INMUNE BIO, INC.

FORM 10-Q
(Quarterly Report)

Filed 05/08/25 for the Period Ending 03/31/25

Address	225 NE MIZNER BLVD, SUITE 640
	BOCA RATON, FL, 33432
Telephone	8589643720
CIK	0001711754
Symbol	INMB
SIC Code	2836 - Biological Products, (No Diagnostic Substances)
Industry	Biotechnology & Medical Research
Sector	Healthcare
Fiscal Year	12/31

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

FORM 10-Q

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

FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2025

OR

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

Commission File Number: 001-38793

INMUNE BIO INC.
(Exact name of registrant as specified in its charter)

Nevada	**47-5205835**
(State of incorporation)	*(I.R.S. Employer Identification No.)*

225 NE Mizner Blvd., Suite 640
Boca Raton, FL 33432
(Address of principal executive office) (Zip code)

(561) 710-0512
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001 per share	INMB	The NASDAQ Stock Market LLC

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 than the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

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

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

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

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

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

As of May 8, 2025, there were 23,210,377 shares of our common stock, par value $0.001 per share, outstanding.

INMUNE BIO INC.
FORM 10-Q
FOR THE THREE MONTHS ENDED MARCH 31, 2025

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

INMUNE BIO INC.

CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share amounts)
(Unaudited)

	March 31, 2025	December 31, 2024
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 19,337	$ 20,922
Research and development tax credit receivable	1,283	1,181
Other tax receivable	133	228
Prepaid expenses and other current assets	207	331
TOTAL CURRENT ASSETS	20,960	22,662
Operating lease – right of use asset	278	307
Other assets	49	79
Acquired in-process research and development intangible assets	16,514	16,514
TOTAL ASSETS	$ 37,801	$ 39,562
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 7,198	$ 6,539
Accounts payable and accrued liabilities – related parties	103	25
Deferred liabilities	480	517
Operating lease, current liabilities	146	140
TOTAL CURRENT LIABILITIES	7,927	7,221
Long-term operating lease liability	201	244
TOTAL LIABILITIES	8,128	7,465
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY		
Preferred stock, $0.001 par value, 10,000,000 shares authorized, 0 shares issued and outstanding	-	-
Common stock, $0.001 par value, 200,000,000 shares authorized, 22,930,411 and 22,280,451 shares issued and outstanding, respectively	23	22
Additional paid-in capital	203,103	195,754
Accumulated other comprehensive loss	(610)	(575)
Accumulated deficit	(172,843)	(163,104)
TOTAL STOCKHOLDERS' EQUITY	29,673	32,097
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 37,801	$ 39,562

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

INMUNE BIO INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(In thousands, except share and per share amounts)
(Unaudited)

	For the Three Months Ended March 31,	
	2025	**2024**
REVENUE	$ 50	$ 14
OPERATING EXPENSES		
General and administrative	2,316	2,338
Research and development	7,639	8,693
Total operating expenses	9,955	11,031
LOSS FROM OPERATIONS	(9,905)	(11,017)
OTHER INCOME (EXPENSE), NET	166	(8)
NET LOSS	$ (9,739)	$ (11,025)
Net loss per common share – basic and diluted	$ (0.43)	$ (0.61)
Weighted average common shares outstanding – basic and diluted	22,496,191	18,026,473
COMPREHENSIVE LOSS		
Net loss	$ (9,739)	$ (11,025)
Other comprehensive income (loss) – foreign currency translation	(35)	130
Total comprehensive loss	$ (9,774)	$ (10,895)

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

INMUNE BIO INC.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2025
(In thousands, except share amounts)
(Unaudited)

	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Balance as of December 31, 2024	22,280,451	$ 22	$ 195,754	$ (575)	$ (163,104)	$ 32,097
Stock-based compensation	-	-	2,076	-	-	2,076
Sale of common stock for cash	649,860	1	5,272	-	-	5,273
Exercise of warrants for cash	100	-	1	-	-	1
Loss on foreign currency translation	-	-	-	(35)	-	(35)
Net loss	-	-	-	-	(9,739)	(9,739)
Balance as of March 31, 2025	22,930,411	$ 23	$ 203,103	$ (610)	$ (172,843)	$ 29,673

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

INMUNE BIO INC.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2024
(In thousands, except share amounts)
(Unaudited)

	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Balance as of December 31, 2023	17,950,776	$ 18	$ 159,143	$ (799)	$ (121,022)	$ 37,340
Stock-based compensation	-	-	1,779	-	-	1,779
Gain on foreign currency translation	-	-	-	130	-	130
Net loss	-	-	-	-	(11,025)	(11,025)
Balance as of March 31, 2024	17,950,776	$ 18	$ 160,922	$ (669)	$ (132,047)	$ 28,224

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

INMUNE BIO INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	For the Three Months Ended March 31,	
	2025	**2024**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (9,739)	$ (11,025)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	2,076	1,779
Accretion of debt discount	-	34
Changes in operating assets and liabilities:		
Research and development tax credit receivable	(102)	(228)
Other tax receivable	95	(20)
Prepaid expenses	124	401
Prepaid expenses – related party	-	119
Other assets	30	25
Accounts payable and accrued liabilities	659	1,393
Accounts payable and accrued liabilities – related parties	78	21
Deferred liabilities	(37)	31
Operating lease liabilities	(8)	(6)
Net cash used in operating activities	(6,824)	(7,476)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Sale of common stock for cash	5,273	-
Exercise of warrants for cash	1	-
Repayments of debt	-	(2,500)
Net provided by (used in) financing activities	5,274	(2,500)
Impact on cash from foreign currency translation	(35)	130
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,585)	(9,846)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	20,922	35,848
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 19,337	$ 26,002
SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION:		
Cash paid for income taxes	$ -	$ -
Cash paid for interest expense	$ -	$ 302

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

INMUNE BIO INC.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – ORGANIZATION AND DESCRIPTION OF BUSINESS

INmune Bio Inc. (the "Company" or "INmune Bio") was organized in the State of Nevada on September 25, 2015 and is a clinical stage biotechnology pharmaceutical company focused on developing and commercializing its product candidates to treat diseases where the innate immune system is not functioning normally and contributing to the patient's disease. INmune Bio has three product platforms. The DN-TNF product platform utilizes dominant-negative technology to selectively neutralize soluble TNF, a key driver of innate immune dysfunction and mechanistic target of many diseases. DN-TNF is currently being developed for Alzheimer's and treatment resistant depression ("XPro"). The CORDStrom product platform is a pooled, human umbilical cord mesenchymal stem cell product currently being developed to treat recessive dystrophic epidermolysis bullosa ("RDEB"). The Natural Killer Cell Priming Platform includes INKmune aimed at priming the patient's NK cells to eliminate minimal residual disease in patients with cancer. INmune Bio's product platforms utilize a precision medicine approach for the treatment of a wide variety of hematologic malignancies, solid tumors and chronic inflammation.

NOTE 2 – GOING CONCERN

These unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles applicable to a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

The Company has incurred significant losses and negative cash flows from operations since inception and expects to incur additional losses until such time that it can generate significant revenue from the commercialization of its product candidates. During the three months ended March 31, 2025, the Company incurred a net loss of $9.7 million and had net cash flows used in operating activities of $6.8 million. Given the Company's projected operating requirements and its existing cash and cash equivalents, the Company is projecting insufficient liquidity to sustain its operations through one year following the date that the financial statements are issued. These conditions and events raise substantial doubt about the Company's ability to continue as a going concern.

In response to these conditions, management is currently evaluating different strategies to obtain the required funding of future operations. Financing strategies may include, but are not limited to, the public or private sale of equity, debt financings or funds from other capital sources, such as government funding, collaborations, strategic alliances, divestment of non-core assets, or licensing arrangements with third parties. There can be no assurances that the Company will be able to secure additional financing, or if available, that it will be sufficient to meet its needs or on favorable terms. Because management's plans have not yet been finalized and are not within the Company's control, the implementation of such plans cannot be considered probable. As a result, the Company has concluded that management's plans do not alleviate substantial doubt about the Company's ability to continue as a going concern.

The unaudited condensed consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might result from the outcome of this uncertainty.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements are presented in U.S. dollars and have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP"), and pursuant to the accounting and disclosure rules and regulations of the U.S. Securities and Exchange Commission ("SEC"). The unaudited condensed consolidated financial statements include the accounts of INmune Bio Inc. and its subsidiaries. Intercompany transactions and balances have been eliminated.

In the opinion of management, the interim financial information includes all normal recurring adjustments necessary for a fair statement of the results for the interim periods. These unaudited condensed consolidated interim financial statements should be read in conjunction with the audited financial statements and notes thereto for the year ended December 31, 2024, included in the Company's Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on March 27, 2025.

