is recognized on a straight-line basis based on the grant date fair value over the requisite service period of the award, which is generally the vesting term. The Company's policy is to account for forfeitures as they occur. The Company uses the Black-Scholes-Merton option pricing ("Black-Scholes"), model to estimate the fair value of stock options. The Black-Scholes model requires input-based assumptions that are highly subjective, judgmental and sensitive in the determination of stock-based compensation cost.

Options granted after the Company's Initial Public Offering ("IPO") are issued at the fair market value of the Common Stock at the date the grant is approved by the Board of Directors.

Expected volatility—The expected volatility was based on the historical volatility of comparable public companies from a representative peer group selected based on industry and market capitalization data. The historical volatility is calculated based on a period of time commensurate with the expected term assumption.

Risk-free interest rate—The risk-free interest rate was based on the continuous rates provided by the U.S. Treasury with a term approximating the expected term of the option.

Expected dividend yield—The expected dividend yield was 0% because the Company has not historically paid and does not expect to pay any dividends for the foreseeable future.

Expected term—The Company uses the simplified method as prescribed by the SEC Staff Accounting Bulletin No. 107, Share-Based-Payment, to calculate the expected term for options granted to employees as it does not have sufficient historical exercise data to provide a reasonable basis upon which to estimate the expected term.

The Company has used the Monte-Carlo option-pricing model to estimate the fair value of warrants that contain only market conditions. The Monte-Carlo option pricing model uses similar input assumptions as the Black-Scholes model; however, it further incorporates into the fair-value determination the possibility that the market condition may not be satisfied.

Derivative Financial Instruments

The Company does not use derivative instruments to hedge exposures to cash flow, market, or foreign currency risks. The Company evaluates all of its financial instruments, including units and issued stock purchase warrants, to determine if such instruments are derivatives or contain features that qualify as embedded derivatives, pursuant to ASC 480-10, "Distinguishing Liabilities from Equity" ("ASC 480-10"). The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, will be re-assessed at the end of each reporting period.

Warrants

The Company determines the accounting classification of warrants that are issued, as either liability or equity, by first assessing whether the warrants meet liability classification in accordance with ASC 480-10 and then in accordance with ASC 815-40, *Accounting for Derivative Financial Instruments Indexed to, and Potentially Settled in, a Company's Own Stock* ("ASC 815-40"). Under ASC 480-10, warrants are considered liability classified if the warrants are mandatorily redeemable, obligate the issuer to settle the warrants or the underlying shares by paying cash or other assets, or must or may require settlement by issuing variable number of shares.

If warrants do not meet liability classification under ASC 480-10, the Company assesses the requirements under ASC 815-40, which states that contracts that require or may require the issuer to settle the contract for cash are liabilities recorded at fair value, irrespective of the likelihood of the transaction occurring that triggers the net cash settlement feature. If the warrants do not require liability classification under ASC 815-40, in order to conclude equity classification, the Company assesses whether the warrants are indexed to its common stock and whether the warrants are classified as equity under ASC 815-40 or other applicable principles of GAAP. After all relevant assessments are made, the Company concludes whether the warrants are classified as liability or equity. Liability classified warrants are required to be accounted for at fair value both on the date of issuance and on subsequent accounting periods with changes in fair value recorded in the Statements of Operations and Comprehensive Loss under "Change in fair value of warrant liability."

If warrants are issued together with the sale of common stock, for the issuance costs that are not specifically attributed to either the common stock or warrants issued, the Company allocates the issuance costs between the common stock and warrants based on the gross proceeds. The Company expenses issuance costs allocated to the warrants that are classified as liabilities and the issuance costs allocated to common stock or warrants that are classified as equity are recognized as reduction to the equity.

3. Cash, Cash Equivalents, and Restricted Cash

The following table presents the Company's cash, cash equivalents and restricted cash as of June 30, 2024 and December 31, 2023:

	June 30, 2024	December 31, 2023
Cash and cash equivalents:		
Cash and cash equivalents	$ 2,424,112	$ 3,202,452
Restricted cash	20,000	20,000
Total cash, cash equivalents, and restricted cash	$ 2,444,112	$ 3,222,452

The Company considers all investments in highly liquid financial instruments with an original maturity of ninety days or less at the date of purchase to be cash equivalents. Cash equivalents are stated at amortized cost, plus accrued interest, which approximates fair value.

Amounts included in restricted cash represent those required as collateral on corporate credit cards.

4. Fair Value Measurements

The Company's financial instruments include cash, cash equivalents, warrant liabilities, accounts payable and accrued expenses. The fair values of the cash, cash equivalents, accounts payable and accrued expenses approximated their carrying values as of June 30, 2024 and December 31, 2023 due to their short-term maturities.

The Company accounts for recurring and nonrecurring fair value measurements in accordance with ASC 820, *Fair Value Measurements* ("ASC 820"). ASC 820 defines fair value, establishes a fair value hierarchy for assets and liabilities measured at fair value, and requires expanded disclosures about fair value measurements. The ASC hierarchy ranks the quality of reliability of inputs, or assumptions, used in the determination of fair value, and requires assets and liabilities carried at fair value to be classified and disclosed in one of the following three categories:

Level 1 - Fair value is determined by using unadjusted quoted prices that are available in active markets for identical assets and liabilities.

Level 2 - Fair value is determined by using inputs, other than Level 1 quoted prices that are directly and indirectly observable. Inputs can include quoted prices for similar assets and liabilities in active markets or quoted prices for identical assets and liabilities in inactive markets. Related inputs can also include those used in valuation or other pricing models that can be corroborated by observable market data.

Level 3 - Fair value is determined by inputs that are unobservable and not corroborated by market data. Use of these inputs involves significant judgments to be made by a reporting entity.

In instances where the determination of the fair value measurement is based on inputs from different levels of fair value hierarchy, the fair value measurement will fall within the lowest level input that is significant to the fair value measurement in its entirety. The Company periodically evaluates financial assets and liabilities subject to fair value measurements to determine the appropriate level at which to classify them each reporting period. This determination requires the Company to make judgments as to the significance of inputs used in determining fair value and where such inputs lie within the ASC 820 hierarchy.

The following table represents the Company's fair value hierarchy for its financial assets measured at fair value on a recurring basis:

	June 30, 2024			December 31, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Money market funds	$ 23,639	$ —	$ —	$ 23,270	$ —	$ —
	$ 23,639	$ —	$ —	$ 23,270	$ —	$ —
Liabilities						
Warrant liability	—	—	204,170	—	—	—
	$ —	$ —	$ 204,170	$ —	$ —	$ —

As of June 30, 2024, warrants representing 304,731 shares of Common Stock issued in the February 2024 Offerings were outstanding. All of these warrants are classified as a liability and are measured at fair value. Each quarter, the Company expects an impact on our statement of operations when the change in fair value of our outstanding warrants is recorded using the Monte Carlo pricing model, based on significant inputs not observable in the market, which represents a Level 3 measurement. The Company used the following key assumptions within its valuation. In all scenarios, the Company also applied the likelihood of a fundamental transaction and the related impact on the Common Stock price and volatility.

	February 6, 2024	June 30, 2024
Common stock price per share	$ 10.51	$ 2.76
Exercise price per share	$ 12.05	$ 12.05
Expected volatility	176.0 %	181.0 %
Risk-free interest rate	4.34 %	4.8% - 5.4%
Contractual term (in years)	2	1.6

The following is a roll forward of the fair value of Level 3 warrants:

	Warrant Liability Fair Value
Balance as of December 31, 2023	$ —
Warrants issued	2,810,382
Change in fair value	(2,606,212)
Balance as of June 30, 2024	$ 204,170

5. Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consist of the following at June 30, 2024 and December 31, 2023:

	June 30, 2024	December 31, 2023
Prepaid research and development expenses	$ 76,701	$ 115,353
Prepaid insurance	335,400	368,048
Prepaid other	55,010	35,817
Other current assets	40,640	215,246
Total prepaid expenses and other current assets	$ 507,751	$ 734,464

6. Property and Equipment

In November 2023, the Company terminated its primary lease and began moving equipment from its facility to be sold. The Company considered the criteria to classify the property and equipment as held for sale under ASC 360, "Property, plant and equipment" ("Topic 360"). Assets shall be classified as held for sale in the period in which all of the following criteria are met: (a) management commits to a plan to sell the entity to be sold, (b) the assets to be sold are available for immediate sale in its present condition, (c) an active program to locate a buyer or buyers is in place, (d) the sale is probable and is expected to be completed within one year, (e) the assets to be sold being actively marketed for sale at a price that is reasonable in relation to its current fair value, and (f) actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. The Company determined that all these criteria as of June 30, 2024 and December 31, 2023 were met for certain categories of the property and equipment, specifically certain computers and laboratory equipment. Accordingly, the computers and laboratory equipment being sold were classified as current assets held for sale at June 30, 2024 and December 31, 2023. See Note 7 for discussion on the Assets Held for Sale.

Property and equipment consist of the following at June 30, 2024 and December 31, 2023:

	June 30, 2024	December 31, 2023
Laboratory equipment	$ 2,505,789	$ 2,668,280
Computer equipment and software	128,462	202,963
Leasehold improvements	34,784	36,459
	2,669,035	2,907,702
Less accumulated depreciation and amortization	(1,562,427)	(1,554,801)
Total property and equipment, net	$ 1,106,608	$ 1,352,901

Depreciation and amortization expense was $0.1 million and $0.3 million for the six months ended June 30, 2024 and 2023, respectively.

