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

FORM 10-Q

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

For the quarterly period ended September 30, 2023

OR

o **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**	**The Nasdaq Capital Market**

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

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 x No o

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	o	Accelerated filer	o
Non-accelerated filer	x	Smaller reporting company	x
		Emerging growth company	x

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. o

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

As of November 1, 2023, the registrant had 1,058,125 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 Dissolution;
- 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") 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;
- our expectations related to the use of our cash; and
- our expectations regarding our ability to maintain the listing of our common stock on the Nasdaq Capital Market.

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, 2022, filed with the U.S. Securities and Exchange Commission ("SEC"), on March 28, 2023, in our most recent Quarterly Report on Form 10-Q for the three months ended June 30, 2023, filed with the SEC on August 10, 2023, 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

	September 30, 2023	December 31, 2022
	(unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 9,000,210	$ 34,642,340
Restricted cash	55,000	55,000
Prepaid expenses and other current assets	1,265,008	2,671,411
Total current assets	10,320,218	37,368,751
Property and equipment, net	3,705,418	4,459,071
Operating lease right-of-use assets	536,058	967,032
Other non-current assets	—	264,970
Total assets	$ 14,561,694	$ 43,059,824
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 737,494	$ 2,377,374
Accrued expenses	4,965,374	7,357,153
Operating lease liabilities, current	501,811	599,047
Total current liabilities	6,204,679	10,333,574
Operating lease liabilities, net of current portion	102,827	425,766
Total liabilities	6,307,506	10,759,340
Commitments and contingencies		
Stockholders' equity		
Common Stock, $0.0001 par value, 250,000,000 shares authorized as of September 30, 2023 and December 31, 2022; 1,058,125 and 1,043,083 shares issued and outstanding as of September 30, 2023 and December 31, 2022	2,645	2,608
Additional paid-in-capital	225,486,965	222,547,530
Accumulated deficit	(217,235,422)	(190,249,654)
Total stockholders' equity	8,254,188	32,300,484
Total liabilities and stockholders' equity	$ 14,561,694	$ 43,059,824

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 September 30,		Nine Months Ended September 30,	
	2023	**2022**	**2023**	**2022**
Operating expenses:				
Research and development	$ 6,005,987	$ 11,136,500	$ 17,010,369	$ 33,422,862
General and administrative	3,989,780	3,719,601	10,595,466	12,412,725
Total operating expenses	9,995,767	14,856,101	27,605,835	45,835,587
Loss from operations	(9,995,767)	(14,856,101)	(27,605,835)	(45,835,587)
Other income (expense):				
Interest income	154,900	226,752	652,959	344,066
Other expense	(13,320)	(100,031)	(32,892)	(121,653)
Other income, net	141,580	126,721	620,067	222,413
Net loss	$ (9,854,187)	$ (14,729,380)	$ (26,985,768)	$ (45,613,174)
Basic and diluted per common share	$ (9.40)	$ (15.09)	$ (25.83)	$ (48.78)
Basic and diluted weighted-average number of common shares outstanding	1,047,871	976,413	1,044,733	935,144

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 COMPREHENSIVE LOSS
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	**2022**	**2023**	**2022**
Net loss	$ (9,854,187)	$ (14,729,380)	$ (26,985,768)	$ (45,613,174)
Other comprehensive loss:				
Unrealized gain (loss) on available-for-sale marketable securities, net of tax	—	9,335	—	(3,012)
Comprehensive loss	$ (9,854,187)	$ (14,720,045)	$ (26,985,768)	$ (45,616,186)

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

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
For the Three Months Ended September 30, 2023 and 2022 (unaudited)

	Stockholders' Equity					
	Common Stock					
	Shares	Amount	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income/ (Loss)	Total Stockholders' Equity
Balance at July 1, 2023	1,043,138	$ 2,608	$ 224,381,109	$ (207,381,235)	$ —	$ 17,002,482
Settlement of restricted stock units, net	15,063	37	(37)	—	—	—
Stock-based compensation	—	—	1,105,893	—	—	1,105,893
Net loss	—	—	—	(9,854,187)	—	(9,854,187)
Fractional shares adjustment due to reverse split	(76)	—	—	—	—	—
Balance at September 30, 2023	1,058,125	$ 2,645	$ 225,486,965	$ (217,235,422)	$ —	$ 8,254,188
Balance at July 1, 2022	915,742	$ 2,289	$ 214,486,976	$ (158,627,249)	$ (9,335)	$ 55,852,681
Issuance of common stock from "at-the-market" offering facility, net of transaction costs	127,396	319	5,145,090	—	—	5,145,409
Stock-based compensation	—	—	1,437,488	—	—	1,437,488
Change in unrealized gain available-for-sale securities	—	—	—	—	9,335	9,335
Net loss	—	—	—	(14,729,380)	—	(14,729,380)
Balance at September 30, 2022	1,043,138	$ 2,608	$ 221,069,554	$ (173,356,629)	$ —	$ 47,715,533

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.

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
For the Nine Months Ended September 30, 2023 and 2022 (unaudited)

	Stockholders' Equity					
	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income/ (Loss)	Total Stockholders' Equity
	Shares	Amount				
Balance at January 1, 2023	1,043,138	$ 2,608	$ 222,547,530	$ (190,249,654)	$ —	$ 32,300,484
Settlement of restricted stock units, net	15,063	37	(37)			
Stock-based compensation	—	—	2,939,472	—	—	2,939,472
Net loss	—	—	—	(26,985,768)	—	(26,985,768)
Fractional shares adjustment due to reverse split	(76)	—	—	—	—	—
Balance at September 30, 2023	1,058,125	$ 2,645	$ 225,486,965	$ (217,235,422)	$ —	$ 8,254,188
Balance at January 1, 2022	913,156	$ 2,283	$ 211,498,827	$ (127,743,455)	$ 3,012	$ 83,760,667
Issuance of common stock from "at-the-market" offering facility, net of transaction costs	127,396	319	5,145,090	—	—	5,145,409
Exercise of stock options	516	1	33,254	—	—	33,255
Cashless exercise of stock options	2,070	5	(5)	—	—	—
Stock-based compensation	—	—	4,392,388	—	—	4,392,388
Change in unrealized loss available-for-sale securities	—	—	—	—	(3,012)	(3,012)
Net loss	—	—	—	(45,613,174)	—	(45,613,174)
Balance at September 30, 2022	1,043,138	$ 2,608	$ 221,069,554	$ (173,356,629)	$ —	$ 47,715,533

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.

NEXIMMUNE, INC.

