

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

FORM 10-Q

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

For the quarterly period ended July 31, 2025

or

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

For the transition period from _____ to _____

Commission file number 001-37492

ANIXA BIOSCIENCES, INC.

(Exact name of registrant as specified in its charter)

Delaware	11-2622630
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
3150 Almaden Expressway, Suite 250 San Jose, CA	95118
(Address of principal executive offices)	(Zip Code)
(408) 708-9808	
(Registrant's telephone number, including area code)	

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

Title of each class	Trading symbol	Name of exchange on which registered
Common Stock, par value \$.01 per share	ANIX	NASDAQ Capital Market

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by 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 <input type="checkbox"/>	Smaller reporting company <input checked="" type="checkbox"/>	Accelerated filer <input type="checkbox"/>
Non-accelerated filer <input checked="" type="checkbox"/>		Emerging growth company <input type="checkbox"/>

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 ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

On September 10, 2025, the registrant had outstanding 32,916,915 shares of Common Stock, par value \$.01 per share, which is the registrant's only class of common stock.

TABLE OF CONTENTS

<u>PART I. FINANCIAL INFORMATION</u>	
<u>Item 1. Financial Statements.</u>	1
<u>Condensed Consolidated Balance Sheets (Unaudited) as of July 31, 2025 and October 31, 2024</u>	1
<u>Condensed Consolidated Statements of Operations (Unaudited) for the three and nine months ended July 31, 2025 and 2024</u>	2
<u>Condensed Consolidated Statements of Equity (Unaudited) for the three months ended July 31, 2025 and 2024</u>	3
<u>Condensed Consolidated Statements of Equity (Unaudited) for the nine months ended July 31, 2025 and 2024</u>	4
<u>Condensed Consolidated Statements of Cash Flows (Unaudited) for the nine months ended July 31, 2025 and 2024</u>	5
<u>Notes to Condensed Consolidated Financial Statements (Unaudited)</u>	6
<u>Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.</u>	17
<u>Item 3. Quantitative and Qualitative Disclosures About Market Risk.</u>	21
<u>Item 4. Controls and Procedures.</u>	21
<u>PART II. OTHER INFORMATION</u>	22
<u>Item 1. Legal Proceedings.</u>	22
<u>Item 1A. Risk Factors.</u>	22
<u>Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.</u>	22
<u>Item 3. Defaults Upon Senior Securities.</u>	22
<u>Item 4. Mine Safety Disclosures.</u>	22
<u>Item 5. Other Information.</u>	22
<u>Item 6. Exhibits.</u>	22
<u>SIGNATURES</u>	23

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

ANIXA BIOSCIENCES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(in thousands, except share and per share data).

	July 31, 2025	October 31, 2024
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 1,495	\$ 1,271
Short-term investments	14,534	18,653
Receivables	-	173
Prepaid expenses and other current assets	1,420	1,265
Total current assets	<u>17,449</u>	<u>21,362</u>
Operating lease right-of-use asset	<u>202</u>	<u>229</u>
Total assets	<u>\$ 17,651</u>	<u>\$ 21,591</u>
<u>LIABILITIES AND EQUITY</u>		
Current liabilities:		
Accounts payable	\$ 276	\$ 525
Accrued expenses	1,751	1,946
Operating lease liability, current	39	29
Total current liabilities	<u>2,066</u>	<u>2,500</u>
Operating lease liability, non-current	<u>174</u>	<u>203</u>
Total liabilities	<u>2,240</u>	<u>2,703</u>
Commitments and contingencies (Note 10)		
Equity:		
Shareholders' equity:		
Preferred stock, par value \$100 per share; 19,860 shares authorized; no shares issued or outstanding	-	-
Series A convertible preferred stock, par value \$100 per share; 140 shares authorized; no shares issued or outstanding	-	-
Common stock, par value \$.01 per share; 100,000,000 shares authorized; 32,822,109 and 32,196,862 shares issued and outstanding as of July 31, 2025 and October 31, 2024, respectively	328	322
Additional paid-in capital	265,249	260,432
Accumulated deficit	(248,982)	(240,750)
Treasury stock, 2,000 shares at cost as of October 31, 2024	-	(6)
Total shareholders' equity	<u>16,595</u>	<u>19,998</u>
Noncontrolling interest (Note 2)	<u>(1,184)</u>	<u>(1,110)</u>
Total equity	<u>15,411</u>	<u>18,888</u>
Total liabilities and equity	<u>\$ 17,651</u>	<u>\$ 21,591</u>

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

ANIXA BIOSCIENCES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)
(in thousands, except per share data)