7. Assets Held For Sale

On November 29, 2023, the Company and AFAB Lab Resources, LLC ("AFAB") initiated an asset sales agreement, pursuant to which AFAB would sell certain computers and laboratory. According to Topic 360, the Company determined that the criterion to classify the certain computers and laboratory equipment as assets held for sale within the Company's balance sheet as of June 30, 2024 and December 31, 2023 were met. Accordingly, the assets were classified as current assets held for sale as of June 30, 2024 and December 31, 2023 as the Company, at that time, expected to sell these assets within the next twelve months.

The estimated fair value of the computers and laboratory equipment was determined using the purchase price in the purchase agreement along with estimated broker, accounting, legal, and other selling expenses. The Company recorded assets held for sale at the lower of the carrying value and the fair value less costs to sell, which was the fair value less costs to sell of approximately $1.4 million at December 31, 2023. The carrying value of the assets being classified as held for sale was approximately $2.0 million. As a result, the Company recorded a loss on assets held for sale of $0.7 million during the year ended December 31, 2023. Upon completion of the computers and laboratory equipment sales, the Company records an additional gain or loss on disposal at the time final net proceeds are determined. Additionally, the expected sale of assets held for sale was not deemed to represent a fundamental strategic shift that would have a major effect on the Company's operations, and accordingly, it was not reported as discontinued operations in the Company's statement of operations for the year ended December 31, 2023.

The fair value of the assets held for sale at June 30, 2024 is approximately $0.2 million. The Company received $0.6 million from the sales of these assets and recognized a gain on sale of these assets of $0.1 million during the six months ended June 30, 2024. The Company also recorded a loss on assets held for sale of $0.8 million as a result of reducing the carrying value to an agreed upon sales price with AFAB of $0.2 million. There were no assets held for sale and no sales of these assets during the six months ended June 30, 2023.

8. Accrued Expenses

A summary of the components of accrued expenses is as follows as of June 30, 2024 and December 31, 2023:

	June 30, 2024	December 31, 2023
Accrued research and development costs	$ 2,845,138	$ 3,148,021
Accrued salaries, benefits and related expenses	351,062	389,858
Accrued professional fees	259,230	131,226
Other accrued expenses	—	10,000
Total accrued expenses	$ 3,455,430	$ 3,679,105

9. Commitments and Contingencies

Maryland Biotechnology Center Grant

In May 2012, the Company entered into a Translational Research Award Agreement, effective May 23, 2012 and further amended in 2013 (the "Award Agreement") with the Department of Business & Economic Development with the State of Maryland, Maryland Biotechnology Center (“MBC”). The mission of MBC is to integrate entrepreneurial strategies to stimulate the transformation of scientific discovery and intellectual assets into capital formation and business development. Under the Award Agreement, MBC provided $325,000 to the Company for research on its artificial Antigen Presenting Cell ("aAPC") for cancer immunotherapy. This grant was recorded as income in 2012 and 2013, as the Company incurred the expenses which qualified it for the grant.

The Company must repay the funds through annual payments calculated at 3% of annual revenues for the preceding year. Payments shall continue for 10 years after the first payment date and may total up to 200% of the total grant amount. The end date of the agreement is defined as January 31, 2024, or when any and all repayments due to MBC have been made. If the Company does not earn any revenue, the grant does not need to be repaid. Through June 30, 2024, no revenue has been recorded, therefore, no payments to MBC are currently due.

Johns Hopkins University Exclusive License Agreement

The Company entered into an Exclusive License Agreement with Johns Hopkins University (“JHU”) effective June 2011, which was amended and restated in January 2017 (the "A&R JHU License Agreement"), under which there are license fees, royalties, and milestone payments. As part of the agreement, the Company acquired a perpetual, exclusive license from JHU covering its invention related to Antigen Specific T cells.

JHU was also entitled to milestone fees of $75,000 in connection with clinical trial milestones. For the first licensed product or licensed service in the therapeutic field, the Company may be required to pay JHU additional aggregate milestone fees of $1.6 million for clinical and regulatory milestone fees. The Company may be required to pay JHU reduced milestone fees for the second and third licensed products or licensed services in the therapeutic field in connection with clinical and regulatory milestones. In the diagnostic field, the Company may be required to pay JHU aggregate milestone fees of $0.4 million for the first licensed product, or licensed service and reduced milestone fees for the second and third licensed products, or licensed services in connection with regulatory and commercial milestones. The Company may be required to pay JHU aggregate milestone fees of $100,000 for commercial milestones for the first licensed product or licensed service in the non-clinical field. In the aggregate, the Company may be required to pay JHU additional milestone fees of up to $4.2 million for all clinical, regulatory and commercial milestones for all licensed products or licensed services in the therapeutic field, the diagnostic field and the non-clinical field. The Company may also be required to pay royalties in the low to upper mid-single digits on net sales of therapeutic products, diagnostic products and non-clinical products. The Company may also be required to pay royalties in the low to upper single digits on net sales of licensed services in therapeutic products, diagnostic products and non-clinical products. The Company is required to make minimum annual royalty payments of $100,000 to JHU under the A&R JHU License Agreement. The Company may also be required to pay JHU a low double-digit percentage not to exceed 15%, of any non-royalty sublicense consideration the Company receives.

The Company will record a liability when such events become probable of occurring. The Company has not reached any of the milestones or transacted its first commercial sale as of June 30, 2024.

The Company must make minimum royalty payments, which began upon the fourth anniversary of the agreement and upon every anniversary thereafter during the term of the agreement, which offset future royalties per above owed to JHU.

The Company has incurred $675,000 in cumulative minimum royalties from inception. Future annual minimum royalties consist of $100,000 due each year during the remaining term of the A&R JHU License Agreement. The Company records milestones, royalties and minimum royalties at the time when payments become probable. During each of the three and six months ended June 30, 2024 and 2023, the Company incurred $25,000 and $50,000, respectively, related to minimum royalties owed, which is included in research and development expenses on the accompanying statement of operations. The Company accrued royalties of $0 and $50,000 as of June 30, 2024 and December 31, 2023, respectively.

Contingencies

From time to time, the Company may be subject to various litigation and related matters arising in the ordinary course of business. The Company records a provision for a liability when it believes that it is both probable that a liability has been incurred and the amount can be reasonably estimated. Significant judgment is required to determine both probability and the estimated amount. As of June 30, 2024 and December 31, 2023, the Company was not involved in any material legal proceedings.

10. Restructuring Activities

In November 2022, the Company announced that, following a strategic review of its pipeline, indications, timelines and cash position, it implemented a strategic realignment initiative, which was designed to reduce costs and reallocate resources towards its AIM INJ preclinical development programs. The Company initiated a workforce reduction plan to reduce headcount by 30%, primarily affecting the clinical development, manufacturing and administrative staff that had been needed to support the AIM Adoptive Cellular Therapy ("ACT") clinical programs. The plan reduced the Company's workforce from 74 full-time employees to approximately 50 full-time employees. The Company incurred $0.7 million of costs in connection with the reduction in workforce related to severance pay and other related termination benefits. These one-time employee termination benefits are comprised of severance, benefits and related costs, all of which are expected to result in cash expenditures.

In August and November 2023, the Company announced that, in order to reduce its cash expenditures while continuing to pursue its existing strategic plan, the Board approved and its management is implementing a reduction in workforce, designed to reduce costs and extend the Company's cash. The realignment reduced the Company's workforce from 44 to 6 full-time employees. The Company incurred $3.1 million of costs in connection with the reduction in workforce related to severance pay and other related termination benefits. These one-time employee termination benefits are comprised of severance, benefits and related costs, all of which are expected to result in cash expenditures. The Company expects that the payments for the reduction-in-force will be substantially complete in September 2024.

The following table summarizes the charges related to the restructuring activities as of June 30, 2024.

	Accrued Restructuring Expenses December 31, 2023	Expenses	Less: Payments	Accrued Restructuring Expenses June 30, 2024
Severance, benefits and related costs due to workforce reduction	$ 266,537	$ —	$ (26,470)	$ 240,067
Totals	$ 266,537	$ —	$ (26,470)	$ 240,067

11. Stockholders' Equity and Contingently Redeemable Warrants

Preferred Stock

The Company has one authorized share of Series A Preferred Stock, of which one share was issued and outstanding at June 30, 2024. No shares of preferred stock were authorized, issued and outstanding at December 31, 2023.

On June 11, 2024, the Company filed a certificate of designation with the Secretary of State of the State of Delaware, which provides that if the aggregate number of shares of Common Stock, present in person or by proxy and entitled to vote thereon that voted "for" a Voting Proposal (as defined below) is greater than the aggregate number of shares of Common Stock present in person or by proxy and entitled to vote thereon that voted "against" or "abstain" on such Voting Proposal, then the share of Series A Preferred Stock will have a number of votes equal to the number of outstanding shares of the Common Stock, on the record date for determining stockholders entitled to vote, and will vote together with the outstanding shares of Common

Stock as a single class exclusively with respect to (i) any proposal to approve the liquidation and dissolution of the Company and any related plan of liquidation and dissolution (the "Dissolution Proposal"), (ii) any proposal to adjourn any meeting of stockholders called for the purpose of voting on the Dissolution Proposal, or (iii) any other matter the Board of Directors determines (in its sole discretion) is related to the Dissolution Proposal (each, a "Voting Proposal"). The Series A Preferred Stock otherwise has no voting rights except as otherwise required by the General Corporation Law of the State of Delaware.