STATEMENTS OF CASH FLOWS
(Unaudited)

	Nine Months Ended September 30,	
	2023	**2022**
Cash flows from operating activities		
Net loss	$ (26,985,768)	$ (45,613,174)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	796,464	730,701
Accretion income on available-for-sale marketable securities, net	—	(1,131)
Loss on asset disposal	(3,691)	94,803
Stock-based compensation	2,939,472	4,392,388
Non-cash lease expense	430,974	372,110
Changes in operating assets and liabilities:		
Prepaid expenses and other assets	1,681,376	(1,387,936)
Accounts payable	(1,639,881)	264,716
Accrued expenses	(2,396,409)	1,445,551
Operating lease liabilities	(420,175)	(363,997)
Net cash used in operating activities	(25,597,638)	(40,065,969)
Cash flows from investing activities		
Purchase of property and equipment	(48,720)	(1,031,153)
Proceeds from disposal of equipment	4,228	—
Purchase of marketable securities	—	(21,509,940)
Proceeds from maturities of available-for-sale marketable securities	—	71,500,000
Proceeds from redemption of available-for-sale marketable securities	—	1,500,000
Net cash (used in) provided by investing activities	(44,492)	50,458,907
Cash flows from financing activities		
Proceeds from "at-the-market" offering facility	—	5,145,409
Proceeds from the exercise of stock options	—	33,255
Net cash provided by financing activities	—	5,178,664
Net (decrease) increase in cash, cash equivalents and restricted cash	(25,642,130)	15,571,602
Cash, cash equivalents and restricted cash at beginning of period	34,697,340	30,393,852
Cash, cash equivalents and restricted cash at end of period	$ 9,055,210	$ 45,965,454
Supplemental disclosure of noncash investing and financing activities:		
Property and equipment purchases included in accounts payable and accrued expenses	$ —	$ 5,478

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 product candidates, 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 determined in November 2022 to pause investments in its cell therapy product candidates, NEXI-001, NEXI-002, and NEXI-003. This realignment was designed to reduce costs and reallocate resources towards the AIM INJ preclinical development programs. In August 2023, we issued a press release announcing that, in order to reduce our cash expenditures while continuing to pursue our existing strategic plan, our Board approved and our management implemented a reduction in workforce, designed to reduce costs and extend our cash. In October 2023, our Board approved a further reduction in force of substantially all of the Company’s employees, other than key members of management necessary to implement the wind up and support the efforts to maximize the value of the business and its assets. In November 2023, our Board unanimously approved the liquidation and wind up of the Company through a dissolution pursuant to a 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.

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 September 30, 2023, the Company had an accumulated deficit of $217.2 million, negative cash flows from operating activities for the period ended September 30, 2023, and significant ongoing research and development expenses. While we have no outstanding debt and $9.0 million in cash and cash equivalents as of September 30, 2023, the Company expects its negative cash flows from operating activities to continue and thus has determined that its losses and negative cash flows from operations and uncertainty in generating sufficient cash to meet the Company's obligations and sustain the Company's 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.

In November 2023, our Board unanimously approved the liquidation and wind up of the Company through a dissolution pursuant to a 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. In connection with the potential alternatives to Dissolution, if any, management may 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. In the absence of additional capital, and in preparation for the planned Dissolution, the Company plans to continue to strategically manage its uncommitted spend, execute its priorities and implement cost saving measures to reduce research and development and general and administrative expenditures which have included minimizing staff costs and delaying or terminating manufacturing and clinical trial costs.

There are inherent uncertainties associated with fundraising activities and activities to manage the Company's uncommitted spending and the successful execution of these activities may not be within the Company's control. There are no assurances that such additional funding will be obtained and that the Company will have any alternatives other than to implement the Dissolution, if approved by our stockholders. 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 an annual 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 condensed consolidated financial statements have been retrospectively adjusted to reflect the effect of the Reverse Stock Split for all periods presented. Payment for fractional shares resulting from the reverse stock split amounted to $339.59.

Approval of Plan of Dissolution

On November 2, 2023, the Board of the Company unanimously approved the liquidation and wind up of the Company through a dissolution pursuant to a 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.

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, 2022, as filed with the SEC on March 28, 2023.

In management's opinion, the accompanying financial statements contain all adjustments, including normal, recurring adjustments, necessary to fairly present the financial position as of September 30, 2023 and December 31, 2022, and the statements of operations, statements of comprehensive loss, statements of changes in stockholders' equity and statements of cash flows for the three and nine month periods ended September 30, 2023 and 2022. Interim results are not necessarily indicative of results for an entire year.

Recent Accounting Standards and Pronouncements

Recently Adopted

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326)* ("ASU 2016-13"), which modifies the measurement of expected credit losses on certain financial instruments. In addition, for available-for-sale debt securities, the standard eliminates the concept of other-than-temporary impairment and requires the recognition of an allowance for credit losses rather than reductions in the amortized cost of the securities. The standard is effective for fiscal year beginning after December 15, 2022 and interim periods beginning after December 15, 2022 and requires a modified-retrospective approach with a cumulative-effect adjustment to retained earnings as of the beginning of the first reporting period. Early adoption is permitted. Based on the composition of the Company's investment portfolio, current market conditions and historical credit loss activity, the adoption of ASU 2016-13 did not have a material impact on the Company's financial position, results of operations or the related disclosures. The Company adopted the new guidance on January 1, 2023 and determined there was no impact.

3. Cash, Cash Equivalents, and Restricted Cash

The following table presents the Company's cash, cash equivalents and restricted cash as of September 30, 2023 and December 31, 2022:

	September 30, 2023	December 31, 2022	Recurring Fair Value Measurement
Cash and cash equivalents:			
Cash	$ 874,470	$ 2,940,733	
Money market funds	8,125,740	23,722,328	Level 1
Fixed income debt securities	—	7,979,279	Level 2
Total cash and cash equivalents	9,000,210	34,642,340	
Restricted cash	55,000	55,000	
Total cash, cash equivalents, and restricted cash	$ 9,055,210	$ 34,697,340	

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, marketable securities, accounts payable and accrued expenses. The fair values of the cash, cash equivalents, accounts payable and accrued expenses approximated their carrying values as of September 30, 2023 and December 31, 2022 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.

There were no Level 3 recurring fair value measurements as of September 30, 2023 and December 31, 2022.