	For the three months ended		For the nine months ended	
	July 31,		July 31,	
	2025	2024	2025	2024
Revenue	\$ -	\$ -	\$ -	\$ -
Operating expenses:				
Research and development expenses (including non-cash stock-based compensation expenses of \$358, \$462, \$1,172 and \$1,471, respectively)	1,055	1,925	3,929	4,920
General and administrative expenses (including non-cash stock-based compensation expenses of \$497, \$717, \$1,727 and \$2,228, respectively)	1,381	1,667	4,896	5,748
Total operating expenses	2,436	3,592	8,825	10,668
Loss from operations	(2,436)	(3,592)	(8,825)	(10,668)
Interest income	156	277	519	883
Net loss	(2,280)	(3,315)	(8,306)	(9,785)
Less: Net loss attributable to noncontrolling interest	(22)	(38)	(74)	(114)
Net loss attributable to common shareholders	\$ (2,258)	\$ (3,277)	\$ (8,232)	\$ (9,671)
Net loss per common share attributable to common shareholders:				
Basic and diluted	\$ (0.07)	\$ (0.10)	\$ (0.25)	\$ (0.30)
Weighted average common shares outstanding:				
Basic and diluted	32,476	32,054	32,293	31,804

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

ANIXA BIOSCIENCES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(in thousands, except share data)

FOR THE THREE MONTHS ENDED JULY 31, 2025 (UNAUDITED)

	Common Stock		Additional	Accumulated	Treasury	Total	Non-	Total
	Shares	Par Value	Paid-in Capital	Deficit	Stock	Shareholders' Equity	controlling Interest	Equity
Balance, April 30, 2025	32,211,092	\$ 322	\$ 262,470	\$ (246,724)	\$ -	\$ 16,068	\$ (1,162)	\$ 14,906
Stock option compensation to employees and directors	-	-	829	-	-	829	-	829
Stock options issued to consultants	-	-	26	-	-	26	-	26
Common stock issued in an at-the-market offering, net of offering expenses of \$73	596,974	6	1,922	-	-	1,928	-	1,928
Common stock issued upon exercise of stock options	14,043	-	2	-	-	2	-	2
Net loss	-	-	-	(2,258)	-	(2,258)	(22)	(2,280)
Balance, July 31, 2025	<u>32,822,109</u>	<u>\$ 328</u>	<u>\$ 265,249</u>	<u>\$ (248,982)</u>	<u>\$ -</u>	<u>\$ 16,595</u>	<u>\$ (1,184)</u>	<u>\$ 15,411</u>

FOR THE THREE MONTHS ENDED JULY 31, 2024 (UNAUDITED)

	Common Stock		Additional	Accumulated	Treasury	Total	Non-	Total
	Shares	Par Value	Paid-in Capital	Deficit	Stock	Shareholders' Equity	controlling Interest	Equity
Balance, April 30, 2024	32,006,460	\$ 320	\$ 257,893	\$ (234,590)	\$ -	\$ 23,623	\$ (1,042)	\$ 22,581
Stock option compensation to employees and directors	-	-	1,094	-	-	1,094	-	1,094
Stock options issued to consultants	-	-	23	-	-	23	-	23
Offering expenses related to an at-the-market offering	-	-	(45)	-	-	(45)	-	(45)
Common stock issued upon exercise of stock options	80,000	1	193	-	-	194	-	194
Common stock issued to consultants	60,000	-	159	-	-	159	-	159
Net loss	-	-	-	(3,277)	-	(3,277)	(38)	(3,315)
Balance, July 31, 2024	<u>32,146,460</u>	<u>\$ 321</u>	<u>\$ 259,317</u>	<u>\$ (237,867)</u>	<u>\$ -</u>	<u>\$ 21,771</u>	<u>\$ (1,080)</u>	<u>\$ 20,691</u>

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

ANIXA BIOSCIENCES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(in thousands, except share data)

FOR THE NINE MONTHS ENDED JULY 31, 2025 (UNAUDITED)