The Series A Preferred Stock is not convertible into shares of Common Stock or any other class or series of stock of the Company. In the event of any liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holder of the share of Series A Preferred Stock shall be entitled to receive $0.01, payable in cash out of funds legally available. The holder of the share of Series A Preferred Stock will not be entitled to receive dividends of any kind.

Unless prohibited by Delaware law by virtue of a lack of sufficient surplus, legally available funds or otherwise and subject to the fiduciary duties of the Board of Directors of the Company, the outstanding share of Series A Preferred Stock may be redeemed at any time upon the order of the Board of Directors in its sole discretion. Upon such redemption, the holder of the share of Series A Preferred Stock will receive consideration of $0.01 in cash.

Common Stock

The Company had 250,000,000 authorized shares of Common Stock, of which 1,394,671 and 1,066,320 shares were issued and outstanding at June 30, 2024 and December 31, 2023, respectively.

Issuances of Common Stock

On March 9, 2022, the Company filed a shelf registration statement on Form S-3 ("Form S-3") with the SEC pursuant to which we disclosed that we may offer and sell, from time to time in one or more offerings, any combination of common stock, preferred stock, debt securities, warrants, rights or units having a maximum aggregate offering price of $200 million.

On June 17, 2022, the Company entered into a Controlled Equity Offering Sales Agreement (the "Sales Agreement") with Cantor Fitzgerald & Co. and BTIG, LLC (together, the "Agents"), pursuant to which the Company may offer and sell shares of the Common Stock at an aggregate offering price of up to $50.0 million from time to time through the Agents. Subject to the terms and conditions of the Sales Agreement, any such sales made through the Agents can be made, based upon the Company's instructions, by methods deemed an "at-the-market" offering as defined in Rule 415(a)(4) promulgated under the Securities Act. The Company agreed to pay the Agents a commission of 3.0% of the gross proceeds of any sales of shares sold pursuant to the Sales Agreement. No sales were transacted for the three months ended June 30, 2024 and year ended December 31, 2023. On February 2, 2024, the Company and each of the Agents mutually agreed to terminate the Sales Agreement effective immediately. The Company did not incur any material early termination penalties in connection with the termination of the Sales Agreement.

On February 2, 2024, the Company, entered into the Purchase Agreement with the Investor pursuant to which the Company agreed to issue and sell in the Registered Offering, (i) an aggregate of 117,000 Shares of Common Stock at an offering price of $12.05 per share, and (ii) Pre-Funded Warrants exercisable for up to 187,731 shares of Common Stock at an offering price of $12.049 per Pre-Funded Warrant, for aggregate gross proceeds from the February 2024 Offerings of approximately $3.7 million before deducting the placement agent fee and related offering expenses of approximately $0.5 million. Since the fair value of the liabilities for the Pre-Funded Warrant, Unregistered Warrant, and Unregistered PA Warrant (as defined below) were greater than the gross proceeds received from the February 2024 Offerings, the Company recorded a $1.1 million loss on issuance of common stock and warrants. All of the placement agent fees and related offering expenses of $0.5 million was therefore allocated to the warrant liabilities and expensed. The fair value of the Unregistered PA warrants of approximately $0.2 million was also allocated to the warrant liabilities and expensed.

The shares of Common Stock and Pre-Funded Warrants (and shares of Common Stock underlying the Pre-Funded Warrants) were offered by the Company pursuant to its shelf registration statement on Form S-3 (File No. 333-263399), which was filed with the SEC on March 9, 2022 and declared effective by the SEC on March 16, 2022 ("Registration Statement"), including the base prospectus contained therein, and a related prospectus supplement, dated February 2, 2024, filed with the SEC on February 5, 2024. All of the Pre-Funded Warrants were exercised at closing.

In the Private Placement, the Company issued to the Investor unregistered warrants to purchase up to an aggregate of 304,731 Unregistered Warrants at an exercise price of $12.05 per share. Each Unregistered Warrant is exercisable immediately and will expire two years from the initial exercise date. The Company also issued to the placement agent unregistered warrants to purchase up to an aggregate of 21,331 shares of Common Stock (the "Unregistered PA Warrants") at an exercise price of $15.0625 per share. Each Unregistered PA Warrant is exercisable immediately and will expire five years from the initial

exercise date. The Unregistered Warrants and Unregistered PA Warrants and the shares of our Common Stock issuable upon the exercise of the Unregistered Warrants and Unregistered PA Warrants are not being registered under the Securities Act, are not being offered pursuant to the Registration Statement and are being offered pursuant to the exemption provided in Section 4(a)(2) under the Securities Act, and/or Rule 506(b) promulgated thereunder.

The Unregistered Warrants are classified as a liability in accordance with ASC 480-10 and ASC 815-40. The Company evaluated the Unregistered Warrants under ASC 815-40 and concluded that they do not meet the criteria to be classified in stockholders' equity. Specifically, the settlement value in a scenario of a fundamental transaction precluded the Unregistered Warrants from being indexed to the Company's own stock and Company believes that the scope exception related to the occurrence of a fundamental transaction in ASC 815-40 is not met. Since the Unregistered Warrants meet the definition of a derivative, they are recorded as liabilities and measured at fair value at initial recognition. Any subsequent changes in their respective fair values is recognized in the Statement of Operations at each reporting date.

The Unregistered Warrants include a fundamental transaction clause whereby, in the event that another person or entity becomes the beneficial owner of 50% of the outstanding shares of the Common Stock, and if other conditions are met, the Company may be required to purchase the Unregistered Warrants from the holders by paying cash in an amount equal to the Black-Scholes value of the remaining unexercised portion of the warrants on the date of such fundamental transaction. The Unregistered Warrants were recorded at their fair value of $2.8 million at issuance based on a Monte Carlo simulation.

The Pre-Funded Warrants were initially classified as a liability in accordance with ASC 815-40, since these warrants can be settled in cash or other assets and therefore did not qualify for equity classification. The Pre-Funded Warrants were recorded at their fair value of $2.0 million at issuance based on the Company's stock price at closing. All of the Pre-Funded Warrants were exercised at closing and therefore reclassifed to stockholders' equity.

The Unregistered PA Warrants are classified as a contingently redeemable warrant in accordance with ASC 718, since these warrants did qualify for equity classification, but could be settled in cash or other assets. These warrant agreements include a fundamental transaction clause whereby, in the event that another person or entity becomes the beneficial owner of 50% of the outstanding shares of the Company's common stock, and if other conditions are met, the Company may be required to purchase the warrants from the holders by paying cash in an amount equal to the Black-Scholes value of the remaining unexercised portion of the warrants on the date of such fundamental transaction. Because this contingently redeemable feature could result in the warrant holders receiving additional compensation not on par with the holders of Common Stock, the PA Warrants were classified within temporary equity. The warrants were recorded at their fair value of $0.2 million at issuance based on a Monte Carlo simulation. Inherent in a Monte Carlo simulation are various assumptions as follows: stock price of $10.51, exercise price of $15.06, expected stock-price volatility of 152.0%, contractual life of 5.0 years, risk-free interest rate of 3.99% and dividend yield of 0%.

12. Stock-Based Compensation

During January 2017, the Company adopted the 2017 Equity Incentive Plan ("2017 Plan"), which provides for the granting of restricted stock, options to purchase shares of Common Stock and other awards to employees, directors and consultants. In March 2017, the Company amended the 2017 Plan to increase the number of available shares to 26,433 shares. In September 2018, the Company adopted the 2018 Equity Incentive Plan ("2018 Plan") which provides for the granting of restricted stock, options to purchase shares of Common Stock, and other awards to employees, directors and consultants, and reserved 69,670 shares for this purpose. The 2018 Plan was amended in July 2018 to increase the number of available shares to 72,365 shares. In February 2021, the Company adopted the 2021 Equity Incentive Plan ("2021 Plan") and no further shares will be issued under the 2017 and 2018 Plans. There are 155,434 shares available for issuance under the 2021 Plan as of June 30, 2024.

The number of options to be granted under the 2021 Plan, the option exercise prices, and other terms of the options are determined by the Board in accordance with the terms of the 2021 Plan. Generally, stock options are granted at fair value, become exercisable over a period of one to four years, expire in ten years or less and are subject to the employee's continued employment. Restricted stock units awarded in November 2022 vest after an 18-month service period. No restricted stock units were awarded in the six months ended June 30, 2024.

On March 22, 2023, in order to retain and motivate employees and other key contributors of the Company, the Board approved a one-time stock option repricing (the "Option Repricing"). Pursuant to the Option Repricing, the exercise price of all of the below stock options to purchase shares of the Common Stock previously granted under our 2017 Plan, 2018 Plan and 2021 Plan (the "Repriced Options") was amended as of April 4, 2023 (the "Effective Date") to reduce the exercise prices of

such options to a price equal to or greater than the closing price per share of the Common Stock on The Nasdaq Stock Market on the Effective Date, which was $0.41 per share (the "Nasdaq Market Price"), on the terms described below:

Repriced Options	Terms of Repriced Options vested or vesting within six months following the Effective Date	Terms of Repriced Options vesting more than six months following the Effective Date
All options held by employees other than our executive officers, in good standing on the Effective Date	The Option Repricing exercise price will be equal to 2.5 times the Nasdaq Market Price, or $25.75.	The Option Repricing exercise price will be equal to the Nasdaq Market Price, or $10.25.
All options held by our current executive officers and 100,000 options held by Jerome Zeldis, our former Executive Vice President and Head of Research & Development	The Option Repricing exercise price will be equal to 3.0 times the Nasdaq Market Price, or $30.75.	The Option Repricing exercise price will be equal to 2.0 times the Nasdaq Market Price, or $20.50.
All options held by our directors	The Option Repricing exercise price will be equal to 4.0 times the Nasdaq Market Price, or $41.00.	The Option Repricing exercise price will be equal to 3.0 times the Nasdaq Market Price, $30.75.