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

	September 30, 2023			December 31, 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Money market funds	$ 8,125,740	$ —	$ —	$ 23,722,328	$ —	$ —
Fixed income debt securities	—	—	—	—	7,979,279	—
	$ 8,125,740	$ —	$ —	$ 23,722,328	$ 7,979,279	$ —

5. Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consist of the following at September 30, 2023 and December 31, 2022:

	September 30, 2023	December 31, 2022
Prepaid research and development expenses	$ 457,044	$ 1,176,491
Prepaid maintenance agreements	87,991	369,606
Prepaid insurance	512,430	403,653
Prepaid other	96,155	245,278
Interest receivable	39,009	74,467
Other current assets	72,379	401,916
Total prepaid expenses and other current assets	$ 1,265,008	$ 2,671,411

6. Property and Equipment

Property and equipment consist of the following at September 30, 2023 and December 31, 2022:

	September 30, 2023	December 31, 2022
Laboratory equipment	$ 6,837,882	$ 6,803,996
Computer equipment and software	476,172	516,974
Furniture and fixtures	47,877	47,877
Leasehold improvements	318,491	319,816
	7,680,422	7,688,663
Less accumulated depreciation and amortization	(3,975,004)	(3,229,592)
Total property and equipment, net	$ 3,705,418	$ 4,459,071

Depreciation and amortization expense was $0.3 million for each of the three months ended September 30, 2023 and 2022 and $0.8 million and $0.7 million for the nine months ended September 30, 2023 and 2022, respectably.

7. Accrued Expenses

A summary of the components of accrued expenses is as follows as of September 30, 2023 and December 31, 2022:

	September 30, 2023	December 31, 2022
Accrued research and development costs	$ 3,066,740	$ 3,210,794
Accrued salaries, benefits and related expenses	1,566,998	3,855,797
Accrued professional fees	308,536	267,383
Other accrued expenses	23,100	23,179
Total accrued expenses	$ 4,965,374	$ 7,357,153

8. Commitments and Contingencies

Maryland Biotechnology Center Grant

The Company entered into a Translational Research Award Agreement effective May 23, 2012 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 agreement and as amended in 2013, MBC provided $325,000 to NexImmune for research on its artificial Antigen Presenting Cell ("aAPC") for cancer immunotherapy.

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 September 30, 2023, 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, referred to as 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 September 30, 2023.

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 $600,000 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 the each of the three and nine months ended September 30, 2023 and 2022, 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 has accrued royalties of $25,000 as of September 30, 2023 and $50,000 as of December 31, 2022.

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 September 30, 2023 and December 31, 2022, the Company was not involved in any material legal proceedings.

9. 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 ACT adoptive cell therapy 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 2023, the Company announced that, in order to reduce its cash expenditures while continuing to pursue its existing strategic plan, its Board of Directors approved and its management is implementing an approximately 53% reduction in workforce, designed to reduce costs and extend the Company's cash. The realignment would reduce the Company's workforce from 44 to 22 full-time employees. The Company incurred $2.0 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 implementation of the reduction-in-force will be substantially complete in October 2023.

The following table summarizes the charges related to the restructuring activities as of September 30, 2023. Restructuring expenses during the year ended December 31, 2022 was $0.5 million. The Company expects to complete the restructuring in the fourth quarter of 2023.

	Accrued Restructuring Expenses December 31, 2022	Expenses	Less: Payments	Accrued Restructuring Expenses September 30, 2023
Severance, benefits and related costs due to workforce reduction	$ 382,389	$ 2,105,521	$ (1,877,538)	$ 610,372
Totals	$ 382,389	$ 2,105,521	$ (1,877,538)	$ 610,372

10. Stockholders' Equity

Issuances of Common Stock

On March 9, 2022, the Company filed a prospectus (the "Prospectus") 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 filed a prospectus supplement (the "Prospectus Supplement") with the SEC, which described the terms of the 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 its common stock,

$0.0001 par value per share, at an aggregate offering price of up to $50.0 million (the "Shares") from time to time through the Agents (the "Offering"). The Prospectus Supplement limits the amounts that the Company may sell under the registration statement as the Company is subject to General Instruction I.B.6 of Form S-3. The Company currently may offer and sell shares of common stock having an aggregate offering price of up to $4.2 million under the Sales Agreement, which amount is in addition to the shares of common stock that we have sold to date in accordance with the Sales Agreement under the Prospectus.

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 of 1933, as amended (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. To date, the Company sold an aggregate of 127,396 shares through the “at-the-market" offering facility resulting in net proceeds of $5.1 million. The Company did not sell shares through the “at-the-market" offering facility in the three and nine months ended September 30, 2023.

11. 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. 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 have reserved a total of 208,104 shares under the plan. No further shares will be issued under the 2017 and 2018 plans. There are 54,737 shares available for issuance under the 2021 plan as of November 1, 2023.

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 Company's Board of Directors (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.

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 Company’s 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 Company’s 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. As a result, the Company recognized an incremental compensation expense for vested shares of $40,000 and $0.2 million associated with the modification arising from the Option Repricing for the three and nine months ended September 30, 2023.

Stock-based compensation expense was recorded in the following financial statement line items within the statement of operations for the periods ended September 30, 2023 and 2022:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Research and development expenses	$ 241,404	$ 894,191	$ 825,556	$ 2,898,260
General and administrative expenses	864,489	543,297	2,113,916	1,494,128
Total stock-based compensation expense	$ 1,105,893	$ 1,437,488	$ 2,939,472	$ 4,392,388

As a result of the August 2023 reduction in force, certain executives' options accelerated vesting that resulted in an expense of $0.4 million for the three and nine months ended September 30, 2023.

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, 2023	158,620	$ 184.51	8.0	$ —
Granted	46,644	9.44		
Exercised	—	—		
Cancelled	(26,224)	329.42		
Forfeited	(17,032)	74.45		
Outstanding as of September 30, 2023	162,008	$ 26.62	7.0	$ —
Vested or expected to vest as of September 30, 2023	162,008	$ 26.62	7.0	—
Exercisable as of September 30, 2023	103,734	$ 34.13	5.6	—
Shares unvested as of September 30, 2023	58,277	$ 13.26	9.1	$ —

The weighted average fair value of the options granted during the nine months ended September 30, 2023 and 2022 was $7.17 and $61.00, respectively. The options were valued using the Black-Scholes option-pricing model for the nine months ended September 30, 2023 and 2022 with the following assumptions:

	2023	2022
Expected volatility	90.2% to 93.7%	78.6% to 82.6%
Risk-free interest rate	3.4% to 4.2%	1.5% to 3.6%
Expected dividend yield	0 %	0 %
Expected term	5.5 to 6.1 years	5.5 to 6.1 years

No options were exercised in the nine months ended September 30, 2023. The intrinsic value of stock options exercised for the nine months ended September 30, 2022 was $0.2 million.

As of September 30, 2023, there was $2.8 million of total unrecognized compensation expense related to unvested options that will be recognized over a weighted average period of 2.4 years.