Risks and Uncertainties

The Company is subject to risks and uncertainties common to early-stage companies in the biotechnology industry, including, but not limited to, development by competitors of new technological innovations, protection of proprietary technology, dependence on key personnel, compliance with government regulations and the need to obtain additional financing to fund operations. Product candidates currently under development will require significant additional research and development efforts, including extensive preclinical studies, clinical trials and regulatory approval prior to commercialization. These efforts require significant amounts of additional resources, adequate personnel, infrastructure and extensive compliance and reporting.

The Company's product candidates are still in development and, to date, none of the Company's product candidates have been approved for sale.

There can be no assurance that the Company's research and development will be successfully completed, that adequate protection for the Company's intellectual property will be obtained or maintained, that any products developed will obtain necessary government regulatory approval or that any approved products will be commercially viable. Even if the Company's product development efforts are successful, it is uncertain when, if ever, the Company will generate any revenue from any of its products. The Company operates in an environment of rapid change in technology and substantial competition from other pharmaceutical and biotechnology companies.

The Company relies and expects to continue to rely on a small number of vendors to manufacture supplies and materials for its use in the clinical trial programs. These programs could be adversely affected by a significant interruption in these manufacturing services.

Use of Estimates

Preparing financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, and expenses. Actual results and outcomes may differ from management's estimates and assumptions.

Fair Value of Financial Instruments

The Company measures certain assets and liabilities in accordance with authoritative guidance which requires fair value measurements to be classified and disclosed in one of the following three categories:

Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for assets or liabilities.

Level 2: Observable prices that are based on inputs not quoted on active markets but corroborated by market data.

Level 3: Unobservable inputs are used when little or no market data is available.

Assets and liabilities are classified based on the lowest level of input that is significant to the fair value measurements. The Company reviews the fair value hierarchy classification on a quarterly basis. Changes in the ability to observe valuation inputs may result in a reclassification of levels for certain assets or liabilities within the fair value hierarchy. The Company did not have any transfers of assets and liabilities between the levels of the fair value measurement hierarchy during the years presented.

The carrying amounts of financial instruments such as cash and cash equivalents, research and development tax credit receivable, other tax receivable, prepaid expenses, and accounts payable and accrued liabilities approximate the related fair values due to the short-term maturities of these instruments.

Cash and Cash Equivalents

The Company considers all short-term, highly liquid investments with an original maturity at the date of purchase of three months or less to be cash equivalents. The Company maintains cash balances that may be uninsured or in deposit accounts that exceed Federal Deposit Insurance Corporation limits. The Company maintains its cash deposits with major financial institutions.

Research and Development Tax Incentive Receivable

The Company, through its wholly owned subsidiary in Australia ("AUS"), participates in the Australian research and development tax incentive program, such that a percentage of our qualifying research and development expenditures are reimbursed by the Australian government, and such incentives are reflected as a reduction of research and development expense. The Australian research and development tax incentive is recognized when there is reasonable assurance that the incentive will be received, the relevant expenditure has been incurred and the amount of the consideration can be reliably measured. At each period end, management estimates the reimbursement available to the Company based on available information at the time.

The Company, through its wholly owned subsidiary in the United Kingdom ("UK"), participates in the research and development program provided by the United Kingdom tax relief program, such that a percentage of our qualifying research and development expenditures are reimbursed by the United Kingdom government, and such incentives are reflected as a reduction of research and development expense. The United Kingdom research and development tax incentive is recognized when there is reasonable assurance that the incentive will be received, the relevant expenditure has been incurred and the amount of the consideration can be reliably measured. At each period end, management estimates the reimbursement available to the Company based on available information at the time.

Intangible Assets

The Company capitalizes costs incurred in connection with in-process research and development purchased from others if the asset has alternative uses and such uses are not restricted under applicable license agreements; patent applications (principally legal fees), patent purchases, and trademarks related to its cell line as intangible assets. Acquired in-process research and development costs that do not have alternative uses are expensed as incurred. When the assets are determined to have a finite life (upon completion of the development of the in-process research and development for its DN-TNF platform), the useful life will be determined and the in-process research and development intangible assets will be amortized.

During the fourth quarter and if business factors indicate more frequently, the Company performs an assessment of the qualitative factors affecting the fair value of our in-process research and development. If the qualitative assessment suggests that impairment is more likely than not, a quantitative analysis is performed. The quantitative analysis involves a comparison of the fair value of the in-process research and development with the carrying amount. If the carrying amount of the in-process research and development exceeds its fair value, an impairment loss is recognized in an amount equal to that excess.

Basic and Diluted Loss per Share

Basic loss per share is computed by dividing net loss available to common shareholders by the weighted average number of outstanding common shares during the period. Diluted loss per share gives effect to all dilutive potential common shares outstanding during the period. Dilutive loss per share excludes all potential common shares if their effect is anti-dilutive. For all periods presented, there is no difference in the number of shares used to calculate basic and diluted shares outstanding due to the Company's net loss position.

At March 31, 2025 and 2024, the Company had potentially issuable shares as follows:

	March 31,	
	2025	**2024**
Stock options	7,303,307	5,496,000
Warrants	3,944,138	45,386
Total	11,247,445	5,541,386

Revenue Recognition

The Company recognizes revenue when the customer obtains control of promised goods or services, in an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. The Company recognizes revenue following the five-step model prescribed under ASC Topic 606: (1) identify contract(s) with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations in the contract; and (5) recognize revenues when (or as) the Company satisfies the performance obligations. The Company records the expenses related to revenue in research and development expense, in the periods such expenses were incurred.

The Company records deferred revenues when cash payments are received or due in advance of performance, including amounts which are refundable.

Stock-Based Compensation

The Company utilizes the Black-Scholes option pricing model to estimate the fair value of stock option awards at the date of grant, which requires the input of highly subjective assumptions, including expected volatility and expected life. Changes in these inputs and assumptions can materially affect the measure of estimated fair value of our share-based compensation. These assumptions are subjective and generally require significant analysis and judgment to develop. When estimating fair value, some of the assumptions will be based on, or determined from, external data and other assumptions may be derived from our historical experience with stock-based payment arrangements. The appropriate weight to place on historical experience is a matter of judgment, based on relevant facts and circumstances. The Company accounts for forfeitures of stock options as they occur.

Research and Development

Research and development ("R&D") costs are expensed as incurred. Research and development credits are recorded by the Company as a reduction of research and development costs. Major components of research and development costs include cash compensation, stock-based compensation, costs of preclinical studies, clinical trials and related clinical manufacturing, costs of drug development, costs of materials and supplies, facilities cost, overhead costs, regulatory and compliance costs, and fees paid to consultants and other entities that conduct certain research and development activities on the Company's behalf.

The Company recognizes grants as contra research and development expense in the consolidated statement of operations on a systematic basis over the periods in which the entity recognizes as expenses the related costs for which the grants are intended to compensate.

Income Taxes

The Company follows the liability method of accounting for income taxes. Under this method, deferred income tax assets and liabilities are recognized for the estimated tax consequences attributable to differences between the financial statement carrying values and their respective income tax basis (temporary differences). The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Foreign Currency Translation

The Company's financial statements are presented in the U.S. dollar ("$"), which is the Company's reporting currency, while its functional currencies are the U.S. Dollar for its U.S. based operations, British Pound ("GBP") for its United Kingdom-based operations and Australian Dollars ("AUD") for its Australian-based operations. All assets and liabilities are translated at the exchange rate on the balance sheet date, stockholders' equity is translated at historical rates and statement of operations items are translated at the weighted average exchange rate for the period. The resulting translation adjustments are reported under other comprehensive income. Gains and losses resulting from the translations of foreign currency transactions and balances are reflected in the statement of operations and comprehensive income (loss).

Segment Information

We have one primary business activity and operate in one reportable segment.

Our chief operating decision maker ("CODM") is our Chief Financial Officer who evaluates performance and makes operating decisions about allocating resources based on financial data presented on a consolidated basis. The measures of profitability and the significant segment expenses reviewed by the CODM are consistent with these financial statements and footnotes.

Recent Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* ("ASU 2023-09"). The guidance in ASU 2023-09 improves the transparency of income tax disclosures by greater disaggregation of information in the rate reconciliation and income taxes paid disaggregated by jurisdiction. The standard is effective for public companies for fiscal years beginning after December 15, 2024 and for interim periods for fiscal years beginning after December 15, 2025, with early adoption permitted. The Company is currently evaluating the impact that the adoption of ASU 2023-09 may have on its consolidated financial statements.