The Company treated the Option Repricing as a modification to the original stock option grant because the terms of the agreements were modified. The total number of options issued and outstanding were not impacted by the Option Repricing.

The calculation of the incremental compensation expense is based on the excess of the fair value of the award measured immediately before and after the modification. The total incremental expense calculated to be recognized over the service period is $0.3 million.

Stock-based compensation expense was recorded in the following financial statement line items within the statement of operations for the periods ended June 30, 2024 and 2023:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Research and development expenses	$ 69,173	$ 324,422	$ 144,000	$ 584,152
General and administrative expenses	211,369	666,711	484,843	1,249,427
Total stock-based compensation expense	$ 280,542	$ 991,133	$ 628,843	$ 1,833,579

The following is a summary of option activity under the Company's stock option plans:

	Stock Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (in millions)
Outstanding as of January 1, 2024	130,526	$ 28.64	7.3	$ —
Granted	—	—		
Exercised	—	—		
Cancelled	(11,287)	21.50		
Forfeited	(1,688)	10.25		
Outstanding as of June 30, 2024	117,551	$ 29.59	6.9	$ —
Vested or expected to vest as of June 30, 2024	117,551	$ 29.59	6.9	—
Exercisable as of June 30, 2024	80,469	$ 37.32	6.2	—
Shares unvested as of June 30, 2024	37,082	$ 12.83	8.5	$ —

There were no options granted during the six months ended June 30, 2024. No options were exercised in the six months ended June 30, 2024 and 2023.

As of June 30, 2024, there was $1.2 million of total unrecognized compensation expense related to unvested options that will be recognized over a weighted average period of 1.6 years.

Restricted Stock Units

A restricted stock unit ("RSU") represents the right to receive one of the Common Stock upon vesting of the RSU. The fair value of each RSU is based on the closing price of the Common Stock on the date of grant.

The following is a summary of RSU activity for the 2021 Plan for the six months ended June 30, 2024:

	Number of restricted units	Weighted average grant date fair value
Unvested and outstanding at January 1, 2023	26,460	$ 11.36
Granted	—	—
Settled	(23,620)	11.38
Forfeited	(2,840)	11.25
Unvested and outstanding as of June 30, 2024	—	$ —

13. Net Loss Per Share Attributable to Common Stockholders

Basic net loss per common share is determined by dividing net loss attributable to common stockholders by the weighted-average number of common shares outstanding during the period, without consideration of common stock equivalents. Diluted net loss per share is computed by dividing net loss attributable to common stockholders by the weighted-average number of common stock and common stock equivalents outstanding for the period. The treasury stock method is used to determine the dilutive effect of the Company's stock option, RSU and warrant grants and the if-converted method is used to determine the dilutive effect of the Company's contingently redeemable warrants. Under the if-converted method, contingently redeemable warrants that are in the money, are assumed to have been converted as of the beginning of the period or when issued, if later. None of the contingently redeemable warrants were in the money at June 30, 2024. For the six months ended June 30, 2024 and 2023, the Company had a net loss attributable to common stockholders, and as such, all outstanding stock options, RSUs and warrants were anti-dilutive.

The following table sets forth the computation of basic and diluted earnings per share for the three and six months ended June 30, 2024 and 2023:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2023	2022
Net loss	$ (2,326,765)	$ (7,566,504)	$ (5,404,038)	$ (17,131,
Basic and diluted net loss per common share	$ (1.69)	$ (7.25)	$ (4.11)	$ (16
Basic and diluted weighted average common shares outstanding	1,380,395	1,043,138	1,315,447	1,043,

The following potentially dilutive securities have been excluded from the computation of diluted weighted average common shares outstanding at June 30, 2024 and 2023 as the effect would be anti-dilutive:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Warrants	326,062	—	326,062	—
Stock options	117,551	158,471	117,551	158,471
Restricted stock unit	—	61,020	—	61,020
Total	443,613	219,491	443,613	219,491

14. Related Party Transaction

On March 16, 2022, the Company and Zephyr AI, Inc. (“Zephyr”) entered into a Joint Research Agreement (the “JRA”) focused on the joint collaboration, identification and validation of certain targets in order to facilitate further research, development and potential commercialization of immunotherapies. Zephyr is owned by a holding company with multiple Board members from the Company. The JRA term is two years unless mutually extended. As of March 16, 2024, neither party extended the JRA and the JRA expired by its terms. The expenses related to the JRA for the three and six months ended June 30, 2024 and 2023 were immaterial.

Beginning in June 2022, the Company entered into a series of statement of works with the Center for Discovery & Innovation at Hackensack Meridian Health ("CDI") to enhance the Company's AIM platform. The Chairman of the Board of CDI is a Board member. The total value of the statement of work through July 31, 2023 is $0.2 million. There were no expenses incurred to the CDI for the three months ended June 30, 2024 and $25,000 incurred for the six months ended June 30, 2024. The expenses incurred to the CDI were $43,000 for the three and six months ended June 30, 2023. The Company has recorded no accrual as of June 30, 2024.

15. Income Taxes

The Company has not recorded any tax provision or benefit for the three and six months ended June 30, 2024 and 2023. The Company has provided a valuation allowance for the full amount of its net deferred tax assets since realization of any future benefit from deductible temporary differences, net operating loss carryforwards, and research and development credits is not more-likely-than-not to be realized at June 30, 2024 and December 31, 2024. The effective tax rate for each of the three and six months ended June 30, 2024 and 2023 is 0%.

16. Subsequent Events

Not applicable.

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

You should read the following discussion and analysis of our financial condition and results of operations together with our financial statements and related notes appearing elsewhere in this Quarterly Report and our Annual Report on Form 10-K for the year ended December 31, 2023, as filed with the SEC on April 16, 2024. Some of the information contained in this discussion and analysis or set forth elsewhere in this Quarterly Report, including information with respect to our plans and strategy for our business and related financing, includes forward-looking statements that involve risks and uncertainties. As a result of many factors, including those factors set forth in the "Risk Factors" section of this Form 10-Q, our actual results could differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Investors and others should note that we routinely use the Investor Relations section of our website to announce material information to investors and the marketplace. While not all the information that we post on the Investor Relations section of our website is of a material nature, some information could be deemed to be material. Accordingly, we encourage investors, the media and others interested in us to review the information that it shares on the Investor Relations section of our website, www.neximmune.com.

Overview

We are a clinical stage biotechnology company developing a novel approach to immunotherapy designed to employ the body's own T cells to generate an antigen-specific cell-mediated immune response with curative potential for patients with cancer and other life-threatening immune-mediated diseases.

On October 31, 2023, our Board of Directors approved a reduction-in-force of substantially all of our employees, other than key members of management necessary to implement the wind up and support the efforts to maximize the value of our business and our assets. As part of this strategy, we focused on developing AIM INJ nanoparticle constructs and modalities for potential clinical evaluation in oncology and autoimmune disorders. We also paused clinical enrollment of our current AIM Adoptive Cellular Therapy ("ACT") product candidates, NEXI-001 in Acute Myeloid Leukemia, NEXI-002 in Multiple Myeloma and NEXI-003 in HPV related solid tumors. We intend to continue exploring external opportunities that may permit us to continue to advance these clinical programs.

The backbone of our approach is our proprietary AIM nanoparticle based technology. One of the critical advantages of the AIM technology platform is the ability to rapidly customize new therapeutics in a modular, Lego-like manner. We have developed protein conjugation and peptide loading techniques so that nanoparticles can be customized quickly for different indications and therapeutic goals by selecting disease specific antigens, HLA alleles and Signal 2 messages. It is even possible to add additional signals or homing proteins. This gives the platform tremendous flexibility and application in oncology and infectious disease (where up-regulatory messages are delivered to targeted T cells) and in autoimmune disorders (where down-regulatory or apoptotic messages are delivered to targeted T cells). These conjugation techniques also apply to both the AIM ACT and AIM INJ.

The AIM INJ modality is designed to enable AIM nanoparticles to engage and activate, or suppress antigen-specific CD8+ T cells directly inside the body without the need for ex vivo expansion and manufacturing. We believe this "off the shelf modality" creates substantial new benefits in terms of the ability to scale and commercialize T-cell targeting therapies, with advantages in cost, reimbursement, logistic administration and time to patient delivery. We have completed substantial non-clinical work to advance the AIM INJ modality towards a potential investigational new drug application ("IND") filing, including preparing appropriate IND-enabling experiments in support of a planned clinical program focusing on solid tumors.

We were incorporated under the laws of the State of Delaware on June 7, 2011. In June 2011, we exclusively licensed the core AIM technology from Johns Hopkins University ("JHU"). See "Business—Johns Hopkins License Agreement" in our Annual Report on Form 10-K for the year ended December 31, 2023, as filed with the SEC on April 16, 2024 or Note 9, "Commitments and Contingencies – Johns Hopkins University Exclusive License Agreement" to the accompanying unaudited financial statements for more information about the license.

To date, we have devoted substantially all of our resources to organizing and staffing our Company, business planning, raising capital, identifying and developing product candidates, enhancing our intellectual property portfolio, undertaking research, conducting preclinical studies and clinical trials, and securing manufacturing for our development programs. We do not have any products approved for sale and have not generated any revenue from product sales.