Restricted Stock Units

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

The following is a summary of RSU activity for the 2021 Plan for the nine months ended September 30, 2023:

	Number of restricted units	Weighted average grant date fair value
Unvested and outstanding at January 1, 2023	62,320	$ 11.30
Granted	—	—
Settled	(20,350)	11.25
Forfeited	(4,692)	11.25
Unvested and outstanding as of September 30, 2023	37,278	$ 11.33

As of September 30, 2023, there was $0.2 million of unrecognized compensation expense related to unvested RSUs, which are expected to be recognized over a weighted average period of 0.6 years.

12. 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 grants. For the three and nine months ended September 30, 2023 and 2022, the Company had a net loss attributable to common stockholders, and as such, all outstanding stock options and RSUs were anti-dilutive.

The following table sets forth the computation of basic and diluted earnings per share for the three and nine months ended September 30, 2023 and 2022:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net loss	$ (9,854,187)	$ (14,729,380)	$ (26,985,768)	$ (45,613,174)
Basic and diluted net loss per common share	$ (9.40)	$ (15.09)	$ (25.83)	$ (48.78)
Basic and diluted weighted average common shares outstanding	1,047,871	976,413	1,044,733	935,144

The following potentially dilutive securities have been excluded from the computation of diluted weighted average common shares outstanding at September 30, 2023 and 2022 as the effect would be anti-dilutive:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Stock options	162,008	158,667	162,008	158,667
Restricted stock unit	37,278	—	37,278	—
Total	199,286	158,667	199,286	158,667

13. 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 and multiple members of our Board serve on Zephyr's board of directors. The JRA term is two years unless mutually extended.

Pursuant to the JRA, Zephyr will identify suitable antigens or combinations thereof for validation and testing by NexImmune. The Joint Steering Committee (the "JSC") provided for by the JRA will then determine which identified candidates shall be subject to further analysis. NexImmune will validate which, if any, of the identified antigens are suitable for T-cell engagement and killing function (the "Final Candidates"). The JSC will make a good-faith determination as to whether the data supports the further IND-targeted development by NexImmune of any of the Final Candidates. The Company and Zephyr will jointly own any Final Candidates, including the intellectual property related thereto. Each of the Company and Zephyr shall be responsible for payment of their own respective costs and expenses in connection with the performance of their respective obligations under the JRA. If a Final Candidate is to be further developed, then the Company and Zephyr shall engage in good-faith negotiations to agree on the terms and conditions of an agreement with respect to the further development and commercialization of such Final Candidate. If such an agreement is not executed within the prescribed negotiation period, then neither the Company nor Zephyr may further develop such Final Candidate. The expenses related to the JRA for the three and nine months ended September 30, 2023 and 2022 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 works through July 31, 2023 is $0.2 million. The expenses incurred

to the CDI for the three and nine months ended September 30, 2023 was $25,000 and $68,000, respectively. There were no expenses incurred for the three and nine months ended September 30, 2022. The Company has recorded no accrual as of September 30, 2023.

14. Income Taxes

The Company has not recorded any tax provision or benefit for the three and nine months ended September 30, 2023 and 2022. 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 September 30, 2023 and December 31, 2023. The effective tax rate for each of the three and nine months ended September 30, 2023 and 2022 is 0%.

15. Subsequent Events

On October 31, 2023, the Board also approved a reduction-in-force of substantially all of the Company's employees, other than key members of management necessary to implement the wind up and support the efforts to maximize the value of the business and its assets. The Company estimates the costs incurred in connection with the reduction in force to be $0.6 million. The Company expects that the implementation of the reduction-in-force will be substantially complete in November 2023.

On November 1, 2023, the Company terminated its lease at 9119 Gaither Rd., Gaithersburg, Maryland. The termination date is January 31, 2024.

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 on Form 10-Q ("this Quarterly Report") and our Annual Report on Form 10-K for the year ended December 31, 2022, as filed with the SEC on March 28, 2023. 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 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 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 the patient. Our mission is to create therapies with curative potential for patients with cancer and other life-threatening immune-mediated diseases.

In November 2022, we announced that, following a strategic review of our pipeline, indications, timelines and cash position, we are implementing a strategic realignment initiative, which is designed to reduce costs and reallocate resources towards our Artificial Immune Modulation ("AIM"), preclinical development programs. We call the adoptive cell therapy modality AIM ACT, and the direct-injectable off-the-shelf modality AIM INJ. Both modalities share the same mechanism of action in engaging and directing antigen specific T cell responses. As part of this strategy, we focused on developing AIM INJ nanoparticle constructs nd modalities for potential clinical evaluation in oncology and autoimmune disorders. We also paused development of our current adoptive cell therapy ("AIM ACT") product candidates, NEXI-001 and NEXI-003. As previously disclosed, the NEXI-002 trial in Multiple Myeloma remained paused. In August 2023, we issued a press release announcing that, in order to reduce our cash expenditures while continuing to pursue our existing strategic plan, our Board approved and our management implemented a reduction in workforce, designed to reduce costs and extend our cash. In October 2023, our Board approved a further reduction in force of substantially all of the Company's employees, other than key members of management necessary to implement the wind up and support the efforts to maximize the value of the business and its assets. In November 2023, our Board unanimously approved the liquidation and wind up of the Company through a dissolution pursuant

to a 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 backbone of our approach is our proprietary AIM. One of the critical advantages of the AIM technology platform is the ability to rapidly customize it for new therapeutics, in a modular, Lego-like manner. We have developed protein conjugation techniques so that nanoparticles can be customized quickly for different 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) but also autoimmune disorders (where down-regulatory or apoptopic messages are delivered to targeted T cells). These conjugation techniques also apply to both the ex vivo nanoparticles used for the adoptive cell therapy modality, called AIM ACT, and the in vivo direct injectable modality, called AIM INJ.

The AIM INJ modality is designed to enable AIM nanoparticles to directly engage and expand antigen specific T cells inside the body without the need for ex vivo expansion and manufacturing, which we believe will result in a greater ease of administration and a less complex and less expensive manufacturing process. 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. Additional pre-clinical experiments, conducted through collaborations, has demonstrated the potential to use a different Signal 2 on the AIM INJ nanoparticle to directly engage and inhibit or eliminate antigen specific auto-reactive T cells associated with autoimmune disorders.

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” for information about this license in our Annual Report on Form 10-K for the year ended December 31, 2022, as filed with the SEC on March 28, 2023.

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 an “at-the-market" offering facility. 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. To date, we sold an aggregate of 127,396 shares through our “at-the-market” offering facility resulting in net proceeds of $5.1 million.

