Zacks Small-Cap Research
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David Bautz, PhD
(312) 265-9471
dbautz@zacks.com

scr.zacks.com
10 S. Riverside Plaza, Chicago, IL 60606

Imunon, Inc.

(IMNN-NASDAQ)

IMNN: First Site Activated for Phase 3 OVATION 3 Trial…

Based on our probability adjusted DCF model that takes into account potential future revenues of IMNN-001 and the PLACCINE technology, IMNN is valued at $8/share. This model is highly dependent upon continued clinical success of the development candidates and will be adjusted accordingly based on future clinical results.

Current Price (05/14/25)	$0.80
Valuation	**$8.00**

OUTLOOK

On May 12, 2025, Imunon, Inc. (IMNN) announced financial results for the first quarter of 2025 and provided a business update. The company recently announced that the first clinical trial site for the Phase 3 OVATION 3 trial of IMNN-001 in patients with advanced ovarian cancer is activated and a second site will be activated this week. Imunon previously reported results from the Phase 2 OVATION 2 trial that showed IMNN-001 plus neoadjuvant and adjuvant chemotherapy (NACT) increased median overall survival (OS) to 46 months vs. 33 months for standard-of-care NACT. In addition, IMNN-001 was well tolerated and had an excellent safety profile. New data from the OVATION 2 trial was accepted for oral presentation at the 2025 ASCO Meeting, further validating the importance of that data. While the company is still exploring its options, we anticipate news this quarter regarding how the OVATION 3 trial will be financed.

SUMMARY DATA

52-Week High	**$3.32**
52-Week Low	**$0.68**
One-Year Return (%)	**-44.70**
Beta	**1.75**
Average Daily Volume (sh)	**56,856**
Shares Outstanding (mil)	**15**
Market Capitalization ($mil)	**$12**
Short Interest Ratio (days)	**N/A**
Institutional Ownership (%)	**4**
Insider Ownership (%)	**5**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/A**
P/E using 2025 Estimate	**-0.7**
P/E using 2026 Estimate	**-0.8**

Risk Level	**Above Avg.**
Type of Stock	**Small-Blend**
Industry	**Med-Biomed/Gene**

ZACKS ESTIMATES

Revenue
(In millions of $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2024	0.0 A	0.0 A	0.0 A	0.0 A	0.0 A
2025	0.0 A	0.0 E	0.0 E	0.0 E	0.0 E
2026					0.0 E
2027					0.0 E

Earnings per Share

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2024	-$0.52 A	-$0.51 A	-$0.34 A	-$0.32 A	-$1.62 A
2025	-$0.28 A	-$0.25 E	-$0.18 E	-$0.19 E	-$1.00 E
2026					-$0.55 E
2027					-$0.48 E