To date, we have funded our operations primarily with proceeds from private placement of convertible preferred stock, our convertible promissory notes, the initial public offering (the "IPO"), and other public offerings. In February 2021, we completed the IPO and issued and sold an aggregate 297,666 shares of our common stock, par value $0.0001 per share

("Common Stock"), which included 38,826 shares of our Common Stock issued pursuant to the underwriters' option to purchase additional shares, at a public offering price of $425.00 per share, for net proceeds of $114.6 million after deducting underwriting discounts and commissions and other offering costs. In the year ended December 31, 2022, we sold an aggregate of 127,396 shares through our "at-the-market" offering facility with Cantor Fitzgerald & Co. and BTIG, LLC (together, the "Agents"), pursuant to a Controlled Equity Offering Sales Agreement (the "Sales Agreement"), resulting in net proceeds of $5.1 million. No sales were transacted for the year ended December 31, 2023. On February 2, 2024, we and each of the Agents mutually agreed to terminate the Sales Agreement effective immediately. We did not incur any material early termination penalties in connection with the termination of the Sales Agreement. In February 2024, we sold an aggregate of 117,000 shares of Common Stock and pre-funded warrants exercisable for up to 187,731 shares of Common Stock for aggregate gross proceeds of approximately $3.7 million before deducting the placement agent fee and related offering expenses.

We have incurred significant operating losses since our inception, which are mainly attributed to research and development costs and employee payroll expense included in general and administrative expenses. Our net loss was $2.3 million and $7.6 million for the three months ended June 30, 2024 and 2023, respectively. As of June 30, 2024, we had an accumulated deficit of $228.0 million. Our operating losses may fluctuate significantly from quarter-to-quarter and year-to-year as a result of several factors, including the timing of our preclinical studies and clinical trials and our expenditures related to other research and development activities. We expect to continue to incur operating losses for the foreseeable future. We anticipate these losses will increase substantially as we advance our product candidates through preclinical and clinical development, develop additional product candidates and seek regulatory approvals for our product candidates. We do not expect to generate any revenues from product sales unless and until we successfully complete development and obtain regulatory approval for one or more product candidates. In addition, if we obtain marketing approval for any product candidate, we expect to incur pre-commercialization expenses and significant commercialization expenses related to marketing, sales, manufacturing and distribution. We may also incur expenses in connection with the in-licensing of additional product candidates. Furthermore, we expect to incur additional costs associated with operating as a public company, including significant legal, accounting, investor relations, compliance and other expenses that we did not incur as a private company.

As a result, we will need substantial additional funding to support our continuing operations and pursue our growth strategy. Until such time as we can generate significant revenue from sales of our product candidates, if ever, we expect to finance our cash needs through public or private equity offerings, debt financings, collaborations and licensing arrangements or other capital sources. However, we may be unable to raise additional funds or enter into such other arrangements when needed on favorable terms or at all. Our failure to raise capital or enter into such other arrangements as and when needed would have a negative impact on our financial condition and could force us to delay, limit, reduce or terminate our product development or future commercialization efforts or grant rights to develop and market our product candidates that we would otherwise prefer to develop and market ourselves.

Because of the numerous risks and uncertainties associated with pharmaceutical product development, we are unable to accurately predict the timing or amount of increased expenses or when or if we will be able to achieve or maintain profitability. Even if we are able to generate product sales, we may not become profitable. If we fail to become profitable or are unable to sustain profitability on a continuing basis, we may be unable to continue our operations at planned levels and be forced to reduce or terminate our operations.

As part of our reduction-in-force announced in November 2023, we incurred $0.6 million of costs related to severance pay and other related termination benefits.

As of June 30, 2024, we had cash and cash equivalents of $2.4 million.

Nasdaq Delisting Notification or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing

On November 30, 2023, we received a letter from the Listing Qualifications Department (the "Staff") of the Nasdaq Stock Market LLC ("Nasdaq") notifying us that, based on Nasdaq's review of our Company and pursuant to Nasdaq Listing Rule 5101 (the "Listing Rule"), Nasdaq believes that we are a "public shell," and that the continued listing of our securities is no longer warranted. In response, we timely requested a hearing before a Nasdaq Hearings Panel (the "Panel"), which request stayed any further action by the Staff. Subsequently, we received notice that the Panel had granted our request for an exception through May 28, 2024 to evidence compliance with the Listing Rule. On July 10, 2024, the Staff notified us that it determined to delist our shares of common stock from Nasdaq and that trading in our shares will be suspended at the open of trading on Friday, July 12, 2024. Our common stock currently trades on the OTC Pink Market.

Components of our Results of Operations

Revenue

We have not generated any product revenue since our inception and do not expect to generate any revenue from the sale of products in the near future, if at all.

Research and Development Expenses

To date, our research and development expenses, have related primarily to development of NEXI-001 and NEXI-002, preclinical studies and other preclinical activities related to our portfolio. Research and development expenses are recognized as incurred and payments made prior to the receipt of goods or services to be used in research and development are capitalized until the goods or services are received. Research and development expenses also include the accrual of minimum royalties under our license with JHU.

Research and development expenses include:

- salaries, payroll taxes, employee benefits and stock-based compensation charges for those individuals involved in research and development efforts;
- external research and development expenses incurred under agreements with contract research organizations ("CROs"), and consultants to conduct our preclinical, toxicology and other preclinical studies;
- laboratory supplies;
- costs related to manufacturing product candidates, including fees paid to third-party manufacturers and raw material suppliers;
- license fees and research funding; and
- facilities, depreciation and other allocated expenses, which include direct and allocated expenses for rent, maintenance of facilities, insurance, equipment and other supplies.

Clinical trial costs are a significant component of research and development expenses and include costs associated with third-party contractors. We outsource a substantial portion of our clinical trial activities, utilizing external entities such as CROs, independent clinical investigators and other third-party service providers to assist us with the execution of our clinical trials. We also expect to incur additional expenses related to milestone and royalty payments payable to JHU.

As we continue the development of our product candidates and seek to discover and develop new product candidates, we will likely require substantial funds to continue such activities. Due to the inherently unpredictable nature of preclinical and clinical development, we cannot determine with certainty the timing of the initiation, duration or costs of future clinical trials and preclinical studies of product candidates. Clinical and preclinical development timelines, the probability of success and the amount of development costs can differ materially from expectations. We anticipate that we will make determinations as to which product candidates and development programs to pursue and how much funding to direct to each product candidate or program on an ongoing basis in response to the results of ongoing and future preclinical studies and clinical trials, regulatory developments and our ongoing assessments as to each product candidate's commercial potential. In addition, we cannot forecast which product candidates may be subject to future collaborations, when such arrangements will be secured, if at all, and to what degree such arrangements would affect our development plans and capital requirements.

Our future clinical development costs may vary significantly based on factors such as:

- per-patient trial costs;
- the number of trials required for regulatory approval;
- the number of sites included in the trials;
- the countries in which the trials are conducted;

- the length of time required to enroll eligible patients;
- the number of patients that participate in the trials;
- the number of doses that patients receive;
- the drop-out or discontinuation rates of patients;
- potential additional safety monitoring requested by regulatory agencies;
- the duration of patient participation in the trials and follow-up;
- the phase of development of the product candidate; and
- the efficacy and safety profile of the product candidate.

General and Administrative Expenses

General and administrative expenses consist primarily of salaries and employee-related costs, including stock-based compensation, for personnel in our executive, finance and other administrative functions. Other significant costs include facility related costs, legal fees relating to intellectual property and corporate matters, professional fees for accounting and consulting services and insurance costs. We anticipate that our general and administrative expenses will increase in the future to support our continued research and development activities, pre-commercialization activities and, if any product candidates receive marketing approval, commercialization activities. We also anticipate increased expenses related to audit, legal, regulatory and tax-related services associated with maintaining compliance with exchange listing and SEC requirements, director and officer insurance premiums and investor relations costs associated with operating as a public company.

Interest Income

Interest income consists of interest earned on our cash equivalents and marketable securities during the period.

Interest Expense

Interest expense consists of interest accrued on the convertible notes and interest recognized upon the amortization of the beneficial conversion feature, debt issuance costs and bifurcated derivative liability.

Change in Fair Value of Warrant Liability

The change in fair value of warrant liability represents the mark-to-market fair value adjustments to the outstanding warrants issued in connection with the February 2024 Offerings (as defined below).

Loss on issuance of common stock and warrants

The loss on issuance of common stock and warrants represents the fair value of the warrants issued in the February 2024 Offerings being higher than the proceeds received.

Offering costs

Offering costs include placement agent fees and other related offering expenses that are not allocated to equity.

Other Income (Expense)

Other income (expense) consists of gain (loss) on sale of assets held for sale, rental income and foreign exchange gains (losses).

Results of Operations

Comparison of the Three Months Ended June 30, 2024 and 2023

The following table summarizes our results of operations for the three months ended June 30, 2024 and 2023:

	Three Months Ended June 30,		
	2024	2023	Change
	(in thousands)		
Operating expenses:			
Research and development	$ 647	$ 4,880	$ (4,233)
General and administrative	2,083	2,905	(822)
Loss on assets held for sale	779	—	779
Total operating expenses	3,509	7,785	(4,276)
Loss from operations	(3,509)	(7,785)	4,276
Other income (expense):			
Interest income	32	223	(191)
Change in fair value of warrant liability	1,185	—	1,185
Other income (expense)	(35)	(5)	(30)
Other income, net	1,183	218	965
Net loss	$ (2,327)	$ (7,567)	$ 5,240

Research and Development Expenses. Research and development expenses were $0.6 million and $4.9 million for the three months ended June 30, 2024 and 2023, respectively. The decrease of $4.3 million was due primarily to a decrease of $0.7 million on research and preclinical manufacturing, a $0.3 million decrease in clinical trial expenses, a $2.0 million decrease related to salary and benefits from stock compensation expense impacted by terminations and a $0.4 million decrease in depreciation and facility costs, a $0.4 million decrease in consulting expenses and a $0.2 million decrease in licenses and fees. We have not historically tracked internal research and development expenses by product candidate.