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. As of September 30, 2023, we had an accumulated deficit of $217.2 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.

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 updated corporate strategy announced in November 2022, we initiated a workforce reduction plan to reduce headcount by approximately 30%, primarily affecting the clinical development, manufacturing and administrative staff that had been needed to support the AIM ACT adoptive cell therapy clinical programs. The plan reduced our workforce from 74 full-time employees prior to the announcement to approximately 50 full-time employees. We incurred $0.7 million of costs in connection with the reduction in workforce related to severance pay and other related termination benefits.

In August 2023, the Company announced that, in order to reduce its cash expenditures while continuing to pursue its existing strategic plan, its Board of Directors approved and its management is implementing an approximately 53% reduction in workforce, designed to reduce costs and extend the Company's cash. The realignment would reduce the Company's workforce from 44 to 22 full-time employees. The Company incurred $2.0 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 October 2023, we initiated a reduction-in-force of substantially all of our employees, other than key members of management necessary to implement the planned wind up of the Company and support the efforts to maximize the value of the business and its assets. We estimate the costs incurred in connection with the reduction in force to be $0.6 million. The Company expects that the implementation of the reduction-in-force will be substantially complete in November 2023.

As of September 30, 2023, we had cash and cash equivalents of $9.0 million.

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

As previously reported, on October 25, 2022, we received a letter from the Listing Qualifications Department (the "Listing Qualifications Staff") of The Nasdaq Stock Market LLC ("Nasdaq") indicating that, based upon the closing bid price of the Company's common stock for the prior 30 consecutive business days, the Company was not in compliance with the requirement to maintain a minimum bid price of $1.00 per share for continued listing on The Nasdaq Global Market, as set forth in Nasdaq Listing Rule 5450(a)(1) (the "Minimum Bid Price Requirement"). In accordance with Nasdaq Listing Rule 5810(c)(3)(A), the Company was provided a grace period of 180 days, or until April 24, 2023, to regain compliance with the Minimum Bid Price Requirement.

On April 25, 2023 we received a letter from Nasdaq advising that the Company had been granted a 180-day extension to October 23, 2023 to regain compliance with the Minimum Bid Price Requirement, in accordance with Nasdaq Listing Rule 5810(c)(3)(A) and that effective at the opening of business on April 26, 2023, the listing of the Company's common stock was transferred to The Nasdaq Capital Market.

On October 27, 2023, the Company received a notice from Nasdaq informing the Company that Nasdaq had determined that the Company had not regained compliance with the minimum closing bid price requirement for continued listing on the Capital Market under the Rule by October 23, 2023, on which date the second 180-day compliance period previously afforded to the Company by Nasdaq expired. Accordingly, pursuant to the notice dated October 27, 2023, the Company's common stock was subject to delisting unless the Company timely requested a hearing before the Nasdaq Hearings Panel to appeal Nasdaq's decision.

On November 1, 2023, the Company received a notice from the Listing Qualifications Department of the Nasdaq notifying the Company that it had regained compliance with the minimum closing bid price requirement for continued listing on The Nasdaq Capital Market under Nasdaq Listing Rule 5550(a)(2), and as a result, the Company's common stock continues to trade on the Capital Market.

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 an annual 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 condensed consolidated financial statements have been retrospectively adjusted to reflect the effect of the Reverse Stock Split for all periods presented. Payment for fractional shares resulting from the reverse stock split amounted to $339.59.

Approval of Plan of Dissolution

On November 2, 2023, the Board of the Company unanimously approved the liquidation and wind up of the Company through a dissolution pursuant to a 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 intends to call a special meeting of the stockholders to seek approval of the plan of dissolution and will file definitive proxy materials relating to the special meeting with the Securities and Exchange Commission as soon as practicable.

Components of our Results of Operations

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 Johns Hopkins license.

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 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.

Results of Operations

Comparison of the Three Months Ended September 30, 2023 and 2022

The following table summarizes our results of operations for the three months ended September 30, 2023 and 2022:

	Three Months Ended September 30,		
	2023	2022	Change
	(in thousands)		
Operating expenses:			
Research and development	$ 6,006	$ 11,137	$ (5,131)
General and administrative	3,990	3,720	270
Total operating expenses	9,996	14,856	(4,860)
Loss from operations	(9,996)	(14,856)	4,860
Other income (expense):			
Interest income	155	227	(72)
Other expense	(13)	(100)	87
Other income, net	142	127	15
Net loss	$ (9,854)	$ (14,729)	$ 4,875

Research and Development Expenses. Research and development expenses were $6.0 million and $11.1 million for the three months ended September 30, 2023 and 2022, respectively. The decrease of $5.1 million was due primarily to a decrease of $2.4 million on research and preclinical manufacturing, a $1.9 million decrease in clinical trial expenses, a $1.3 million decrease related to salary and benefits from stock compensation expense impacted by terminations, offset by a $0.5 million increase in prepaid expenditures that are not expected to be realized. We have not historically tracked internal research and development expenses by product candidate.

General and Administrative Expenses. General and administrative expenses were $4.0 million and $3.7 million for the three months ended September 30, 2023 and 2022, respectively. The increase of $0.3 million was due primarily to the increase of $0.9 million in salary, benefits, and stock compensation expense impacted by terminations in September 2023, offset by decreases of $0.6 million in legal and other administrative fees.

Comparison of the Nine Months Ended September 30, 2023 and 2022

The following table summarizes our results of operations for the nine months ended September 30, 2023 and 2022:

	Nine Months Ended September 30,		
	2023	2022	Change
	(in thousands)		
Operating expenses:			
Research and development	$ 17,010	$ 33,423	$ (16,412)
General and administrative	10,595	12,413	(1,817)
Total operating expenses	27,606	45,836	(18,230)
Loss from operations	(27,606)	(45,836)	18,230
Other income (expense):			
Interest income	653	344	309
Other expense	(33)	(122)	89
Other income, net	620	222	398
Net loss	$ (26,986)	$ (45,613)	$ 18,627

Research and Development Expenses. Research and development expenses were $17.0 million and $33.4 million for the nine months ended September 30, 2023 and 2022, respectively. The decrease of $16.4 million was due primarily to a decrease

of $8.5 million on research and preclinical manufacturing, a $4.5 million decrease in clinical trial expenses, and $4.2 million decrease related to salary and benefits from stock compensation expense impacted by terminations. The decrease was offset by increases of $0.3 million in consulting fees and $0.5 million increase in prepaid expenditures that are not expected to be realized. We have not historically tracked internal research and development expenses by product candidate.