In November 2024, the FASB issued ASU 2024-03, *Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures* (Subtopic 220-40): *Disaggregation of Income Statement Expenses* ("ASU 2024-03"). ASU 2024-03 requires additional disclosure of specific types of expenses included in the expense captions presented on the face of the income statement as well as disclosures about selling expenses. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and interim periods beginning after December 15, 2027, with early adoption permitted. ASU 2024-03 may be applied prospectively with the option for retrospective application for all prior periods presented. The Company is currently evaluating the impact of adopting this guidance on the Company's current financial position, results of operations or financial statement disclosures.

Subsequent Events

The Company evaluates events that have occurred after the balance sheet date of March 31, 2025, through the date which the financial statements are issued.

NOTE 4 – RESEARCH AND DEVELOPMENT ACTIVITY

According to AUS tax law, the Company is allowed an R&D tax credit that reduces a company's tax bill in AUS for expenses incurred in R&D subject to certain requirements. The Company's Australian subsidiary submits R&D tax credit requests annually for research and development expenses incurred. At March 31, 2025 and December 31, 2024, the Company recorded a research and development tax credit receivable of $1,283,000 and $1,181,000, respectively, for R&D expenses incurred in Australia.

Xencor, Inc. License Agreement

On October 3, 2017, the Company entered into a license agreement ("Xencor License Agreement") with Xencor, Inc. ("Xencor"), which discovered and developed a proprietary biological molecule that inhibits soluble tumor necrosis factor. On June 10, 2021, the Company and Xencor entered into a First Amendment to License Agreement pursuant to which, among other things, Section 3.2 of the Xencor License Agreement was amended to change the due diligence milestones. Pursuant to the Xencor License Agreement, Xencor granted the Company an exclusive worldwide, royalty-bearing license in licensed patent rights, licensed know-how and licensed materials (as defined in the license agreement) to make, develop, use, sell and import any pharmaceutical product that comprises, contains, or incorporates Xencor's proprietary protein known as "XPro" that inhibits soluble tumor necrosis factor (or all modifications, formulations and variants of the licensed protein that specifically bind soluble tumor necrosis factor) alone or in combination with one or more active ingredients, in any dosage or formulation ("Licensed Products"). The Company believes the protein has numerous medical applications. Such additional alternative applications of the technology are available under the Xencor License Agreement.

The Company also agreed to pay Xencor a 5% royalty on Net Sales of all Licensed Products in a given calendar year, which are payable on a country-by-country and licensed product by licensed product basis until the date that is the later of (a) the expiration of the last to expire valid claim covering such Licensed Product in such country or (b) ten years following the first sale to a third party of the licensed product in such country.

Cordstrom License Agreement

On February 6, 2025, the Company and Great Ormond Street Hospital for Children NHS Foundation Trust ("GOSH") entered into a license agreement for the exclusive commercial use to clinical trial data associated with a GOSH study investigating the potential of CORDStrom to treat RDEB in pediatric patients (the "MissionEB study"). The Company owns the intellectual property covering CORDStrom, the investigational medicinal product used in the Mission EB study. In addition, the Company owns intellectual property and maintains trade secret protections covering the manufacturing of CORDStrom. With this license to the clinical trial data, the Company intends to prepare applications seeking marketing authorization of CORDStrom for treatment of pediatric RDEB in each of the FDA, EMA, and MHRA. Terms of the license agreement include an upfront payment of £250,000 (approximately $0.3 million at March 31, 2025) and a single milestone payment of up to £6,000,000 (approximately $7.8 million as of March 31, 2025) due on the first to occur marketing authorization to be granted by the FDA, EMA or MHRA, which had not occurred as of March 31, 2025. At March 31, 2025 and December 31, 2024, the Company recorded $0.3 million and $0, respectively, payable to GOSH within accounts payable and accrued liabilities in the consolidated balance sheets.

Pursuant to the GOSH license agreement, the Company has an obligation to provide CORDStrom to the MissionEB study at no cost. While Part 1 of the study is completed, Part 2 of the MissionEB study is currently uninitiated due to a lack of funding by the National Health Services England ("NHSE"). It is unknown whether funding for the study will be allocated by NHSE or its successor agency in the United Kingdom. The Company has not recorded an estimated obligation for the supply of the MissionEB trial with CORDStrom as it is unknown if the MissionEB trial will resume.

INKmune License Agreement

On October 29, 2015, the Company entered into an exclusive license agreement (the "INKmune License Agreement") with Immune Ventures, LLC ("Immune Ventures"). Pursuant to the INKmune License Agreement, the Company was granted exclusive worldwide rights to the patents, including rights to incorporate any improvements or additions to the patents that may be developed in the future. In consideration for the patent rights, the Company agreed to the following milestone payments:

(in thousands)		
Each Phase I initiation	$	25
Each Phase II initiation	$	250
Each Phase III initiation	$	350
Each NDA/EMA filing	$	1,000
Each NDA/EMA awarded	$	9,000

In addition, the Company agreed to pay the licensor a royalty of 1% of net sales during the life of each patent granted to the Company. The License is owned by Immune Ventures. RJ Tesi, the Company's President and a member of our Board of Directors, David Moss, its Chief Financial Officer and Treasurer and Mark Lowdell, its Chief Scientific Officer, are the owners of Immune Ventures. No sales have occurred under this license. During December 2023, the Company initiated a Phase I trial with INKmune in patients with metastatic castration-resistant prostate cancer. At December 31, 2024 and March 31, 2025, the Company recorded $25,000 payable to Immune Ventures within accounts payable and accrued liabilities – related parties in the consolidated balance sheet.

The term of the agreement began on October 29, 2015 and ends on a country-by-country basis on the date of the expiration of the last to expire patent rights where patent rights exists, unless terminated earlier in accordance with the agreement. Upon the termination of the agreement, we shall have a fully paid up, perpetual, royalty-free license without further obligation to Immune Ventures. The agreement can be terminated by Immune Ventures if, after 60 days from the Company's receipt of notice that the Company has not made a payment under the agreement, and the Company still does not make this payment. On July 20, 2018 and October 30, 2020, the parties amended the agreement under which the Company was required achieve milestones pursuant to the agreement.

On April 17, 2023, the parties executed an additional amendment to the agreement under which the Company removed the due diligence requirements to achieve reasonable commercial efforts to bring INKmune to market. This removed all requirements of clinical trial timelines and the filing timelines of an NDA or equivalent. All other provisions in the INKmune License Agreement shall continue in full force and effect.

University of Pittsburg License Agreement

On October 3, 2017, the Company entered into an Assignment and Assumption Agreement with Immune Ventures related to intellectual property licensed from the University of Pittsburgh. Pursuant to the Assignment and Assumption Agreement ("Assignment Agreement"), Immune Ventures assigned all of its rights, obligations and liabilities under an Exclusive License Agreement between the University of Pittsburgh – Of the Commonwealth System of Higher Education ("Licensor") and Immune Ventures to INmune Bio ("Licensee"), (the "PITT Agreement").

Consideration under the PITT Agreement includes: (i) annual maintenance fees, (ii) royalty payments based on the sale of products making use of the licensed technology, and (iii) milestone payments.

Annual maintenance fees under the PITT Agreement include $25,000 due on June 26, 2025 and thereafter until first commercial sale. The Company had no amounts owed pursuant to the PITT Agreement as of March 31, 2025.

Upon first commercial sale of a product making use of the licensed technology under the PITT Agreement, the Licensee is required to pay royalties equal to 2.5% of Net Sales each calendar quarter.

Moreover, under the PITT Agreement the Licensee is required to make milestone payments as follows:

(in thousands)		
Each Phase I initiation	$	50
Each Phase III initiation	$	500
First commercial sale of product making use of licensed technology	$	1,250

The Company had no amounts owed pursuant to the PITT Agreement as of March 31, 2025.

The PITT Agreement expires upon the earlier of: (i) expiration of the last claim of the Patent Rights (as defined in the PITT Agreement) forming the subject matter of the PITT Agreement; or (ii) the date that is 20 years from the effective date of the agreement (June 26, 2037).

The Licensee may terminate the PITT Agreement upon 3 months prior written notice provided all payments under the license are current. The Licensor may terminate the PITT Agreement upon written notice if: (i) Licensee defaults as to performance of material obligations which have not been cured within 60 days after receiving written notice; or (ii) Licensee ceases to carry out its business, becomes bankrupt or insolvent, applies for or consents to the appointment of a trustee, receiver or liquidator of its assets or seeks relief under any law for the aid of debtors.