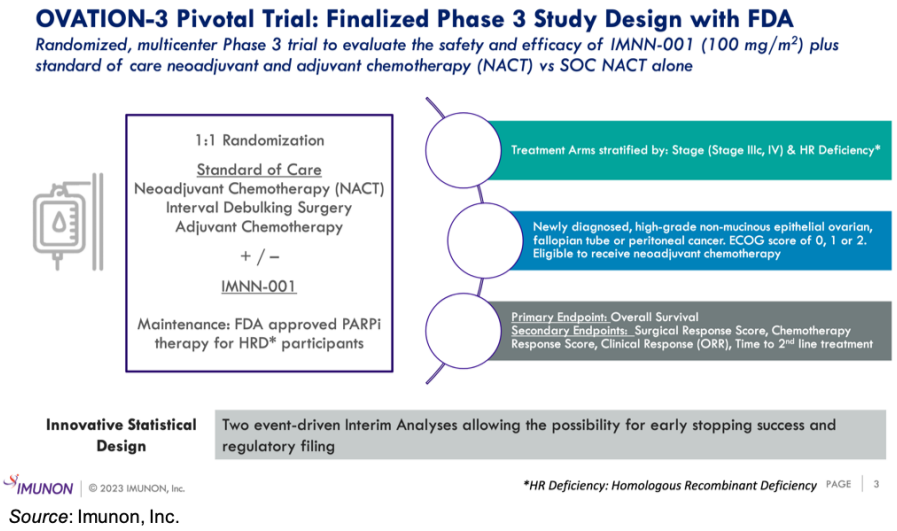
WHAT'S NEW

Business Update

First Site Activated for Phase 3 OVATION 3 Trial of IMNN-001 in Ovarian Cancer

On May 8, 2025, Imunon, Inc. (IMNN) announced that the first trial site for the Phase 3 OVATION 3 trial has been activated and is ready to begin enrolling patients. During the quarterly update conference call, management indicated that a second site will be activated this week, with the eventual goal being a total of 45 sites.

The following slide provides the overall design of the trial. Eligible patients will have either Stage IIIc or IV advanced ovarian cancer and will be randomized to receive neoadjuvant chemotherapy (NACT), interval debulking surgery, adjuvant chemotherapy with or without IMNN-001. Patients who are positive for homologous recombination deficiency (HDR) are also eligible and will receive poly ADP-ribose polymerase (PARP) inhibitor therapy as part of standard-of-care (SOC) maintenance therapy. The primary endpoint is overall survival (OS), with secondary endpoints evaluating surgical response score, chemotherapy response score, clinical response (ORR), and time to second-line treatment.

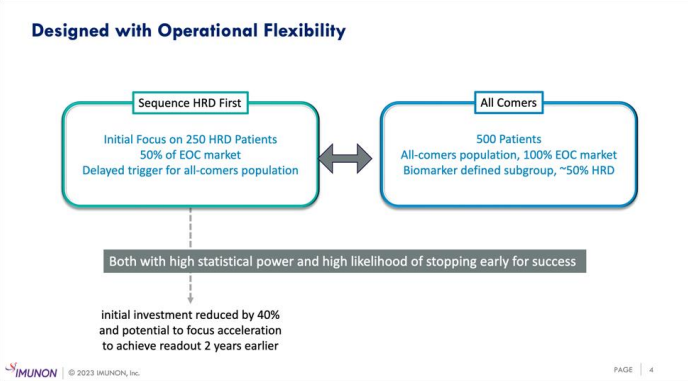


Source: Imunon, Inc.

The company is utilizing a statistical design with two planned interim analyses. The goal is to minimize risk and maximize the chance for success. The FDA has agreed with both the overall study design and the statistical plan, which in the literature is referred to as a Group Sequential Design (GSD) (Hatfield *et al*., 2016). GSD has been utilized in a number of other clinical trials. For example, in a study of blinatumomab (a CD3/CD19 bi-specific T cell engager) in children with high-risk first-relapse B cell acute lymphoblastic lymphoma (B-ALL) the trial was terminated during the first prespecified interim analysis after only enrolling half of its maximum sample size as children receiving blinatumomab had significantly improved event-free survival compared to those receiving standard chemotherapy (Locatelli *et al*., 2021). Thus, we do not anticipate any additional regulatory risk from the use of a GSD in the OVATION 3 trial.

The study was designed to maximize operational flexibility as it is powered at >95% to examine either a 250-patient cohort of HRD positive individuals or a 500-patient all-comers population. The company has decided to initially focus on the HRD positive subgroup as it potentially offers cost savings of up to 40% and could lead to a data readout up to two years earlier. HRD positive patients constitute approximately 50% of the advanced ovarian cancer population, thus it is still a sizeable market opportunity. The company is still committed to examining IMNN-001 in a broader population of patients, however that may need to come at a later time when sufficient financing is available to conduct that study. The decision to target the HRD positive subgroup will

help to conserve cash, targeting the highest probability subgroup, and delivering results as quickly as possible. In summary, this design allows Imunon to decrease the initial investment required, decrease the timeline to data readout, and allows the company to be more aggressive with site engagement.