	Common Stock		Additional	Accumulated	Treasury	Total	Non-	Total
	Shares	Par Value	Paid-in Capital	Deficit	Stock	Shareholders' Equity	controlling Interest	Equity
Balance, October 31, 2024	32,196,862	\$ 322	\$ 260,432	\$ (240,750)	\$ (6)	\$ 19,998	\$ (1,110)	\$ 18,888
Stock option compensation to employees and directors	-	-	2,822	-	-	2,822	-	2,822
Stock options issued to consultants	-	-	77	-	-	77	-	77
Common stock issued in an at-the-market offering, net of offering expenses of \$123	611,686	6	1,918	-	-	1,924	-	1,924
Common stock issued upon exercise of stock options	14,043	-	2	-	-	2	-	2
Common stock issued pursuant to an employee stock purchase plan	1,518	-	4	-	-	4	-	4
Cancellation of treasury shares	(2,000)	-	(6)	-	6	-	-	-
Net loss	-	-	-	(8,232)	-	(8,232)	(74)	(8,306)
Balance, July 31, 2025	<u>32,822,109</u>	<u>\$ 328</u>	<u>\$ 265,249</u>	<u>\$ (248,982)</u>	<u>\$ -</u>	<u>\$ 16,595</u>	<u>\$ (1,184)</u>	<u>\$ 15,411</u>

FOR THE NINE MONTHS ENDED JULY 31, 2024 (UNAUDITED)

	Common Stock		Additional	Accumulated	Treasury	Total	Non-	Total
	Shares	Par Value	Paid-in Capital	Deficit	Stock	Shareholders' Equity	controlling Interest	Equity
Balance, October 31, 2023	31,145,219	\$ 311	\$ 252,222	\$ (228,196)	\$ -	\$ 24,337	\$ (966)	\$ 23,371
Stock option compensation to employees and directors	-	-	3,440	-	-	3,440	-	3,440
Stock options issued to consultants	-	-	101	-	-	101	-	101
Common stock issued in an at-the-market offering, net of offering expenses of \$139	785,290	8	2,976	-	-	2,984	-	2,984
Common stock issued upon exercise of stock options	123,999	1	317	-	-	318	-	318
Common stock issued to consultants	89,336	1	254	-	-	255	-	255
Common stock issued pursuant to an employee stock purchase plan	2,616	-	7	-	-	7	-	7
Net loss	-	-	-	(9,671)	-	(9,671)	(114)	(9,785)
Balance, July 31, 2024	<u>32,146,460</u>	<u>\$ 321</u>	<u>\$ 259,317</u>	<u>\$ (237,867)</u>	<u>\$ -</u>	<u>\$ 21,771</u>	<u>\$ (1,080)</u>	<u>\$ 20,691</u>

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

ANIXA BIOSCIENCES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(in thousands)

	For the nine months ended July 31,	
	2025	2024
Cash flows from operating activities:		
Reconciliation of net loss to net cash used in operating activities:		
Net loss	\$ (8,306)	\$ (9,785)
Stock option compensation to employees and directors	2,822	3,440
Stock options issued to consultants	77	101
Common stock issued to consultants	-	255
Amortization of operating lease right-of-use asset	27	28
Amortization of discount on held-to-maturity securities	(93)	-
Change in operating assets and liabilities:		
Receivables	173	(140)
Prepaid expenses and other current assets	(155)	(273)
Accounts payable	(249)	96
Accrued expenses	(195)	(92)
Operating lease liability	(19)	(38)
Net cash used in operating activities	(5,918)	(6,408)
Cash flows from investing activities:		
Disbursements to acquire short-term investments	(36,700)	(47,307)
Proceeds from maturities of short-term investments	40,912	50,716
Net cash provided by investing activities	4,212	3,409
Cash flows from financing activities:		
Proceeds from sale of common stock in an at-the-market offering, net of offering expenses of \$123 and \$139, respectively	1,924	2,984
Proceeds from sale of common stock pursuant to an employee stock purchase plan	4	7
Proceeds from exercise of stock options	2	318
Net cash provided by financing activities	1,930	3,309
Net increase in cash and cash equivalents	224	310
Cash and cash equivalents at beginning of period	1,271	915
Cash and cash equivalents at end of period	\$ 1,495	\$ 1,225
Supplemental disclosure of non-cash investing activity:		
Operating lease right-of-use asset from lease extension	\$ -	\$ (100)
Supplemental disclosure of non-cash financing activity:		
Operating lease liability from lease extension	\$ -	\$ 100

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

ANIXA BIOSCIENCES, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. BUSINESS AND FUNDING

Description of Business

As used herein, “we,” “us,” “our,” the “Company” or “Anixa” means Anixa Biosciences, Inc. and its consolidated subsidiaries.