NOTE 5 – FAIR VALUE MEASUREMENTS

The following table presents the hierarchy for assets and liabilities measured at fair value on a recurring basis:

(in thousands)	Total	Quoted Price in Active Market (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
March 31, 2025:				
Cash equivalents				
Treasury Bills	$ 8,627	$ 8,627	$ -	$ -
Money market funds	10,348	10,348	-	-
Total cash equivalents	$ 18,975	$ 18,975	$ -	$ -

(in thousands)	Total	Quoted Price in Active Market (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2024:				
Cash equivalents				
Treasury Bills	$ 10,260	$ 10,260	$ -	$ -
Money market fund	10,328	10,328	-	-
Total cash equivalents	$ 20,588	$ 20,588	$ -	$ -

NOTE 6 – LEASE

The Company leases office space in Florida from a third party. The lease agreement has a 64-month term and commenced during the fourth quarter of 2021.

Below is a summary of the Company's right-of-use assets and liabilities:

(in thousands, except years and rate)	March 31, 2025	December 31, 2024
Right-of-use asset	$ 278	$ 307
Operating lease, current liability	$ 146	$ 140
Long-term operating lease liability	201	244
Total lease liability	$ 347	$ 384
Weighted-average remaining lease term	2.0 years	2.3 years
Weighted-average discount rate	12.0%	12.0%

NOTE 7 – RELATED PARTY TRANSACTIONS

UCL

At March 31, 2025 and December 31, 2024, the Company recorded a payable to UCL of $52,000 and $0, respectively, for medical research performed on behalf of the Company. During the three months ended March 31, 2025 and 2024, the Company made no payments to UCL. UCL is a wholly owned subsidiary of the University of London. The Company's Chief Scientific and Manufacturing Officer is a professor at the University of London.

AmplifyBio

At March 31, 2025 and December 31, 2024, the Company recorded a payable to AmplifyBio of $26,000 and $0, respectively, for medical research performed on behalf of the Company. During the three months ended March 31, 2025 and 2024, the Company paid AmplifyBio $41,000 and $142,000, respectively. The CEO of AmplifyBio is on the Board of Directors of the Company.

NOTE 8 – DEBT

During 2021, the Company entered into a Loan and Security Agreement (the "Term Loan") with Silicon Valley Bank and SVB Innovation Credit Fund VIII, L.P., together (the "Lenders") in which the Company borrowed $15 million. The Term Loan was secured by the Company's assets. During December 2024, the Company paid off the Term Loan in full. During February 2025, the Company entered into a letter agreement with the Lenders whereby the Term Loan was terminated.

For the three months ended March 31, 2025 and 2024, the Company recognized interest expense of $0 and $357,000, respectively, related to the Term Loan.

NOTE 9 – STOCKHOLDERS' EQUITY

Common Stock – At the Market Offering

During August 2024, the Company entered into an amended and restated at-the-market sales agreement with RBC Capital Markets LLC and BTIG (together, the "Sales Agents") relating to the offer and sale of shares of our common stock with an aggregate offering price of up to $75.0 million. The Company is required to pay the Sales Agents a commission of 3% of the gross proceeds from the sale of shares. During the three months ended March 31, 2025, the Company issued and sold 649,860 shares of common stock at an average price of $8.37 per share under the ATM program. The aggregate net proceeds were approximately $5.3 million after commission expenses. At March 31, 2025, the Company had $69.4 million of common stock available under the amended and restated at-the-market agreement.

Stock options

The following table summarizes stock option activity during the three months ended March 31, 2025:

(in thousands, except share and per share amounts)	Number of Shares	Weighted-average Exercise Price	Weighted-average Remaining Contractual Term (years)	Aggregate Intrinsic Value
Outstanding at January 1, 2025	7,203,307	$ 8.29	6.49	$ 1,218
Options granted	100,000	$ 7.88	10.0	-
Options exercised	-	$ -	-	-
Options cancelled	-	$ -	-	-
Outstanding at March 31, 2025	7,303,307	$ 8.28	6.29	$ 9,372
Exercisable at March 31, 2025	5,124,039	$ 8.71	5.01	$ 6,248

During the three months ended March 31, 2025 and 2024, the Company recognized stock-based compensation expense of approximately $2.1 million and $1.8 million, respectively, related to the vesting of stock options. As of March 31, 2025, there was approximately $10.8 million of total unrecognized compensation cost related to non-vested stock options which is expected to be recognized over a weighted-average period of 2.59 years.

Warrants

The Company issued warrants to the Company's lenders upon obtaining a loan in June 2021. The warrants have a 10-year term and an exercise price of $14.05. At March 31, 2025, respectively, 45,386 of these warrants are outstanding and the intrinsic value of these warrants is $0.

During April 2024, the Company issued 1,557,592 warrants to investors in connection with the sale of common stock. At March 31, 2025, 1,557,592 of these warrants are outstanding and are exercisable for cash at a weighted average price of $9.59 per share. The intrinsic value of these warrants was $0 as of March 31, 2025.

During September 2024, the Company issued 2,341,260 warrants to investors in connection with the sale of common stock. At March 31, 2025, 2,341,160 of these warrants are outstanding and are exercisable for cash at a weighted average price of $6.40 per share. The intrinsic value of these warrants was $3,301,036 as of March 31, 2025.

Stock-based Compensation by Class of Expense

The following summarizes the components of stock-based compensation expense in the consolidated statements of operations for the three months ended March 31, 2025 and 2024 respectively:

(in thousands)	**Three Months Ended March 31, 2025**	**Three Months Ended March 31, 2024**
Research and development	$ 830	$ 702
General and administrative	1,246	1,077
Total	$ 2,076	$ 1,779

Shareholder Rights Agreement

On December 30, 2020, the Board of Directors (the "Board") of the Company approved and adopted a Rights Agreement, dated as of December 30, 2020, by and between the Company and VStock Transfer, LLC, as rights agent, pursuant to which the Board declared a dividend of one preferred share purchase right (each, a "Right") for each outstanding share of the Company's common stock held by stockholders as of the close of business on January 11, 2021. When exercisable, each right initially would represent the right to purchase from the Company one one-thousandth of a share of a newly designated series of preferred stock, Series A Junior Participating Preferred Stock, par value $0.001 per share, of the Company, at an exercise price of $300.00 per one one-thousandth of a Series A Junior Participating Preferred Share, subject to adjustment. Subject to various exceptions, the Rights become exercisable in the event any person (excluding certain exempted or grandfathered persons) becomes the beneficial owner of twenty percent or more of the Company's common stock without the approval of the Board. The Rights Agreement was amended in 2021, 2022, 2023 and 2024 to extend the expiration date and shall expire on December 30, 2025.

NOTE 10 – COLLABORATIVE AGREEMENTS

The Company has a grant awarded by the National Institutes of Health for approximately $2.0 million which will support a Phase 2 study of XPro in patients with treatment resistant depression. As of March 31, 2025, the Company has not received any proceeds pursuant to this grant.

NOTE 11 – COMMITMENTS

Lease

During September 2021, the Company signed a lease agreement with a third party for office space in Boca Raton, Florida. The lease agreement has a 64-month term and commenced during the fourth quarter of 2021.

Future minimum payments pursuant to the leases are as follows:

(in thousands, except years)	
2025	$ 144
2026	198
2027	51
Total lease payments	393
Less: imputed interest	(46)
Present value of future lease payments	347
Less: operating lease, current liabilities	(146)
Long-term operating lease liabilities	$ 201

During the three months ended March 31, 2025 and 2024, the Company recognized $40,000 and $39,000, respectively, in operating lease expense, which is included in general and administrative expenses in the Company's consolidated statement of operations.

Dispute

The Company has an ongoing dispute with a vendor in which the Company believes that the vendor did not properly provide services for which they have invoiced the Company. As of March 31, 2025, the Company has outstanding invoices with the vendor which aggregate approximately $1.6 million, of which the Company has recorded approximately $0.2 million, which is the Company's estimate of the obligation incurred, and the remaining $1.4 million has not been recorded by the Company as the Company believes the invoices were sent erroneously. The Company and the vendor are still attempting to resolve the dispute and legal proceedings have not been threatened.

Litigation

The Company is subject to claims and suits that arise from time to time in the ordinary course of our business. Although management currently believes that resolving claims against the Company, individually or in aggregate, will not have a material adverse impact in the Company's consolidated financial statements, these matters are subject to inherent uncertainties and management's view of these matters may change in the future.

The Company's long-lived assets consist primarily of acquired in-process research and development intangible assets which are located in the United States.

NOTE 12 – SUBSEQUENT EVENTS

Sales of Common Stock

During the period from April 1, 2025 through May 8, 2025, the Company sold 279,966 shares of its common stock through its ATM program for net proceeds of $2.1 million.