General and Administrative Expenses. General and administrative expenses were $10.6 million and $12.4 million for the nine months ended September 30, 2023 and 2022, respectively. The decrease of $1.8 million was due primarily to decreases of $2.4 million in legal and other administrative fees, offset by an increase of $0.6 million in salary, benefits, and stock compensation expense impacted by terminations.

Interest Income. Interest income increased $0.3 million due to higher interest rates on holdings of cash and cash equivalents.

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 September 30, 2023, we had cash and cash equivalents of $9.0 million. We expect our negative cash flows from operating activities to continue and thus have determined that the losses and negative cash flows from operations and uncertainty in generating sufficient cash to meet our obligations and sustain our operations raise substantial doubt about our ability to continue as a going concern for at least one year from the issuance date of these Financial Statements.

In November 2023, our Board unanimously approved the liquidation and wind up of the Company through a dissolution pursuant to a 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. In connection with the potential alternatives to Dissolution, if any, management may 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. In the absence of additional capital, and in preparation for the planned Dissolution, the Company plans to continue to strategically manage its uncommitted spend, execute its priorities and implement cost saving measures to reduce research and development and general and administrative expenditures which have included minimizing staff costs and delaying or terminating manufacturing and clinical trial costs.

There are inherent uncertainties associated with fundraising activities and activities to manage our uncommitted spending and the successful execution of these activities may not be within our control. There are no assurances that such additional funding will be obtained and that we will have any alternatives other than to implement the Dissolution, if approved by our stockholders. 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 the Company’s 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, and an "at-the-market" offering facility.

Series A Preferred Stock Financing

From December 2017 through August 2018, we issued an aggregate of 121,735,303 shares of our Series A Redeemable Convertible Preferred Stock at a purchase price of $0.2951 per share for aggregate consideration of $25.0 million plus conversion of convertible notes.

In January 2019 and February 2019, we issued an aggregate of 22,047,361 shares of our Series A-2 Preferred Stock at a purchase price of $0.3523 per share for aggregate consideration of $7.8 million.

In November 2019 and December 2019, we issued an aggregate of 31,209,734 shares of our Series A-3 Preferred Stock at a purchase price of $0.3523 per share for aggregate consideration of $11.0 million.

Convertible Note Financing

From April 2020 through December 31, 2020, we issued aggregate principal amount of $21,618,286 in the form of convertible notes, which bear interest at the rate of 6% per annum and mature in April 2021.

In January 2021, we issued an additional aggregate principal amount of $9,031,480 in the form of convertible notes, which bore interest at the rate of 6% per annum and had a scheduled maturity date in April 2021.

Paycheck Protection Program Loan

On April 23, 2020, we entered into an unsecured loan agreement with JPMorgan Chase Bank (“Chase”) under the terms of which Chase loaned us $843,619 (“the PPP Loan”), pursuant to the Paycheck Protection Program (“PPP”), under the Coronavirus Aid, Relief, and Economic Security Ac (“CARES Act”). In accordance with the requirements of the CARES Act, we used the proceeds primarily for payroll costs and other eligible expenses. The PPP Loan had a maturity date of April 23, 2022 and accrued interest at an annual rate of 0.98%. Interest and principal payments were deferred for the first six months of the loan. Thereafter, monthly interest and principal payments were due until the loan was fully satisfied. The promissory note evidencing the PPP Loan contained customary events of default resulting from, among other things, default in the payments. The use of loan proceeds must be for payroll costs, payment of interest on covered mortgage obligations, rent and utility costs over either an eight-week or 24-week period, at our option, following our receipt of the loan proceeds. We elected to use the proceeds over a 24-week period. We treat the PPP loan as debt under ASC 470, Debt. The CARES Act and the PPP provide a mechanism for forgiveness of up to the full amount borrowed. We submitted the PPP Loan forgiveness application in March 2021. The Company submitted the PPP Loan forgiveness application in March 2021 and received full forgiveness from the $843,619 loan under the PPP in July 2021.

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

In the year ended December 31, 2022, we sold an aggregate of 127,396 shares through our “at-the-market” offering facility resulting in net proceeds of $5.1 million. For the three and nine months ended September 30, 2023, no shares were sold from the “at-the-market” offering facility.

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

As previously reported, on October 25, 2022, we received a letter from the Listing Qualifications Staff of Nasdaq indicating that, based upon the closing bid price of the Company’s common stock for the prior 30 consecutive business days, the Company was not in compliance with the requirement to maintain a minimum bid price of $1.00 per share for continued listing on The Nasdaq Global Market, as set forth in Nasdaq Listing Rule 5450(a)(1) (the “Minimum Bid Price Requirement”). In accordance with Nasdaq Listing Rule 5810(c)(3)(A), the Company was provided a grace period of 180 days, or until April 24, 2023, to regain compliance with the Minimum Bid Price Requirement.

On April 25, 2023 we received a letter from Nasdaq advising that the Company had been granted a 180-day extension to October 23, 2023 to regain compliance with the Minimum Bid Price Requirement, in accordance with Nasdaq Listing Rule 5810(c)(3)(A) and that effective at the opening of business on April 26, 2023, the listing of the Company’s common stock was transferred to The Nasdaq Capital Market.

On October 27, 2023, the Company received a notice from Nasdaq informing the Company that Nasdaq had determined that the Company had not regained compliance with the minimum closing bid price requirement for continued listing on the Capital Market under the Rule by October 23, 2023, on which date the second 180-day compliance period previously afforded to the Company by Nasdaq expired. Accordingly, pursuant to the notice dated October 27, 2023, the Company’s common stock was subject to delisting unless the Company timely requested a hearing before the Nasdaq Hearings Panel to appeal Nasdaq’s decision.

On November 1, 2023, the Company received a notice from the Listing Qualifications Department of the Nasdaq notifying the Company that it has regained compliance with the minimum closing bid price requirement for continued listing on The Nasdaq Capital Market under Nasdaq Listing Rule 5550(a)(2), and as a result, the Company’s common stock continues to trade on the Capital Market.

Cash Flows

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

	Nine Months Ended September 30,	
	2023	2022
	(in thousands)	
Net cash provided by (used in):		
Operating activities	$ (25,598)	$ (40,066)
Investing activities	$ (44)	$ 50,459
Financing activities	$ —	$ 5,179
Net decrease in cash, cash equivalents and restricted cash	$ (25,642)	$ 15,572

Operating Activities

Net cash used in operating activities was $25.6 million and $40.1 million for the nine months ended September 30, 2023 and 2022, respectively. The net cash used in operating activities for the nine months ended September 30, 2023 was primarily due to our net loss of $27.0 million, resulting from research and development expenses of $17.0 million as we continue our preclinical research and preclinical manufacturing to support clinical programs and $10.6 million of administrative expenses for salary and professional fees.