Anixa Biosciences, Inc. is a biotechnology company developing therapies and vaccines that are focused on critical unmet needs in oncology. Our therapeutics program consists of the development of a chimeric endocrine receptor-T cell therapy, a novel form of chimeric antigen receptor-T cell (“CAR-T”) technology, initially focused on treating ovarian cancer, which is being developed at our subsidiary, Certainty Therapeutics, Inc. (“Certainty”). Our vaccine programs include (i) the development of a vaccine against breast cancer, initially focused on triple negative breast cancer (“TNBC”), the most lethal form of breast cancer, (ii) the development of a vaccine against ovarian cancer, and (iii) a vaccine discovery program utilizing the same mechanism as our breast and ovarian cancer vaccines, to develop additional cancer vaccines to address many intractable cancers, including high incidence malignancies in lung, colon and prostate.

Our subsidiary, Certainty, is developing immuno-therapy drugs against cancer. Certainty holds an exclusive worldwide, royalty-bearing license to use certain intellectual property owned or controlled by The Wistar Institute (“Wistar”), the nation’s first independent biomedical research institute and a leading National Cancer Institute (“NCI”) designated cancer research center, relating to Wistar’s chimeric endocrine receptor targeted therapy technology. We have initially focused on the development of a treatment for ovarian cancer, but we also may pursue applications of the technology for the development of treatments for additional solid tumors. The license agreement requires Certainty to make certain cash and equity payments to Wistar upon achievement of specific development milestones. With respect to Certainty’s equity obligations to Wistar, Certainty issued to Wistar shares of its common stock equal to five percent (5%) of the common stock of Certainty, such equity stake subject to dilution by further funding of Certainty’s activities by the Company. Due to such Company funding, Wistar’s equity stake in Certainty was 4.1% as of July 31, 2025.

Certainty, in collaboration with the H. Lee Moffitt Cancer Center and Research Institute, Inc. (“Moffitt”), has begun human clinical testing of the CAR-T technology licensed by Certainty from Wistar aimed initially at treating ovarian cancer. After receiving authorization from the U.S. Food and Drug Administration (“FDA”), we commenced enrollment of patients in a Phase 1 clinical trial and treated the first patient in August 2022. Further, in May 2023 and August 2023, we treated the second and third patients in the trial, respectively, at the same dose level as the first patient, and the treatment was well-tolerated by the patients. Between February and June 2024, we treated the three patients of the second dose cohort, where the patients were administered a three-times higher dose of cells than the patients in the first cohort. The treatment at this dose level was also well-tolerated by the patients. From November 2024 to February 2025, we treated three patients in the third dose cohort, where they were administered a ten-times higher dose of cells than the patients in the first dose cohort. Consistent with the lower dose cohorts, the treatment appears to have been well-tolerated by the patients. From June 2025 through September 10, 2025, we treated three patients in the fourth dose cohort, administering a 30-times higher dose of cells than the patients in the first dose cohort, and again the treatment appears to have been well-tolerated.

While the dose levels in the first three cohorts were expected to be sub-therapeutic, multiple patients have exhibited anecdotal signs of efficacy, including possible signs of T cell infiltration and tumor necrosis. While many patients have survived beyond expectations, one is still alive two years past initial treatment and another survived over one year past treatment. In the case of the patient that is two years past initial treatment, due to the encouraging results with her initial treatment, we sought single patient Investigational New Drug (“IND”) application permission from the FDA to re-dose her. This re-dosing was approved by the FDA, and we administered her second treatment in October 2024. This second treatment appears to have been well-tolerated by the patient.

This study is a dose-escalation trial with two arms based on route of delivery—intraperitoneal or intravenous—to determine the maximum tolerated dose in patients with recurrent epithelial ovarian cancer and to assess persistence, expansion and efficacy of the modified T cells. The study is being conducted at Moffitt and will consist of up to 24 to 48 patients who have received at least two prior lines of chemotherapy. The study is estimated to be completed in two to three years depending on multiple factors including when the maximum tolerated dose is reached, the rate of patient enrollment, the significance of efficacy data and how long we maintain the two different delivery methods.

We hold an exclusive worldwide, royalty-bearing license to use certain intellectual property owned or controlled by The Cleveland Clinic Foundation (“Cleveland Clinic”) relating to certain breast cancer vaccine technology developed at Cleveland Clinic. The license agreement requires us to make certain cash payments to Cleveland Clinic upon achievement of specific development milestones. Utilizing this technology, we are working in collaboration with Cleveland Clinic to develop a method to vaccinate women against breast cancer, focused initially on TNBC. The focus of this vaccine is a specific protein, α -lactalbumin, that is only expressed during lactation in a healthy woman’s mammary tissue. This protein disappears when the woman is no longer lactating, but reappears in many forms of breast cancer, especially TNBC. Studies have shown that vaccinating against this protein prevents breast cancer in mice.