Collaboration Agreement

During April 2025, INmune Bio International Limited, a wholly-owned subsidiary of the Company and a vendor entered into a collaboration agreement pursuant to which we were granted a two year lease for manufacturing space in the United Kingdom. The collaboration agreement requires a deposit of approximately $0.5 million, an upfront payment of approximately $0.2 million and additional minimum payments of approximately $1.3 million in the first year and approximately $2.6 million in the second year in addition to certain variable payments based on facility usage.

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

Forward-Looking Statements

This Form 10-Q contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. For this purpose, any statements contained in this Form 10-Q that are not statements of historical fact may be deemed to be forward-looking statements. Without limiting the foregoing, words such as "may," "will," "expect," "believe," "anticipate," "estimate" or "continue" or comparable terminology are intended to identify forward-looking statements. These statements by their nature involve substantial risks and uncertainties, and actual results may differ materially depending on a variety of factors, many of which are not within our control. These factors include but are not limited to economic conditions generally and in the industries in which we may participate; competition within our chosen industry, including competition from much larger competitors; technological advances and failure to successfully develop business relationships.

Description of Business

Overview

Our objective is to develop and commercialize our product candidates to treat diseases where the innate immune system is dysfunctional causing or contributing to the patient's disease. Innate immune dysfunction can occur for a variety of reasons including genetics, lifestyle, and other factors. However, age plays a significant role in the development of immune dysfunction. Innate immune dysfunction can be seen in cancer where Natural Killer ("NK") cells are impaired and facilitate a tumor's evasion of the immune system and subsequent disease progression. Chronic inflammation is implicated in neurologic and metabolic diseases where it impairs the innate immune system. Our primary focus continues to be treatment of cancer with INKmune and treatment of Alzheimer's Disease ("AD") and Treatment Resistant Depression ("TRD") with XPro1595. We have added CORDStrom, a pooled, human umbilical cord mesenchymal stem cell product to treat recessive dystrophic epidermolysis bullosa ("RDEB"), a pediatric orphan disease caused by mutations in the COL7A1 gene that results in a debilitating disease of skin blistering, dysphagia and failure to thrive with chronic wound problems that often results in fatal squamous cell carcinoma.

XPro1595 ("XPro"), targets Alzheimer's Disease and TRD. XPro for AD has completed Phase I trials and a Phase II trial has completed enrollment of patients at clinical sites in the United Kingdom, EU, Australia and Canada. Patients are currently being treated with XPro for Early AD as part of that clinical trial. TRD is being prepared for Phase II trials. We expect to start a pivotal global registration trial in patients with AD after the results of the Phase II trial have been analyzed. The INKmune program is in an open label Phase II trial in metastatic castrate resistant prostate cancer ("mCRP"C). CORDStrom for the treatment of children with RDEB has completed a pivotal blinded randomized cross-over trial. The data will be submitted for a marketing authorization by filing a Biologics License Application ("BLA") with the FDA in the US which is anticipated in the first half of 2026. Afterwards, the company intends to file a Marketing Authorization Application (MAA) in the United Kingdom and EU.

We believe our DN-TNF platform can be used as a CNS ("central nervous system") therapy to target glial activation to prevent progression of Alzheimer's disease ("AD"); to target neuroinflammation in treatment resistant depression ("TRD"). The primary focus of the company's development efforts for XPro is AD. The next indication to be developed with XPro will be TRD. In each case, we believe neutralizing sTNF is a cornerstone to the treatment of these diseases.

We believe the DN-TNF platform can be used to treat selected neurodegenerative diseases by reducing neuroinflammation without immunosuppression. The Company believes the core pathology of cognitive decline is a combination of neurodegeneration and synaptic dysfunction. Neurodegeneration is nerve cell death that may include demyelination. Synaptic dysfunction means the connections between nerve cells stop working efficiently and may decrease in number. The combination of neurodegeneration and synaptic dysfunction causes cognitive decline and behavioral changes associated with Alzheimer's disease ("AD"). XPro completed a Phase I trial treating patients with Alzheimer's disease that was partially funded by a Part-the-Clouds Award from the Alzheimer's Association. We believe XPro targets activated microglia and astrocytes of the brain that produce sTNF that promotes nerve cell loss, synaptic dysfunction and prevents myelin repair - key elements in the development of dementia. In animal models, elimination of sTNF prevents nerve cell dysfunction, reverses synaptic pruning and promotes myelin repair. The Phase I trial in patients with biomarkers of inflammation with AD has been completed. The open label, dose escalation trial was designed to demonstrate that XPro can safely decrease neuroinflammation in patients with ADi. ADi is the term used to delineate patients with AD with biomarkers of inflammation. The endpoints of the trial were measures of neuroinflammation and neurodegeneration in blood and cerebral spinal fluid by measuring changes in inflammatory cytokine levels in the CNS and using MRI-DTI to measure brain microstructural changes. XPro, at the 1mg/kg/week dose, decreased inflammatory cytokines in the CSF in the brain demonstrating that XPro can decrease neuroinflammation in patients with AD. We also studied downstream benefits of decreasing neuroinflammation by measuring changes in the CSF proteome and quantifying changes in novel white matter MRI biomarkers. XPro significantly decreases biomarkers of neurodegeneration as measured by changes in the CSF proteome including neurofilament light chain, phospho Tau 217 and VILIP-1; decreases of 84%, 46% and 91% respectively after 3 months of therapy. Three months of XPro therapy improved measures of synaptic function, as measured in the CSF proteome including a 222% increase in Contactin 2 and a 56% decrease neurogranin, changes that contribute to improved synaptic function.

The successful completion of the Phase I trial in AD has informed the design of a blinded randomized, placebo-controlled Phase II trial in patients with early ADi. Early AD includes patients with AD and MCI who have at least one biomarker of inflammation (ADi). The ADi trial is a blinded randomized trial to test if treatment of early AD patients with neuroinflammation with XPro will affect cognitive decline. Two hundred and eight patients have been enrolled in a 2:1 ratio (XPro vs placebo). The patients received 1mg/kg/week as a subcutaneous injection for six months. An enrichment strategy identical to the successful strategy used in the Phase I trial is used to ensure patients have neuroinflammation. All patients have one or more enrichment criteria: elevated blood level of at least one of C-reactive protein, hemoglobin A1c, erythrocyte sedimentation and at least one allele of ApoE4. The primary end-point will be Early/mild Alzheimer's Cognitive Composite ("EMACC"), a validated cognitive measure that is more sensitive than traditional end-points used in many studies of patients with early AD. The AD program is open in Australia, Canada, the United Kingdom, France, Germany, Spain, Czech Republic and Slovakia.

Full enrollment in the Phase II AD trial occurred in late 2024 with 208 patients enrolled. Data is expected to be reported during June. After all the data is analyzed, the Company plans an end-of-phase II meeting with the FDA to finalize plans for the pivotal Phase III trial. XPro for treatment of AD may be eligible for one or both accelerated approval pathways. We expect to be eligible for Break Through status after completion of the Phase II trial in 2025.

Effective therapy for TRD is a large unmet need. Twenty percent of patients with a Major Depressive Disorder have TRD. Once third of TRD patients have peripheral biomarkers to inflammation (elevated CRP). This is a large patient population. The role of TNF and anti-TNF therapeutics was explored in a small open label clinical trial by Prof. Andrew Miller, MD of Emory University demonstrated the patients have elevated TNF levels and treatment with infliximab treated their depression (Miller, 2011). The Company has a $2.0M USD award from the National Institute of Mental Health ("NIMH") to treat TRD with XPro. To date, these funds have not been impacted by any changes at the NIH. The blinded, randomized Phase II trial will use biomarkers of peripheral inflammation to select patients with TRD for enrollment. Patients will be treated for 6 weeks. Primary end-points include both clinical and neuroimaging measures. The TRD trial is expected to start enrollment during 2025 once NIMH funds have been released.