General and Administrative Expenses. General and administrative expenses were $2.1 million and $2.9 million for the three months ended June 30, 2024 and 2023, respectively. The decrease of $0.7 million was due primarily to the decrease of $1.1 million in salary, benefits, and stock compensation expense impacted by terminations in September 2023, partially offset by an increase of $0.6 million in legal and accounting fees.

Loss on assets held for sale. We designated certain equipment held for sale, ceased depreciation, and measured the held for sale assets at the lower of its carry value or fair value less cost to sell resulting in the loss on assets held for sale of $0.8 million for the three months ended June 30, 2024.

Change in fair value of warrant liability. The change in fair value of warrant liability represents the mark-to-market fair value adjustments to the outstanding warrants issued in connection with the February 2024 Offerings. The change in fair value of the outstanding warrant liability during the three months ended June 30, 2024 resulted in a gain of $1.2 million.

Comparison of the Six Months Ended June 30, 2024 and 2023

The following table summarizes our results of operations for the six months ended June 30, 2024 and 2023:

	Six Months Ended June 30,		
	2024	2023	Change
	(in thousands)		
Operating expenses:			
Research and development	$ 1,392	$ 11,004	$ (9,612)
General and administrative	4,096	6,606	(2,510)
Loss on assets held for sale	779	—	779
Total operating expenses	6,267	17,610	(11,343)
Loss from operations	(6,267)	(17,610)	11,343
Other income (expense):			
Interest income	47	498	(451)
Change in fair value of warrant liability	2,606	—	2,606
Loss on issuance of common stock and warrants	(1,112)	—	(1,112)
Offering costs	(741)	—	(741)
Other income (expense)	62	(20)	82
Other income, net	863	478	385
Net loss	$ (5,404)	$ (17,132)	$ 11,728

Research and Development Expenses. Research and development expenses were $1.4 million and $11.0 million for the six months ended June 30, 2024 and 2023, respectively. The decrease of $9.7 million was due primarily to a decrease of $1.2 million on research and preclinical manufacturing, a $0.7 million decrease in clinical trial expenses, a $5.1 million decrease related to salary and benefits from stock compensation expense impacted by terminations and a $0.8 million decrease in depreciation and facility costs, a $0.7 million decrease in consulting expenses and a $0.3 million decrease in licenses and fees. We have not historically tracked internal research and development expenses by product candidate.

General and Administrative Expenses. General and administrative expenses were $4.1 million and $6.6 million for the six months ended June 30, 2024 and 2023, respectively. The decrease of $2.4 million was due primarily to the decrease of $2.4 million in salary, benefits, and stock compensation expense impacted by terminations in September 2023 and a decrease of $0.2 million in insurance premiums, partially offset by an increase in legal and accounting expenses of $0.6 million.

Change in fair value of warrant liability. The change in fair value of warrant liability represents the mark-to-market fair value adjustments to the outstanding warrants issued in connection with the February 2024 Offerings. The change in fair value of the outstanding warrant liability during the six months ended June 30, 2024 resulted in a gain of $2.6 million.

Loss on issuance of common stock and warrants. The loss on issuance of common stock and warrants of $1.1 million during the six months ended June 30, 2024 resulted from the fair value of the warrants issued in the February 2024 Offerings being higher than the proceeds received.

Offering costs. The offering costs incurred during the six months ended June 30, 2024 include the placement agent fees and related offering expenses of $0.5 million and the fair value of the Unregistered PA Warrants (as defined below) of $0.2 million incurred in the February 2024 Offerings.

Other income (expense). Other income consists primarily of a gain on sale of available for sale assets of $0.1 million for the six months ended June 30, 2024. Other expense was immaterial for the six months ended June 30, 2023.

Liquidity and Capital Resources

We have incurred net losses and negative cash flows from operations since our inception and anticipate we will continue to incur net losses for the foreseeable future. As of June 30, 2024, we had cash and cash equivalents of $2.4 million. We believe that our existing cash and cash equivalents will be sufficient to fund our activities through the third quarter of 2024.

As our research and development activities mature and develop over the next year, we will require substantial funds to continue such activities. As a result of the financing consummated in February 2024, we determined to postpone our previously scheduled special meeting of stockholders for the purpose of approving the liquidation and dissolution of the Company. If we are unable to raise additional capital or otherwise achieve other alternatives to maximize the value of the business and our assets, we would expect to seek stockholder approval of the liquidation and dissolution of the Company at a special meeting. In this regard, management plans to raise additional capital through financing activities that may include public offerings and private placements of our Common Stock, preferred stock offerings, collaborations and licensing arrangements and issuances of debt and convertible debt instruments.

There are inherent uncertainties associated with fundraising activities which are not within our control. There are no assurances that such additional funding will be obtained, or that any funding that may be obtained would be sufficient for us to meet our obligations as they become due within one year, or that we will succeed in its future operations. If we cannot successfully raise additional capital, our liquidity, financial condition and business prospects will be materially and adversely affected. We are continually looking into further capital planning and the evaluation of strategic alternatives. There is substantial doubt about our ability to continue as a going concern.

Sources of Liquidity

To date, we have financed our operations principally through private placements of our redeemable convertible preferred stock, our convertible promissory notes, the IPO, an "at-the-market" offering facility and other public and private offerings.

Initial Public Offering

In February 2021, we completed the IPO and issued and sold an aggregate 297,666 shares of Common Stock, which included 38,826 shares of our Common Stock issued pursuant to the underwriters' option to purchase additional shares, at a public offering price of $425.00 per share, for net proceeds of $114.6 million after deducting underwriting discounts and commissions and other offering costs.

"At-the-market" offering facility

During the year ended December 31, 2022, we sold an aggregate of 3,184,900 shares through our "at-the-market" offering facility resulting in net proceeds of $5.1 million. No sales were transacted for the year ended December 31, 2023 and the three months ended June 30, 2024.

February 2024 Offerings

In February 2024, we entered into a securities purchase agreement with a single healthcare focused institutional investor (the "Investor"), pursuant to which we agreed to issue and sell, in a registered direct offering priced at-the-market under the rules of The Nasdaq Stock Market (the "Registered Offering"), (i) an aggregate of 117,000 shares (the "Shares") of Common Stock, at an offering price of $12.05 per share, and (ii) pre-funded warrants (the "Pre-Funded Warrants") exercisable for up to 187,731 shares of Common Stock at an offering price of $12.049 per Pre-Funded Warrant, for aggregate gross proceeds from the February 2024 Offerings of approximately $3.7 million before deducting the placement agent fee (as described in greater detail below) and related offering expenses.

In a concurrent private placement (the "Private Placement" and, together with the Registered Offering, the "February 2024 Offerings"), we issued to the Investor unregistered warrants to purchase up to an aggregate of 304,731 shares of Common Stock (the "Unregistered Warrants") at an exercise price of $12.05 per share. The Company also issued to the placement agent unregistered warrants to purchase up to an aggregate of 21,331 shares of Common Stock (the "Unregistered PA Warrants") at an exercise price of $15.0625 per share. Each Unregistered PA Warrant is exercisable immediately and will expire two years from the initial exercise date. The Unregistered Warrants and Unregistered PA Warrants and the shares of our Common Stock issuable upon the exercise of the Unregistered Warrants and Unregistered PA Warrants are not being registered under the Securities Act of 1933, as amended (the "Securities Act"), are not being offered pursuant to the Registration Statement and are being offered pursuant to the exemption provided in Section 4(a)(2) under the Securities Act, and/or Rule 506(b) promulgated thereunder. The closing of the February 2024 Offerings occurred on February 6, 2024.

Cash Flows

The following table sets forth a summary of the net cash flow activity:

	Six Months Ended June 30,	
	2024	2023
	(in thousands)	
Net cash provided by (used in):		
Operating activities	$ (4,488)	$ (18,315)
Investing activities	566	(48)
Financing activities	3,144	—
Net decrease in cash, cash equivalents and restricted cash	$ (778)	$ (18,363)

Operating Activities

Net cash used in operating activities was $4.5 million and $18.3 million for the six months ended June 30, 2024 and 2023, respectively. The net cash used in operating activities for the six months ended June 30, 2024 was primarily due to our net loss of $5.4 million, resulting from research and development expenses of $1.4 million as we continue our preclinical research and transition our clinical programs, $4.1 million of administrative expenses for salary and professional fees and $0.9 million in non-cash expenses and working capital changes.

The net cash used in operating activities for the six months ended June 30, 2023 was primarily due to our net loss of $17.1 million, resulting from research and development expenses of $11.0 million as we continue our preclinical research and preclinical manufacturing to support clinical programs and $6.6 million of administrative expenses for salary and related expenses and professional fees.

Investing Activities

Net cash provided by investing activities of $0.6 million for the six months ended June 30, 2024 was primarily due to proceeds from the sale of assets held for sale, pursuant to an asset sales agreement with AFAB Lab Resources, LLC. The net cash used in investing activities was nominal for the six months ended June 30, 2023.