Source: Imunon, Inc.

In regards to financing the study, the company currently has cash into late June 2025. Imunon has a number of options available for financing, including some non-dilutive options. We are confident that management will be able to fund the study in a way that is most beneficial for shareholders and we anticipate an update from the company in the second quarter of 2025.

Phase 2 Results to be Published in Gynecologic Oncology *and Presented at 2025 ASCO Meeting*

On May 6, 2025, Imunon announced that data from the company's Phase 1/2 OVATION 2 trial will be published in the peer reviewed journal Gynecologic Oncology in the article titled: "*OVATION-2: A Randomized Phase I/II study Evaluating the Safety and Efficacy of IMNN-001 (IL-12 gene therapy) with New-Adjuvant Chemotherapy in Patients Newly Diagnosed with Advanced Epithelial Ovarian Cancer*".

In addition, data from the OVATION-2 trial will also be reviewed in an oral presentation at the 2025 American Society of Clinical Oncology (ASCO) Annual Meeting. Having the results from the OVATION-2 trial be selected for an oral presentation signifies the importance of the data and the potential for IMNN-001 to have a positive impact for ovarian cancer patients.

Financial Update

On May 12, 2025, Imunon announced financial results for the first quarter of 2025. As expected, the company did not report any revenue during the first quarter of 2025. R&D expenses in the first quarter of 2025 were $2.2 million compared to $3.3 million in the first quarter of 2024. The decrease was primarily due to lower costs associated with the OVATION 2 study and the Phase 1 proof-of-concept PlaCCine DNA vaccine trial. G&A expenses in the first quarter of 2025 were $2.0 million compared to $1.7 million for the first quarter of 2024. The increase was primarily due to higher employee-related expenses partially offset by lower legal expenses.

As of March 31, 2025, Imunon had approximately $2.9 million in cash and cash equivalents. We estimate that the company has sufficient capital to fund operations into late second quarter 2025. Imunon currently has approximately 14.6 million common shares outstanding and, when factoring in stock options and warrants, a fully diluted share count of approximately 21.8 million.