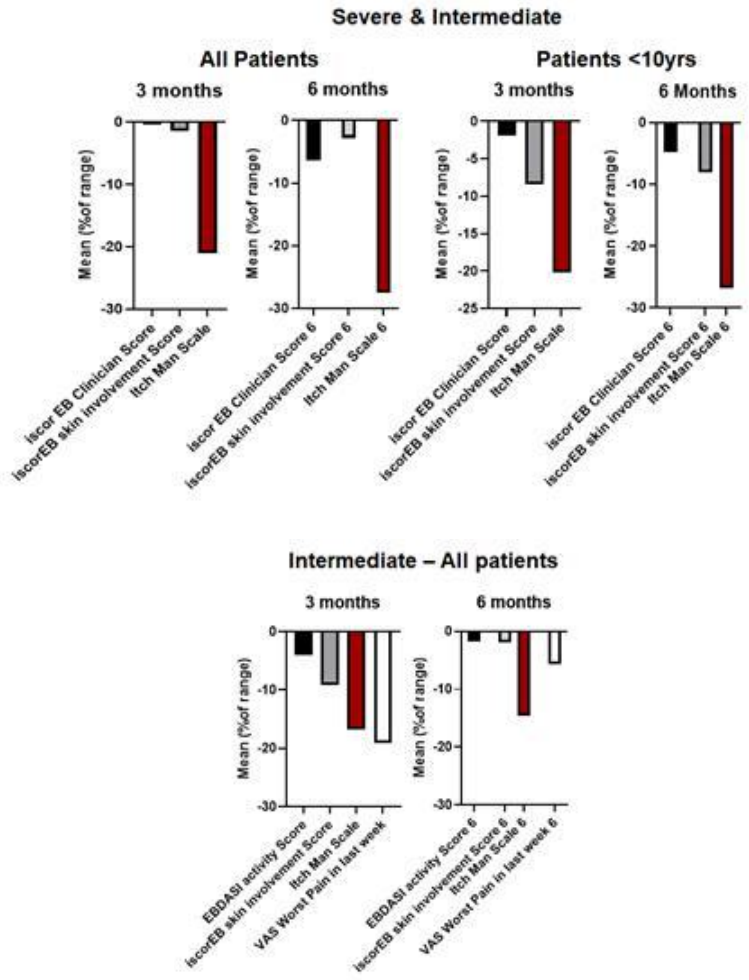
CORDStrom, developed by INmune Bio circa 2020, represents a breakthrough in mesenchymal stem cell technology. The CORDStrom platform leverages, among other things, proprietary screening, pooling and expansion techniques to create off-the-shelf, allogeneic, pooled human umbilical cord - derived mesenchymal stromal cells (HucMSCs) as medicines to treat complex inflammatory diseases. CORDStrom products are designed to provide high-quality, off-the-shelf, batch-to-batch consistent, scalable, cGMP manufactured, potent cellular medicines that can be produced at low cost and with repeatable specification independent of donor characteristics. Initially developed at the INKmune manufacturing facilities utilizing United Kingdom academic grant funding, CORDStrom is a product platform that shows promise as a therapy for RDEB and many other debilitating conditions. While the first generation CORDStrom product is agnostic to indication, the platform enables creation of indication-specific products, which can be tuned for optimization of anti-inflammatory, immunomodulatory, wound healing, and other characteristics.

The CORDStrom product platform shares many similarities, including starting materials, equipment, and procedures, with the Company's INKmune oncology product, enabling the Company to leverage economies of scale, experienced staff, and other resources to strategically manufacture both products in a rotational campaign with resource and environmental efficiencies.

Children with RDEB have skin that is damaged by even the smallest amount of friction which causes severe blistering, deep wounds, and scars. It is caused by a fault in a gene that makes collagen, a protein that holds the skin layers together. There are limited options available for treatment, none that adequately meet the needs of patients, and the condition gets worse over time with most children reliant on a wheelchair as they move into their teenage years. Many of those with an RDEB diagnosis will also go on to develop aggressive life-threatening skin cancer in adulthood caused by the accumulated damage to their skin. The Company estimates roughly 2,000 people suffer from RDEB in the US, United Kingdom and EU representing a large unmet opportunity to potentially provide routine clinical care to these children.

Since 2020, the Company has supplied CORDStrom HucMSCs as an investigational medical product to the Great Ormond Street Hospital ("GOSH"), London, in connection with the MissionEB study, which was primarily funded by a grant from the National Institute for Health and Care Research ("NIHR") in the United Kingdom. INmune Bio was compensated for CORDStrom used in the trial and was not a sponsor of the Mission EB study. Investigators recently concluded a double blinded, placebo-controlled arm of the study, which evaluated the safety and efficacy of CORDStrom in 30 pediatric patients (less than 16 years old) in the United Kingdom with intermediate and severe RDEB using a novel cross-over clinical trial design. Patients were randomized to CORDStrom or placebo arms and received 2, intravenous infusions two weeks apart and then followed for 9 months. Each child then crossed over to the other arm and received two doses of placebo or CORDStrom two weeks apart with a further 9-month follow-up.

All patients were treated as day-cases and no CORDStrom related serious adverse events were reported through the study. Top-line results showed the treatment was easily administered, well tolerated and there were beneficial effects across all types of patients receiving CORDStrom with respect to Itch Man Scale, iscorEB clinician score and iscorEB skin involvement. Most notably, CORDStrom significantly reduced itch scores as measured by the Itch Man Scale. In patients with the most severe disease activity, CORDStrom reduced itch at 3 months and led to a sustained reduction of over 27% at 6 months. These results demonstrate a clinically meaningful reduction in itch severity sustained over time. Intermediate group patients showed a broader range of improvements, including reduced skin involvement and less pain as well as large reduction in itch. The younger patients (less than 10 years old) showed improvements in skin score, indicating better skin integrity and reduced disease activity. Interviews with patients and caregivers on completing follow up strongly support the clinical benefits of the therapy; both caregivers and patients were able to correctly identify which treatment had been CORDStrom and which had been placebo. Those who completed the study are asking to continue on therapy, which the Company intends to pursue as an open-label study.



The Mission EB data form the basis of a license that was entered into between INmune Bio and GOSH, whereby the Company gains exclusive access to the clinical study data for commercial uses in exchange for payment of an initiation milestone of £250,000 (approximately $0.3 million at March 31, 2025) and a single development milestone of approximately £6 million (approximately $7.8 million at March 31, 2025) due on receipt of first marketing authorization from the FDA, EMA, or MHRA, which has not occurred yet, and an ongoing commitment to supply CORDStrom to patients enrolled in an open label arm of the Mission EB trial, subject to certain limitations.

After reviewing results of the Mission EB study, the Company initiated a Type C meeting with the FDA to obtain CMC and regulatory feedback and submitted information, data and requests for Rare Pediatric Disease and Orphan Drug Designations (RPDD/ODD).

The FDA granted RPDD to the Company's CORDStrom product on December 13, 2024, ahead of the sunset period under Section 529(b)(5) of the Federal Food, Drug, and Cosmetic Act. As such, CORDStrom remains eligible to receive a Priority Review Voucher (PRV) if approved by the FDA on or prior to September 30, 2026. If granted, a PRV can be redeemed to receive priority review for a different product. Alternatively, a PRV may be transferred or sold to another sponsor.

The FDA granted ODD to the Company's CORDStrom product on January 6, 2025. Benefits of ODD include certain tax credits and eligibility for select grants, waiver of FDA user fees, including the BLA application fees, access to frequent meetings with the FDA for efficient drug development, and eligibility for seven (7) years of market exclusivity post approval.

The company plans to prepare for and hold a pre-BLA meeting to discuss particulars of its planned BLA submission, with intent to submit a BLA this year seeking approval of CORDStrom for treatment of RDEB. Concurrently, the company will also seek to submit MAAs to the EU and United Kingdom in 2026.

We believe that INKmune improves the ability of the patient's own NK cells to attack their tumor. INKmune interacts with the patient's NK cells to convert them from inert resting NK cells into memory-like NK cells that kill the patient's cancer cells. INKmune is a replication incompetent proprietary cell line that is given to the patient after determining that i) the patient has adequate NK cells in their circulation and ii) those NK cells are functional when exposed to INKmune in vitro. INKmune is designed to be given to patients after their immune system has recovered after cytotoxic chemotherapy to target the residual disease that remains after treatment with cytotoxic therapy. We believe INKmune can be used to treat numerous hematologic malignancies and solid tumors including leukemia, multiple myeloma, lymphoma, lung, ovary, breast, renal and prostate cancer. The Company had a Phase I trial using INKmune to treat patients with high risk MDS/AML, a form of leukemia. Two patients were treated in the Phase I trial for MDS, three patients have been treated compassionately in AML and another MDS patient is expected to be treated shortly. During March 2024, the Company decided to terminate further enrollment in the MDS/AML trial. In the patients, INKmune therapy is safe, produces memory-like NK cells that kill cancer in vitro, and promotes development of cancer killing memory-like NK cells that can be found in the patient's circulation of 4 months. The Company initiated a separate Phase I/2 trial of INKmune in a metastatic castrate resistant prostate cancer. The open label trial enrolled the first patient in December 2023.