Financing Activities

There was $3.1 million cash provided by financing activities for the six months ended June 30, 2024. The net cash provided by financing activities for the six months ended June 30, 2024 was due to the net proceeds received in the February 2024 Offerings. There was no cash provided by financing activities for the six months ended June 30, 2023.

Funding Requirements

We believe that our existing cash and cash equivalents will be sufficient to meet our anticipated cash requirements through the third quarter of 2024. However, our forecast of the period of time through which our financial resources will be adequate to support our operations is a forward-looking statement that involves risks and uncertainties, and actual results could vary materially. We have based this estimate on assumptions that may prove to be wrong, and we could deplete our capital resources sooner than we expect. If we are not able to raise additional funding, we may not be able to enter into successful collaborations under favorable terms. As a result, we may be unable to realize value from our assets and discharge our liabilities in the normal course of business.

Our future capital requirements will depend on many factors, including:

- the initiation, progress, timing, costs and results of drug discovery, preclinical studies and clinical trials of our product candidates;
- the number and characteristics of product candidates that we pursue;
- the outcome, timing and costs of seeking regulatory approvals;
- the cost of manufacturing our product candidates for clinical trials in preparation for marketing approval and in preparation for commercialization;
- the costs associated with hiring additional personnel and consultants as our preclinical and clinical activities increase;
- the emergence of competing therapies and other adverse market developments;
- the ability to establish and maintain strategic licensing or other arrangements and the financial terms of such agreements;
- the costs involved in preparing, filing, prosecuting, maintaining, expanding, defending and enforcing patent claims, including litigation costs and the outcome of such litigation;
- the extent to which we in-license or acquire other products and technologies; and
- the costs of operating as a public company.

Until such time, if ever, as we can generate substantial product revenues to support our capital requirements, we expect to finance our cash needs through a combination of public or private equity offerings, debt financings, collaborations and licensing arrangements or other capital sources. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interest of our stockholders will be or could be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of our common stockholders. Debt financing and equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. If we raise funds through collaborations, or other similar arrangements with third parties, we may need to relinquish valuable rights to our product candidates, future revenue streams or research programs or may have to grant licenses on terms that may not be favorable to us and/or may reduce the value of our Common Stock. If we are unable to raise additional funds through equity or debt financings as and when needed, we may be required to delay, limit, reduce or terminate our product development or future commercialization efforts or grant rights to develop and market our product candidates even if we would otherwise prefer to develop and market such product candidates ourselves.

Critical Accounting Policies and Significant Judgments and Estimates

Our management's discussion and analysis of our financial condition and results of operations is based on our financial statements, which have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities in our financial statements. On an ongoing basis, we evaluate our estimates and judgments, including those related to accrued expenses and stock-based compensation. We base our estimates on historical experience, known trends and events, and various other factors that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Our actual results may differ from these estimates under different assumptions or conditions.

While our significant accounting policies are described in more detail in Note 3, "Summary of Significant Accounting Policies," in our Annual Report on Form 10-K for the year ended December 31, 2023, we believe the following accounting policies and estimates to be most critical to the preparation of our financial statements.

Accrued Research and Development Expenses & Prepayment of Services

As part of the process of preparing our financial statements, we are required to estimate our accrued expenses as of each balance sheet date. This process involves reviewing open contracts and purchase orders, communicating with our personnel to identify services that have been performed on our behalf and estimating the level of service performed and the associated cost incurred for the service when we have not yet been invoiced or otherwise notified of the actual cost. We make estimates of our accrued expenses as of each balance sheet date based on facts and circumstances known to us at that time. We periodically

confirm the accuracy of our estimates with the service providers and make adjustments, if necessary. The significant estimates in our accrued research and development expenses include the costs incurred for services performed by our vendors in connection with research and development activities for which we have not yet been invoiced.

We base our expenses related to research and development activities on our estimates of the services received and efforts expended pursuant to quotes and contracts with vendors that conduct research and development on our behalf. The financial terms of these agreements are subject to negotiation, vary from contract-to-contract and may result in uneven payment flows. There may be instances in which payments made to our vendors will exceed the level of services provided and result in a prepayment of the research and development expense. In accruing service fees, we estimate the time period over which services will be performed and the level of effort to be expended in each period. If the actual timing of the performance of services or the level of effort varies from our estimate, we adjust the accrual or prepaid expense accordingly. Advance payments for goods and services that will be used in future research and development activities are expensed when the activity has been performed or when the goods have been received rather than when the payment is made.

Although we do not expect our estimates to be materially different from amounts actually incurred, if our estimates of the status and timing of services performed differ from the actual status and timing of services performed, it could result in us reporting amounts that are too high or too low in any particular period. To date, there have been no material differences between our estimates of such expenses and the amounts actually incurred.

Stock-Based Compensation

We record compensation expense associated with stock options and other forms of equity compensation based on the estimated fair value at the grant date. Compensation expense related to awards to employees and non-employees with service based vesting conditions is recognized on a straight-line basis based on the grant date fair value over the requisite service period of the award, which is generally the vesting term. The Company's policy is to account for forfeitures as they occur. We use the Black-Scholes-Merton option pricing ("Black-Scholes") model to estimate the fair value of stock options. The Black-Scholes model requires input-based assumptions that are highly subjective, judgmental and sensitive in the determination of stock-based compensation cost.

Options granted after our IPO are issued at the fair market value of our Common Stock at the date the grant is approved by the Board of Directors.

Expected volatility—The expected volatility was based on the historical volatility of comparable public companies from a representative peer group selected based on industry and market capitalization data. The historical volatility is calculated based on a period of time commensurate with the expected term assumption.

Risk-free interest rate—The risk-free interest rate was based on the continuous rates provided by the U.S. Treasury with a term approximating the expected term of the option.

Expected dividend yield—The expected dividend yield was 0% because we have not historically paid and does not expect to pay any dividends for the foreseeable future.

Expected term—We use the simplified method as prescribed by the SEC Staff Accounting Bulletin No. 107, Share-Based-Payment, to calculate the expected term for options granted to employees as it does not have sufficient historical exercise data to provide a reasonable basis upon which to estimate the expected term.

We have used the Monte-Carlo option-pricing model to estimate the fair value of warrants that contain only market conditions. The Monte-Carlo option pricing model uses similar input assumptions as the Black-Scholes model; however, it further incorporates into the fair-value determination the possibility that the market condition may not be satisfied.

Derivative Financial Instruments

Warrants

We determine the accounting classification of warrants that are issued, as either liability or equity, by first assessing whether the warrants meet liability classification in accordance with ASC 480-10, *Distinguishing Liabilities from Equity*, and then in accordance with ASC 815-40, *Accounting for Derivative Financial Instruments Indexed to, and Potentially Settled in, a Company's Own Stock*. Under ASC 480-10, warrants are considered liability classified if the warrants are mandatorily redeemable, obligate the issuer to settle the warrants or the underlying shares by paying cash or other assets, or must or may require settlement by issuing variable number of shares.

If warrants do not meet liability classification under ASC 480-10, we assess the requirements under ASC 815-40, *Accounting for Derivative Financial Instruments Indexed to, and Potentially Settled in, a Company's Own Stock* ("ASC 815-40"), which states that contracts that require or may require the issuer to settle the contract for cash are liabilities recorded at fair value, irrespective of the likelihood of the transaction occurring that triggers the net cash settlement feature. If the warrants do not require liability classification under ASC 815-40, in order to conclude equity classification, we assess whether the warrants are indexed to its common stock and whether the warrants are classified as equity under ASC 815-40 or other applicable principles of GAAP. After all relevant assessments are made, we conclude whether the warrants are classified as liability or equity. Liability classified warrants are required to be accounted for at fair value both on the date of issuance and on subsequent accounting periods with changes in fair value recorded in the Statements of Operations and Comprehensive Loss under "Gain or (loss) on warrant liability."

If warrants are issued together with the sale of common stock, for the issuance costs that are not specifically attributed to either the common stock or warrants issued, the Company allocates the issuance costs between the common stock and warrants based on the gross proceeds. We expense issuance costs allocated to the warrants that are classified as liabilities and the issuance costs allocated to common stock or warrants that are classified as equity are recognized as reduction to the equity.

Other Company Information

Emerging Growth Company and Smaller Reporting Company Status

We are an emerging growth company ("EGC") as defined in the Jumpstart Our Business Startups Act of 2012, as amended, (the "JOBS Act"). We will remain an EGC until the earlier of (1) December 31, 2026, (2) the last day of the fiscal year in which we have total annual gross revenues of at least $1.235 billion, (3) the date on which we are deemed to be a "large accelerated filer" as defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended, (the "Exchange Act"), or (4) the date on which we have issued more than $1.0 billion in non-convertible debt securities during the prior three-year period. An EGC may take advantage of specified reduced reporting requirements and is relieved of certain other significant requirements that are otherwise generally applicable to public companies. As an EGC,

- we may present only two years of audited financial statements, plus unaudited condensed financial statements for any interim period, and related Management's Discussion and Analysis of Financial Condition and Results of Operations in this filing.
- we may avail ourselves of the exemption from the requirement to obtain an attestation and report from our auditors on the assessment of our internal control over financial reporting pursuant to the Sarbanes-Oxley Act of 2002;
- we may provide reduced disclosure about our executive compensation arrangements; and
- we may not require stockholder non-binding advisory votes on executive compensation or golden parachute arrangements.

We have elected to take advantage of certain of the reduced disclosure obligations in the registration statement of which this filing is a part and may elect to take advantage of other reduced reporting requirements in future filings. As a result, the information that we provide to our stockholders may be different than you might receive from other public reporting companies in which you hold equity interests.