The net cash used in operating activities for the nine months ended September 30, 2022 was primarily due to our net loss of $45.6 million, consisting of $33.4 million for research and development expenses primarily in preclinical research expenses and manufacturing as we prepared for our clinical program, and $12.4 million in administrative expenses for salary and related expenses and professional fees.

Investing Activities

Net cash used in investing activities was nominal for the nine months ended September 30, 2023. Net cash used in investing activities of $50.5 million for the nine months ended September 30, 2022 was primarily due to the maturities of $71.5 million and redemption of $1.5 million in available-for-sale marketable securities partially offset by the purchase of $21.5 million in available-for-sale marketable securities and the purchase of $1.0 million in property and equipment.

Financing Activities

There was no cash provided by financing activities for the nine months ended September 30, 2023. Net cash provided by financing activities was $5.2 million for the nine months ended September 30, 2022 from the sale off common stock from the “at-the-market" offering facility.

Funding Requirements

We believe that our existing cash and cash equivalents, together with the net proceeds from our IPO, will be sufficient to meet our anticipated cash requirements into the fourth quarter of 2023. 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, 2022, 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.

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 $1.07 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 (the “Sarbanes-Oxley Act”);
- 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 of 1933, as amended ("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”.

Off-Balance Sheet Arrangements

During the periods presented, we did not have, nor do we currently have, any off-balance sheet arrangements as defined under SEC rules.

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 nine months ended September 30, 2023 or 2022.

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 Controller (our principal financial and accounting officer), evaluated the effectiveness of our disclosure controls and procedures as of September 30, 2023. Based on the evaluation of our disclosure controls and procedures as of September 30, 2023, our Chief Executive Officer and Principal 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 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 on Form 10-Q 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 on Form 10-Q, 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.

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

Other than as described above, 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.

Other than the risk factor provided below, 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 March 28, 2023.

We cannot assure you as to the amount of distributions, if any, to be made to our stockholders.

We cannot predict with certainty the amount of distributions, if any, to be made to our stockholders in connection with the planned dissolution of the Company (the "Dissolution") pursuant to the plan of dissolution and liquidation (the "Plan of Dissolution") that has been approved by our Board of Directors (the "Board"). However, based on the information currently available to us and if our stockholders approve the Dissolution, we estimate that there will not be any cash available for distribution to our stockholders in the Dissolution and, based on our current estimates, we expect that stockholders will not receive any distribution. Notwithstanding the foregoing, we cannot predict the timing or amount of any distributions, as uncertainties as to the ultimate amount of our liabilities, the operating costs and amounts to be reserved for claims, obligations and provisions during the liquidation and winding-up process, and the related timing to complete such transactions make it impossible to predict with certainty the actual net cash amount, if any, that may ultimately be available for distribution to stockholders or the timing of any such distributions. Examples of uncertainties that could reduce the value of distributions, if any, to our stockholders include: unanticipated costs relating to the defense, satisfaction or settlement of lawsuits or other claims threatened against us or our directors or officers; amounts necessary to resolve claims of any creditors or other third parties; and delays in the liquidation and dissolution or other winding up processes.

In addition, as we wind up, we will continue to incur expenses from operations, including directors' and officers' insurance; payments to service providers and any continuing employees or consultants; taxes; legal, accounting and consulting fees and expenses related to our filing obligations with the SEC or in connection with our listing (including our scheduled hearing) on Nasdaq, which will reduce any amounts available for distribution to our stockholders. As a result, we cannot assure you as to any amounts to be distributed to our stockholders if the Board proceeds with the Dissolution. If our stockholders do not approve the Dissolution, we will not be able to proceed with the Dissolution and no liquidating distributions will be made in connection therewith.

We cannot predict the timing of the distributions, if any, to stockholders.

Our current intention is that, if approved by our stockholders, the Certificate of Dissolution would be filed promptly after such approval; however, the decision of whether or not to proceed with the Dissolution will be made by the Board in its sole discretion. No further stockholder approval would be required to effect the Dissolution. However, if the Board determines that the Dissolution is not in our best interest or the best interest of our stockholders, the Board may, in its sole discretion, abandon the Dissolution or may amend or modify the Plan of Dissolution to the extent permitted by Delaware law without the necessity of further stockholder approval. After the Certificate of Dissolution has been filed, revocation of the Dissolution would require stockholder approval under Delaware law.

Under Delaware law, before a dissolved corporation may make any distribution to its stockholders, it must pay or make reasonable provision to pay all of its claims and obligations, including all contingent, conditional or unmatured contractual claims known to the corporation. Furthermore, we may be subject to potential liabilities relating to indemnification obligations, if any, to third parties or to our current and former officers and directors. It might take significant time to resolve these matters, and as a result we are unable to predict the timing of distributions, if any are made, to our stockholders.

It is the current intent of the Board, assuming approval of the Dissolution, that any cash will first be used to pay our outstanding current liabilities and then will be retained to pay ongoing corporate and administrative costs and expenses associated with winding down the company, liabilities and potential liabilities relating to or arising out of any litigation matters and potential liabilities relating to our indemnification obligations, if any, to our service providers, or to our current and former officers and directors.

The Board will determine, in its sole discretion, the timing of the distribution of the remaining amounts, if any, to our stockholders in the Dissolution. We can provide no assurance as to if or when any such distribution will be made, and we cannot provide any assurance as to the amount to be paid to stockholders in any such distribution, if one is made. Stockholders may receive no distribution at all. To the extent funds are available for distribution to stockholders, the Board intends to seek to distribute such funds to our stockholders as quickly as possible, as permitted by the DGCL, and intends to take all reasonable actions to optimize the distributable value to our stockholders.

If our stockholders do not approve the Dissolution Proposal, we would not be able to continue our business operations.

If our stockholders do not approve the Dissolution Proposal, the Board will continue to explore what, if any, alternatives are available for the future of the Company in light of its business activities; however, those alternatives are likely limited to seeking voluntary dissolution at a later time with potentially diminished assets or seeking bankruptcy protection (should our net assets decline to levels that would require such action). It is unlikely that these alternatives would result in greater stockholder value than the proposed Plan of Dissolution and the Dissolution.

The Board may determine not to proceed with the Dissolution.

Even if the Dissolution is approved by our stockholders, the Board may determine in its sole discretion not to proceed with the Dissolution. If our Board elects to pursue any alternative to the Plan of Dissolution, our stockholders may not receive any of the funds that might otherwise be available for distribution to our stockholders. After the Certificate of Dissolution has been filed, revocation of the Dissolution would require stockholder approval under Delaware law.