The Phase I/II trial using INKmune to treat patients with metastatic castrate resistant prostate cancer (mCPRC) is an open label trial. Biomarker data from the patients will be visible as patients are treated. The Company will report data from each cohort as it becomes available. Because of the modified Bayesian design, the Company estimates the trial will be completely enrolled 1H25 with top-line data available 6 months later. Topline data is divided into immunologic and tumor response variables. The most important immunologic response variable is related to memory like NK cell persistence. This is how long are the number of mlNK cells in patients' blood compared to baseline. There are 3 important variables to tumor response: i) blood PSA changes; ii) change in PMSA scan and iii) change in circulating tumor DNA (ctDNA). Ideally, the levels of all three variables decrease with treatment. We do not expect this 6-month trial to provide survival data.

We continue to incur significant development and other expenses related to our ongoing operations. As a result, we are not and have never been profitable and have incurred losses in each period since our inception, resulting in substantial doubt in our ability to continue as a going concern. We reported a net loss of $9.7 million for the three months ended March 31, 2025. As of March 31, 2025 and December 31, 2024, we had cash and cash equivalents of $19.3 million and $20.9 million, respectively. We expect to continue to incur significant losses for the foreseeable future, and we expect these losses to increase as we continue our research and development of, and seek regulatory approvals for, our product candidates. The size of our future net losses will depend, in part, on the rate of future growth of our expenses and our ability to generate revenues, if any.

Our recurring net losses and negative cash flows from operations raised substantial doubt regarding our ability to continue as a going concern within one year after the issuance of our unaudited condensed consolidated financial statements for the three months ended March 31, 2025. Until we can generate sufficient revenue from the commercialization of our product candidates, we expect to finance our operations through the public or private sale of equity, debt financings or other capital sources, such as government funding, collaborations, strategic alliances, divestment of non-core assets, or licensing arrangements with third parties. To date, the Company has relied on equity and debt financing to fund its operations.

Other Developments

The new U.S. administration has announced or imposed a series of tariffs on U.S. trading partners. In response, several countries have threatened or imposed retaliatory measures. At this time, we do not anticipate the tariffs and changes in trade policies in place as of the filing of this Quarterly Report on Form 10-Q to have a significant adverse effect on our business or operations.

Following recent changes more broadly within the NIH and FDA, we have not noticed any disruption of communications with the NIH and FDA to date and continue to maintain productive interactions. To date, there has been no impact to the Company's operations due to any changes at the NIH or FDA.

Research and Development

Research and development expense consists of expenses incurred while performing research and development activities to discover and develop our product candidates. This includes conducting preclinical studies and clinical trials, manufacturing development efforts and activities related to regulatory filings for product candidates. We recognize research and development expenses as they are incurred. Our research and development expense primarily consist of:

- clinical trial and regulatory-related costs;

- expenses incurred under agreements with investigative sites and consultants that conduct our clinical trials;
- manufacturing and testing costs and related supplies and materials; and
- employee-related expenses, including salaries, benefits, travel and stock-based compensation.

The following table summarizes our research and development expenses by product candidate for the periods indicated (in thousands):

	Three Months Ended March 31,	
	2025	**2024**
External Costs		
DN-TNF - Alzheimer's disease	$ 4,852	$ 6,354
INKmune – (High Risk MDS/AML & Prostate cancer) and CORDStrom	1,273	1,187
Preclinical and other programs	-	113
Accrued research and development rebate	(93)	(309)
Total external costs	6,032	7,345
Internal costs	1,607	1,348
Total	$ 7,639	$ 8,693

We typically use our employee resources across our development programs. We track outsourced development costs by product candidate or development program, but we do not allocate internal costs personnel costs including salaries and stock-based compensation to specific product candidates or development programs.

We participate, through our wholly owned subsidiary in Australia, in the Australian research and development tax incentive program, such that a percentage of our qualifying research and development expenditures are reimbursed by the Australian government, and such incentives are reflected as a reduction of research and development expense. The Australian research and development tax incentive is recognized when there is reasonable assurance that the incentive will be received, the relevant expenditure has been incurred and the amount of the consideration can be reliably measured.

We participate, through our wholly owned subsidiary in the United Kingdom, in the research and development program provided by the United Kingdom tax relief program, such that a percentage of our qualifying research and development expenditures are reimbursed by the United Kingdom government, and such incentives are reflected as a reduction of research and development expense. The United Kingdom research and development tax incentive is recognized when there is reasonable assurance that the incentive will be received, the relevant expenditure has been incurred and the amount of the consideration can be reliably measured.

Substantially all our research and development expenses to date have been incurred in connection with our current and future product candidates. We expect our research and development expenses to increase significantly for the foreseeable future as we advance an increased number of our product candidates through clinical development, including the conduct of our planned clinical trials and manufacturing drug to be used in those clinical trials. The process of conducting clinical trials necessary to obtain regulatory approval is costly and time consuming. The successful development of product candidates is highly uncertain. At this time, we cannot reasonably estimate the nature, timing or costs required to complete the remaining development of any product candidates. This is due to the numerous risks and uncertainties associated with the development of product candidates.

The costs of clinical trials may vary significantly over the life of a project owing to, but not limited to, the following:

- per patient trial costs;
- the number of sites included in the clinical trials;
- the countries in which the clinical trials are conducted;
- the length of time required to enroll eligible patients;
- the number of patients that participate in the clinical trials;
- the number of doses that patients receive;
- the cost of comparative agents used in clinical trials;
- the drop-out or discontinuation rates of patients;
- potential additional safety monitoring or other studies requested by regulatory agencies;
- the duration of patient follow-up;
- the efficacy and safety profile of the product candidate; and
- the cost of manufacturing, finishing, labelling and storage drug used in the clinical trial.

We do not expect any of our product candidates to be commercially available for at least the next several years, if ever. We expect to continue to incur significant expenses and increasing operating losses for the foreseeable future, which may fluctuate significantly from quarter-to-quarter and year-to-year. We anticipate that our expenses will increase substantially as we:

- continue research and development, including preclinical and clinical development of our existing product candidates;
- potentially seek regulatory approval for our product candidates;
- seek to discover and develop additional product candidates;
- establish a commercialization infrastructure and scale up our manufacturing and distribution capabilities to commercialize any of our product candidates for which we may obtain regulatory approval;
- seek to comply with regulatory standards and laws;
- maintain, leverage and expand our intellectual property portfolio;
- hire clinical, manufacturing, scientific and other personnel to support our product candidates development and future commercialization efforts;
- add operational, financial and management information systems and personnel; and
- incur additional legal, accounting and other expenses in operating as a public company.

Results of Operations

Comparison of the Three Months Ended March 31, 2025 and 2024

The following table summarizes our results of operations for the periods indicated:

(in thousands)	Three Months Ended March 31, 2025	2024	Change
Revenues	$ 50	$ 14	$ 36
Operating expenses:			
Research and development	7,639	8,693	(1,054)
General and administrative	2,316	2,338	(22)
Total operating expenses	9,955	11,031	(1,076)
Loss from operations	(9,905)	(11,017)	1,112
Other expense, net	166	(8)	174
Net loss	$ (9,739)	$ (11,025)	$ 1,286

Revenues

During the three months ended March 31, 2025 and 2024, the Company sold MSC's to third-parties and recognized $50,000 and $14,000, respectively, of revenues.

General and Administrative

General and administrative expenses were approximately $2.3 million during each of the three months ended March 31, 2025 and 2024, respectively.

Research and Development

Research and development expenses were approximately $7.6 million during the three months ended March 31, 2025, compared to approximately $8.7 million during the three months ended March 31, 2024. The change in research and development expenses during the three months ending March 31, 2025 compared to the three months ending March 31, 2024 is largely due to incurring $1.5 million less expenses related to our Alzheimer's clinical program due to the Company nearing the completion of the Phase 2 clinical trial, partially offset by $0.3 million of higher employee compensation costs and a decrease of $0.2 million of accrued rebate.

Other Expense, net

During the three months ended March 31, 2025, the Company recorded $0.2 million of other income due to the Company earning interest income on its cash investments. The increase in other income from the prior year is due to the Company paying off its debt in 2024.

Liquidity and Capital Resources

Liquidity is the ability of a company to generate funds to support its current and future operations, satisfy its obligations and otherwise operate on an ongoing basis.

We incurred a net loss of $9.7 million and $11.0 million for the three months ended March 31, 2025 and 2024, respectively. Net cash used in operating activities was $6,824,000 and $7,476,000 for the three months ended March 31, 2025 and 2024, respectively. Since inception, we have funded our operations primarily with proceeds from the sales of our common stock. As of March 31, 2025, we had cash and cash equivalents of $19,336,000. We anticipate that operating losses and net cash used in operating activities will increase over the next few years as we advance our products under development.