Under the JOBS Act, EGCs can also delay adopting new or revised accounting standards until such time as those standards apply to private companies, which may make our financial statements less comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates. Until the date that we are no longer an EGC or affirmatively and irrevocably opt out of the exemption provided by Section 7(a)(2)(B) of the Securities Act, upon issuance of a new or revised accounting standard that applies to our financial statements and that has a different effective date for public and private companies, we will disclose the date on which we will adopt the recently issued accounting standard.

We are also a "smaller reporting company," meaning the market value of our stock held by non-affiliates plus the proposed aggregate amount of gross proceeds to us as a result of the IPO was less than $700.0 million and our annual revenue is less than $100.0 million during the most recently completed fiscal year. After the IPO we may continue to be a smaller reporting company if either (1) the market value of our stock held by non-affiliates is less than $250.0 million or (2) our annual revenue is less than $100.0 million during the most recently completed fiscal year and the market value of our stock held by

non-affiliates is less than $700.0 million. If we are a smaller reporting company at the time we cease to be an EGC, we may continue to rely on exemptions from certain disclosure requirements that are available to smaller reporting companies. Specifically, as a smaller reporting company we may choose to present only the two most recent fiscal years of audited financial statements in our Quarterly Report on Form 10-Q and, similar to EGCs, smaller reporting companies have reduced disclosure obligations regarding executive compensation.

Recently Issued and Adopted Accounting Pronouncements

A description of recently issued and adopted accounting pronouncements that may potentially impact our financial position and results of operations is disclosed in Note 2, "Basis of Presentation and Significant Accounting Policies" to the accompanying unaudited financial statements.

Item 3. Quantitative and qualitative disclosures about market risk.

We are exposed to market risks in the ordinary course of our business. These risks primarily include interest rate risks, foreign currency exchange rate risks and inflation risks. Periodically, we maintain deposits in accredited financial institutions in excess of federally insured limits. We deposit our cash in financial institutions that we believe have high credit quality and have not experienced any significant losses on such accounts and do not believe we are exposed to any unusual credit risk beyond the normal credit risk associated with commercial banking relationships.

Interest Rate Risk

Our cash consists of cash in readily-available checking accounts and short-term money market fund investments. Such interest-earning instruments carry a degree of interest rate risk and the returns from such instruments will vary as short-term interest rates change. While historical fluctuations in interest income have not been significant, in a financial environment with extremely low or negative interest rates, we could experience a significant reduction in the interest earned from such instruments.

Foreign Currency Exchange Risk

All of our employees and our operations are currently located in the United States. We have, from time-to-time, engaged in contracts with contractors or other vendors in a currency other than the U.S. dollar. To date, we have had minimal exposure to fluctuations in foreign currency exchange rates as the time period between the date that transactions are initiated and the date of payment or receipt of payment is generally of short duration. Accordingly, we believe we do not have a material exposure to foreign currency risk.

Effects of Inflation

Inflation generally affects us by increasing our cost of labor and research and development contract costs. We do not believe inflation has had a material effect on our results of operations during the periods presented.

Item 4. Controls and Procedures.

Disclosure Controls and Procedures

We maintain "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Our management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and our management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Our management, with the participation of our Chief Executive Officer (our principal executive officer) and our Interim Chief Financial Officer (our principal financial and accounting officer), evaluated the effectiveness of our disclosure controls and procedures as of June 30, 2024. Based on the evaluation of our disclosure controls and procedures as of June 30, 2024, our Chief Executive Officer and Interim Chief Financial Officer concluded that, as of such date, our disclosure controls and

procedures were not effective due to the material weakness in our internal control over financial reporting described below. In light of this fact, our management has taken additional steps to assure there is appropriate disclosure in this Quarterly Report and has concluded that, notwithstanding the material weakness in our internal control over financial reporting, the financial statements for the periods covered by and included in this Quarterly Report fairly present, in all material respects, our financial position, results of operations and cash flows for the periods presented in conformity with GAAP.

Material Weakness

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. In connection with the preparation of this Quarterly Report, we identified a material weakness in our internal control over financial reporting related to our control environment. More specifically, we have determined that we have not maintained adequate segregation of duties as a result of a lack of sufficient finance and accounting staff to maintain policies and procedures intended to ensure appropriate segregation of duties with respect to accounting and financial reporting. This lack of sufficient finance and accounting staff is a consequent of our previously reported reduction-in-force. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected and corrected on a timely basis.

In order to remediate this material weakness, we will need to hire additional financing and accounting staff and develop and roll out training on processes and controls. We are also considering engaging the assistance of additional third-party resources as deemed appropriate to assist management in its remediation efforts.

The process of designing and implementing an effective accounting and financial reporting system is a continuous effort that requires us to anticipate and react to changes in our business and the economic and regulatory environments and to expend significant resources to maintain an accounting and financial reporting system that is adequate to satisfy our reporting obligations. We may determine to take actions to address these control deficiencies, however, we cannot assure you that the measures we have taken to date, or any measures we may take in the future, will be sufficient to remediate the material weakness we have identified or avoid potential future material weakness.

Changes in Internal Controls over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) that occurred during the period covered by this filing that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time, we may become involved in litigation or other legal proceedings. We are not currently a party to any litigation or legal proceedings that, in the opinion of our management, are likely to have a material adverse effect on our business. Regardless of outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

Item 1A. Risk Factors.

There have been no material changes in our risk factors from those disclosed in Part I, Item 1A, "Risk Factors," in our Annual Report on Form 10-K, filed with the SEC on April 16, 2024, except as set forth below.

Our common stock is not listed on any stock exchange and there is a limited market for shares of our common stock. Even if a market for our common stock develops, our common stock could be subject to wide fluctuations.

Our common stock is not listed on any stock exchange. Although our common stock is quoted on the OTC Pink Market operated by the OTC Markets Group Inc., there is a limited public market for shares of our common stock, and limited trades of our common stock have taken place on the OTC Pink Market. Even if the shares of our common stock may in the future trade greater volume on the OTC Pink Market, the liquidity and price of our common stock is expected to be more limited than if such securities were quoted or listed on a national exchange. No assurances can be given that an active public trading market for our common stock will develop or be sustained. Trading volume may be limited by the fact that many major institutional investment funds, including mutual funds, as well as individual investors follow a policy of not investing in over the counter stocks and certain major brokerage firms restrict their brokers from recommending over the counter stocks because they are considered speculative, volatile and thinly traded. Lack of liquidity will limit the price at which stockholders may be able to sell our common stock.

Even if our common stock will in the future trade more actively on the OTC Pink Market, the price of such common stock could be subject to wide fluctuations, in response to quarterly variations in our operating results, announcements by us or others, developments affecting us, and other events or factors. In addition, the stock market has experienced extreme price and volume fluctuations in recent years. These fluctuations have had a substantial effect on the market prices for many companies, often unrelated to the operating performance of such companies, and may adversely affect the market prices of the securities. Such risks could have an adverse effect on the stock's future liquidity.

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

Set forth below is information regarding shares of equity securities sold, and options granted, by us during the six months ended June 30, 2024 and 2023 that were not registered under the Securities Act.

Recent Sales of Unregistered Equity Securities

None.

Use of Proceeds from Initial Public Offering

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

During the fiscal quarter ended June 30, 2024, none of our directors or officers (as defined in Section 16 of the Exchange Act) adopted or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended

to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement," as defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits.

Exhibit Number	Description
3.1	Amendment to the Amended and Restated Bylaws of NexImmune, Inc. (incorporated by reference to Exhibit 3.1 of the Registrant's Current Report on Form 8-K (File No. 001-40045) filed with the SEC on June 11, 2024
3.2	Certificate of Designation of Series A Preferred Stock dated June 11, 2024 (incorporated by reference to Exhibit 3.2 of the Registrant's Current Report on Form 8-K (File No. 001-40045) filed with the SEC on June 11, 2024
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1*^	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2*^	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS*	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2024, has been formatted in Inline XBRL.

* Filed herewith.

^ This certification is deemed not filed for purpose of section 18 of the Exchange Act or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act.

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.

NEXIMMUNE, INC.

Date: August 7, 2024

By: /s/ Kristi Jones

Kristi Jones

President and Chief Executive Officer

Date: August 7, 2024

By: /s/ Albert N. Marchio II

Albert N. Marchio II

Interim Chief Financial Officer

Exhibit 31.1

CERTIFICATION UNDER SECTION 302

I, Kristi Jones, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of NexImmune, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

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

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

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

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

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2024

By: /s/ Kristi Jones

Kristi Jones

Chief Executive Officer

(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION UNDER SECTION 302

I, Albert N. Marchio II certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of NexImmune, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

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

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

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

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

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2024

By: /s/ Albert N. Marchio II

Albert N. Marchio II

Interim Chief Financial Officer

(Principal Financial Officer and Principal Accounting Officer)

Exhibit 32.1

CERTIFICATION UNDER SECTION 906

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of NexImmune, Inc., a Delaware corporation (the "Company"), does hereby certify, to such officer's knowledge that:

The Quarterly Report for the period ended June 30, 2024 (the "Form 10-Q") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 7, 2024

By: /s/ Kristi Jones

Kristi Jones
Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION UNDER SECTION 906

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of NexImmune, Inc., a Delaware corporation (the "Company"), does hereby certify, to such officer's knowledge that:

The Quarterly Report for the period ended June 30, 2024 (the "Form 10-Q") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 7, 2024

By: /s/ Albert N. Marchio II

Albert N. Marchio II
Interim Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)