Conclusion

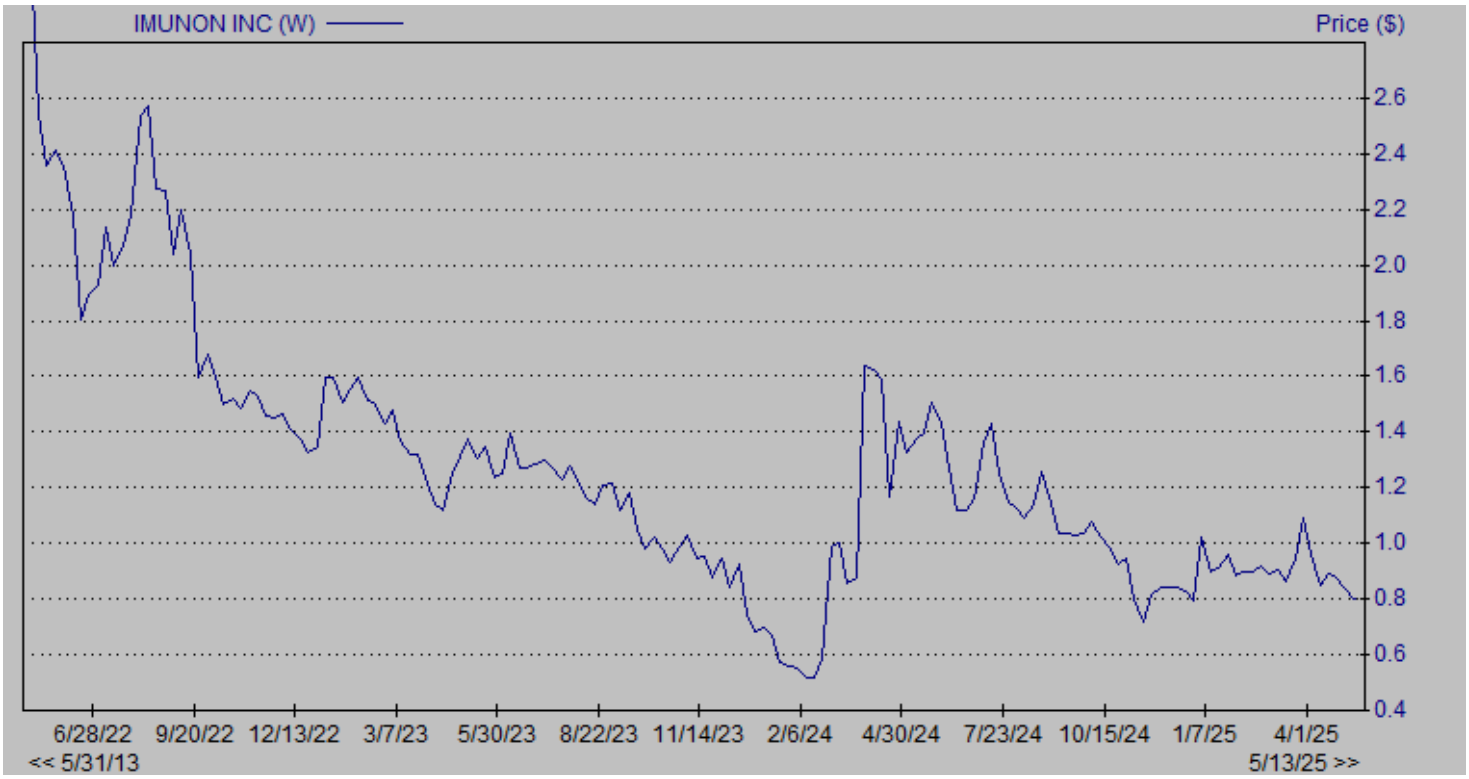
We're very glad to see that the company has activated the first clinical trial site for the OVATION 3 trial and an additional site should be activated this week. Investors should expect an update in the near-term regarding financing for the OVATION 3 study and as the year continues we anticipate updates on study enrollment. With no changes to our model our valuation remains at $8.00 per share.

PROJECTED FINANCIALS

Imunon, Inc.	2024 A	Q1 A	Q2 E	Q3 E	Q4 E	2025 E	2026 E	2027 E
IMNN-001	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
IMNN-101	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Other Income	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Total Revenues	**$0.0**	**$0.0**	**$0.0**	**$0.0**	**$0.0**	**$0.0**	**$0.0**	**$0.0**
CoGS	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
R&D	$11.6	$2.2	$3.2	$3.4	$3.6	$12.4	$14.0	$15.0
SG&A	$7.5	$2.0	$1.8	$2.0	$2.1	$7.9	$8.0	$9.0
Operating Income	($19.1)	($4.1)	($5.0)	($5.4)	($5.7)	($20.2)	($22.0)	($24.0)
Operating Margin	-	-	-	-	-	-	-	-
Interest & Other Income	$0.5	$0.0	$0.1	$0.1	$0.1	$0.3	$0.0	$0.0
Pre-Tax Income	($18.6)	($4.1)	($4.9)	($5.3)	($5.6)	($19.9)	($22.0)	($24.0)
Taxes & Other	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Tax Rate	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*
Net Income	($18.6)	($4.1)	($4.9)	($5.3)	($5.6)	($19.9)	($22.0)	($24.0)
Reported EPS	**($1.62)**	**($0.28)**	**($0.25)**	**($0.18)**	**($0.19)**	**($1.00)**	**($0.55)**	**($0.48)**
Weighted Shares Outstanding	11.5	14.6	20.0	30.0	30.0	20.0	40.0	50.0

Source: Zacks Investment Research, Inc. *David Bautz, PhD*

HISTORICAL STOCK PRICE



Source: Zacks Small Cap Research

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