Our stockholders of record will not be able to buy or sell shares of our common stock after we close our stock transfer books at the effective time of the Dissolution.

If the Board determines to proceed with the Dissolution, we intend to close our stock transfer books and discontinue recording transfers of our common stock at the effective time of the Dissolution. After we close our stock transfer books, we will not record any further transfers of our common stock on our books except by will, intestate succession or operation of law. Therefore, shares of our common stock will not be freely transferable after the effective time of the Dissolution. As a result of the closing of the stock transfer books, all liquidating distributions in the Dissolution, if any, will likely be made pro rata to the same stockholders of record as the stockholders of record as of the final record date.

If the Dissolution is approved by our stockholders and if the Board determines to proceed with the Dissolution, we plan to initiate steps to exit from certain reporting requirements under the Exchange Act, which may substantially reduce publicly available information about us. If the exit process is protracted, we will continue to bear the expense of being a public reporting company.

Our common stock is currently registered under the Exchange Act, which requires that we, and our officers and directors with respect to Section 16 of the Exchange Act, comply with certain public reporting and proxy statement requirements thereunder. Compliance with these requirements is costly and time-consuming. If the Dissolution is approved by our stockholders and if the Board determines to proceed with the Dissolution, we plan to initiate steps to exit from such reporting requirements in order to curtail expenses; however, such process may be protracted and we may be required to continue to file Current Reports on Form 8-K or other reports to disclose material events, including those related to the Dissolution. Accordingly, we will continue to incur expenses that will reduce the amount available for distribution, including expenses of complying with public company reporting requirements and paying its service providers, among others. If our reporting obligations cease, publicly available information about us will be substantially reduced.

We have identified material weaknesses in our internal control over financial reporting related to our control environment. If we do not remediate the material weaknesses in our internal control over financial reporting, or if we fail to establish and maintain effective internal control, we may not be able to accurately report our financial results, which may cause investors to lose confidence in our reported financial information and may lead to a decline in the market price of our stock.

As a public company, we are required to maintain internal control over financial reporting and to report any material weaknesses in such internal controls. Despite our efforts, there is a risk that we will not be able to conclude, within the prescribed timeframe or at all, that our internal control over financial reporting is effective as required by Section 404. If we identify one or more material weaknesses, it could result in an adverse reaction in the financial markets due to a loss of confidence in the reliability of our financial statements. 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 connection with the preparation of this Quarterly Report on Form 10-Q, 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. 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.

Any failure to remediate the material weakness we identified or develop or maintain effective controls, or any difficulties encountered in their implementation or improvement, could harm our operating results or cause us to fail to meet our reporting obligations and may result in a restatement of our financial statements for prior periods. Any failure to remediate the material weaknesses we identified or implement and maintain effective internal control over financial reporting could also adversely affect the results of management reports and independent registered public accounting firm audits of our internal control over financial reporting that we will eventually be required to include in our periodic reports that will be filed with the SEC. Ineffective disclosure controls and procedures, and internal control over financial reporting could also cause investors to lose confidence in our reported financial and other information, which would likely have a negative effect on the market price of our common stock.

If we fail to maintain the listing of our common stock with a United States national securities exchange, the liquidity of our common stock could be adversely affected.

On November 1, 2023, we received a notice from the Listing Qualifications Department of the Nasdaq Stock Market LLC (“Nasdaq”) notifying us that we had regained compliance with the minimum closing bid price requirement for continued listing on The Nasdaq Capital Market (the “Capital Market”) under Nasdaq Listing Rule 5550(a)(2), and as a result, the Company’s common stock continues to trade on the Capital Market. However, there can be no assurance that we will be able to maintain compliance with the minimum bid price requirement or other listing requirements of the Capital Market in the period leading up to our planned Dissolution. Furthermore, if our Dissolution is approved by our stockholders and the Board, in its sole discretion, determines to implement the Dissolution, we expect that would be delisted by Nasdaq. If our common stock is delisted by Nasdaq, there can be no assurance that our common stock would be eligible for trading on any alternative exchange or markets, including the OTC Bulletin Board or any another over-the-counter market. Any such alternative would likely result in it being more difficult, or not possible, for investors to dispose of, or obtain accurate quotations as to the market value of, our common stock.

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 nine months ended September 30, 2023 and 2022 that were not registered under the Securities Act.

Recent Sales of Unregistered Equity Securities

None.

Use of Proceeds from Initial Public Offering

In February 2021, we completed the IPO and issued and sold an aggregate 7,441,650 shares of common stock, which included 970,650 shares of our common stock issued pursuant to the underwriters’ option to purchase additional shares, at a public offering price of $17.00 per share, for net proceeds of $114.6 million after deducting underwriting discounts and commissions and other offering costs.

The offer and sale of all of the shares of our common stock in our IPO of common stock was effected through a Registration Statement on Form S-1 (File No. 333- 252220) that was declared effective by the SEC on February 11, 2021.

None of the underwriting discounts and commissions or offering expenses were incurred or paid to directors or officers of ours or their associates or to persons owning 10% or more of our common stock or to any of our affiliates. We have invested the net proceeds from the IPO in a money market fund and available-for-sale marketable securities. There has been no material

change in our planned use of the net proceeds from the IPO as described in our final prospectus filed pursuant to Rule 424(b)(4) under the Securities Act with the SEC on February 11, 2021.

We have invested the net proceeds from the IPO in cash equivalents and available-for-sale marketable securities. There has been no material change in our planned use of the net proceeds from the IPO as described in our final prospectus filed pursuant to Rule 424(b)(4) under the Securities Act with the SEC on February 16, 2021.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits.

Exhibit Number	Description
3.1	Form of Sixth Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 of the Registrant's Current Report on Form 8-K (File No 001-40045) filed with SEC on October 18, 2023
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 September 30, 2023, has been formatted in Inline XBRL.

* Filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NEXIMMUNE, INC.

Date: November 17, 2023

By: /s/ Kristi Jones
Kristi Jones
President and Chief Executive Officer

Date: November 17, 2023

By: /s/ Timothy Stover
Timothy Stover
Principal 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: November 17, 2023

By: /s/ Kristi Jones

Kristi Jones

Chief Executive Officer

(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION UNDER SECTION 302

I, Timothy Stover, 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: November 17, 2023

By: /s/ Timothy Stover

Timothy Stover
VP, Controller
(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 September 30, 2023 (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: November 17, 2023

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 September 30, 2023 (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: November 17, 2023

By: /s/ Timothy Stover

Timothy Stover

VP, Controller

(Principal Financial Officer and Principal Accounting Officer)