During the period from April 1, 2025 through May 8, 2024, the Company sold 279,966 shares of common stock at an average price of $7.62 for gross proceeds of approximately $2.1 million under the ATM offering.

Our primary uses of capital are, and we expect will continue to be, third-party clinical and preclinical research and development services, costs incurred to manufacture our drugs under development, compensation and related expenses, legal, patent and other regulatory expenses and general overhead costs. We believe our use of CROs provides us with flexibility in managing our spending.

The Company incurs significant research and development expenses in Australia and the United Kingdom. Fluctuations in the rate of exchange between the United States dollar and the pound sterling as well as the Australian dollar could adversely affect our financial results, including our expenses as well as assets and liabilities. We currently do not hedge foreign currencies but will continue to assess whether that strategy is appropriate. As of March 31, 2025, the cash balance held by our foreign subsidiaries with currencies other than the United States dollar was approximately $0.1 million.

Our recurring net losses and negative cash flows from operations, as well as forecast of continued losses and negative cash flows from operations, raised substantial doubt regarding our ability to continue as a going concern within one year after the issuance of our unaudited condensed consolidated financial statements for the year ended March 31, 2025. Until we can generate sufficient revenue from the commercialization of our product candidates, we expect to finance our operations through the public or private sale of equity, debt financing or other capital sources, such as government funding, collaborations, strategic alliances, divestment of non-core assets, or licensing arrangements with third parties. Our cash and cash equivalents were $19.3 million and total current assets were $21.0 million at March 31, 2025, which the Company is projecting will be insufficient to sustain its operations through one year following the date that the financial statements are issued.

Additional capital may not be available on reasonable terms, if at all. If we are unable to raise additional capital in sufficient amounts or on terms acceptable to us, we may have to significantly delay, scale back or discontinue the development of one or more of our product candidates or cease operations. If we raise additional funds through the issuance of additional debt or equity securities it could result in dilution to our existing stockholders, increased fixed payment obligations and these securities may have rights senior to those of our common stock and could contain covenants that would restrict our operations and potentially impair our competitiveness, such as limitations on our ability to incur additional debt, limitations on our ability to acquire, sell or license our intellectual property rights and other operating restrictions that could adversely impact our ability to conduct our business. Any of these events could significantly harm our business, financial condition and prospects.

Financing strategies we may pursue include, but are not limited to, the public or private sale of equity, debt financing or funds from other capital sources, such as government or grant funding, collaborations, strategic alliances, divestment of non-core assets, or licensing arrangements with third parties. There can be no assurances additional capital will be available to secure additional financing, or if available, that it will be sufficient to meet our needs on favorable terms. If we are unable to raise additional capital in sufficient amounts or on terms acceptable to us, we may have to significantly delay, scale back or discontinue the development of one or more of our product candidates. If we raise additional funds through the public or private sale of equity or debt financings, it could result in dilution to our existing stockholders or increased fixed payment obligations and these securities may have rights senior to those of our common stock and could contain covenants that would restrict our operations and potentially impair our competitiveness, such as limitations on our ability to incur additional debt, limitations on our ability to acquire, sell or license our intellectual property rights and other operating restrictions that could adversely impact our ability to conduct our business. Any of these events could significantly harm our business, financial condition and prospects.

Cash Flows

The following table summarizes our cash flows for the periods indicated:

(in thousands)	Three Months Ended March 31, 2025	2024
Net cash and cash equivalents (used in) provided by:		
Operating activities	$ (6,824)	$ (7,476)
Financing activities	5,274	(2,500)
Change in cash and cash equivalents	(1,550)	(9,976)
Impact on cash from foreign currency translation	(35)	130
Cash and cash equivalents, beginning of period	20,922	35,848
Cash and cash equivalents, end of period	$ 19,337	$ 26,002

Operating Activities

Operating activities used approximately $6.8 million of cash during the three months ended March 31, 2025, and was primarily due to our loss of $9.7 million, partially offset by non-cash stock-based compensation of $2.1 million and changes in our net operating assets and liabilities of $0.8 million which is mainly due to an increase in accounts payable and accrued liabilities of $0.7 million.

Operating activities used approximately $7.5 million of cash during the three months ended March 31, 2024, resulting from our loss of $11.0 million, partially offset by changes in our net operating assets and liabilities of $1.7 million and non-cash stock-based compensation of $1.8 million. The change in our net operating assets and liabilities was mainly due to an increase in accounts payable and accrued liabilities of $1.4 million and a decrease in prepaid expenses of $0.4 million.

Financing Activities

During the three months ended March 31, 2025, the Company sold 649,860 shares of common stock in exchange for net proceeds of $5.3 million.

During the three months ended March 31, 2024, the Company repaid $2.5 million of its debt.

Critical Accounting Policies and Estimates

Our discussion and analysis of our financial condition and results of operations is based upon our unaudited condensed consolidated financial statements, which have been prepared in accordance with generally accepted accounting principles in the United States, or GAAP. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities and expenses. Actual results may differ from these estimates. Our critical accounting policies and estimates are discussed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, and there have been no material changes during the three months ended March 31, 2025.

Item 3. ***Quantitative and Qualitative Disclosures About Market Risk***

Pursuant to Item 305(e) of Regulation S-K (§ 229.305(e)), the Company is not required to provide the information required by this Item as it is a "smaller reporting company," as defined by Rule 229.10(f)(1).

Item 4. ***Controls and Procedures***

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) at the end of the period covered by this quarterly report.

Based on this evaluation, we concluded that, as of such date, our disclosure controls and procedures were effective to provide reasonable assurance that the information required to be disclosed by us in the reports 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, and that such information is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

We recognize that any controls system, no matter how well designed and operated, can provide only reasonable assurance of achieving its objectives, and our management necessarily applies its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the period covered by this quarterly report that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act).

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

We are not currently a party to any pending legal proceedings that we believe will have a material adverse effect on our business or financial conditions. We may, however, be subject to various claims and legal actions arising in the ordinary course of business from time to time.

Item 1A. Risk Factors

Not required for smaller reporting companies.

Item 2. Recent Sales of Unregistered Securities; Use of Proceeds from Registered Securities

None.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

During the fiscal quarter ended March 31, 2025, none of the Company's directors or officers adopted, modified, or terminated a Rule 10b5-1 trading arrangement, or a non-Rule 10b5-1 trading arrangement, in each case as defined in Item 408 of Regulation S-K.

Item 6. Exhibits

No.	Description
10.2	License Agreement, dated February 6, 2025, between INmune Bio Inc. and Great Ormond Street Hospital for Children NHS Foundation Trust (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed with the SEC on February 10, 2025)
10.2	Termination Letter, dated February 6, 2025, between INmune Bio Inc. and Silicon Valley Bank, a division of First-Citizens Bank & Trust Company (incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K filed on February 10, 2025)
31.1	Rule 13a-14(a)/ 15d-14(a) Certification of Chief Executive Officer*
31.2	Rule 13a-14(a)/ 15d-14(a) Certification of Chief Financial Officer*
32.1	Section 1350 Certification of Chief Executive Officer**
32.2	Section 1350 Certification of Chief Financial Officer**
101.INS	Inline XBRL Instance Document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

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.

INmune Bio Inc.

Date: May 8, 2025

By: /s/ Raymond J. Tesi
Raymond J. Tesi
Chief Executive Officer
(Principal Executive Officer)

Date: May 8, 2025

By: /s/ David J. Moss
David J. Moss
Chief Financial Officer, Treasurer, Secretary
(Principal Financial and Accounting Officer)

Exhibit 31.1

Certifications

I, Raymond J. Tesi, certify that:

1. I have reviewed this quarterly report on Form 10-Q of INmune Bio 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(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

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

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

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

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

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

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

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

Date: May 8, 2025

/s/ Raymond J. Tesi

Raymond J. Tesi
Chief Executive Officer
(Principal executive officer)

Exhibit 31.2

Certifications

I, David J. Moss, certify that:

1. I have reviewed this quarterly report on Form 10-Q of INmune Bio 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(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

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

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

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

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

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

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

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

Date: May 8, 2025

/s/ David J. Moss

David J. Moss
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of INmune Bio Inc. (the "Company") on Form 10-Q for the period ended March 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Raymond J. Tesi, Chief Executive Officer of the Company, certify to my knowledge and in my capacity, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

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

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

Dated: May 8, 2025

/s/ Raymond J. Tesi
Raymond J. Tesi
Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of INmune Bio Inc. (the "Company") on Form 10-Q for the period ended March 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David J. Moss, Chief Financial Officer of the Company, certify to my knowledge and in my capacity, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

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

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

Dated: May 8, 2025

/s/ David J. Moss
David J. Moss
Chief Financial Officer
(Principal Financial Officer)