In October 2021, following the FDA’s authorization to proceed, we commenced dosing patients in a Phase 1 clinical trial of our breast cancer vaccine. This study, which has been fully funded by a U.S. Department of Defense grant to Cleveland Clinic, is a multiple-ascending dose Phase 1 trial to determine the maximum tolerated dose (“MTD”) of the vaccine in patients with early-stage, triple-negative breast cancer as well as monitor immune response. The study has been conducted at Cleveland Clinic. During the course of the Phase 1 study, participants received three vaccinations, each two weeks apart, and have been closely monitored for side effects and immune response. The first segment of the study, Phase 1a, consisted of approximately 24 patients who had completed treatment for early-stage, triple-negative breast cancer within the past three years and were currently tumor-free but at high risk for recurrence. Studies show that 42% of TNBC patients will have a recurrence of their cancer, with most of the recurrences occurring in the first two to three years after standard of care treatment. In January 2023, the number of participants in each dose cohort was expanded, and as of August 2023, we had completed vaccinating all patients in these expanded cohorts. In December 2023, we presented the immunological data collected to date at the San Antonio Breast Cancer Symposium. The data presented show that in the vaccinated women who had been tested to date, various levels of antigen-specific T cell responses were observed at all dose levels. Subsequently, we began vaccinating participants in additional dose cohorts at varying dose levels of the different key components of the vaccine. Further, in November 2023, we commenced vaccination of participants in the second segment of the trial, Phase 1b, that included participants who have never had cancer, but carry certain mutations in genes such as BRCA1, BRCA2 or PALB2, that indicate a greater risk of developing TNBC in the future, and had elected to have a prophylactic mastectomy. Finally, in January 2024, we commenced vaccination of participants in the third segment of the trial, Phase 1c, that includes post-operative TNBC patients that have residual disease following treatment and are currently undergoing treatment with pembrolizumab (Keytruda®). In November 2024, we presented the most recent data from each of the three arms of the trial at the Society for Immunotherapy of Cancer (SITC) Annual Meeting. Key findings presented include i) patients exhibited antigen-specific immune responses at all dose levels and in all three patient groups (Phase 1a, 1b and 1c), ii) patients receiving our vaccine in combination with Keytruda are not showing any additional or more severe adverse side effects, and iii) no adverse side effects were seen other than varying degrees of injection site irritation. We have completed enrollment and treatment in the trial, and have completed all patient follow up visits. We anticipate reporting final Phase 1 data at the San Antonio Breast Cancer Symposium in December 2025. The Phase 1 findings to date are promising, and we are preparing to initiate a Phase 2 clinical trial in the neo-adjuvant setting (pre-surgery) to determine possible therapeutic effect of the vaccine. The Phase 2 trial will commence following final Phase 1 data release, FDA consultations, protocol development, manufacturing and clinical site selection.

We hold an exclusive worldwide, royalty-bearing license to use certain intellectual property owned or controlled by Cleveland Clinic relating to certain ovarian cancer vaccine technology. The license agreement requires us to make certain cash payments to Cleveland Clinic upon achievement of specific development milestones. This technology pertains to among other things, the use of vaccines for the treatment or prevention of ovarian cancers which express the anti-Mullerian hormone receptor 2 protein containing an extracellular domain (“AMHR2-ED”). In healthy tissue, this protein regulates growth and development of egg-containing follicles in the ovary. While expression of AMHR2-ED naturally and markedly declines during menopause, this protein is expressed at high levels in the ovaries of postmenopausal women with ovarian cancer. Researchers at Cleveland Clinic believe that a vaccine targeting AMHR2-ED could prevent the occurrence of ovarian cancer.

In May 2021, Cleveland Clinic was granted acceptance for our ovarian cancer vaccine technology into the NCI’s PREVENT program. The NCI is a part of the National Institutes of Health (“NIH”). The PREVENT program is a peer-reviewed agent development program designed to support pre-clinical development of innovative interventions and biomarkers for cancer prevention and interception towards clinical trials. The scientific and financial resources of the PREVENT program are being used for our ovarian cancer vaccine technology to perform virtually all pre-clinical research and development, manufacturing and IND enabling studies. This work is being performed at NCI facilities, by NCI scientific staff and with NCI financial resources and will require no material financial expenditures by the Company, nor the payment of any future consideration by the Company to NCI.

In May 2024, based on the positive clinical results to date in the development of our breast cancer vaccine, we entered into a Joint Development and Option Agreement with Cleveland Clinic to collaborate in efforts to develop additional vaccines for the prevention or treatment of cancers. Working with Cleveland Clinic researchers, we are focusing on the same novel scientific mechanism as in our breast and ovarian cancer vaccines, and working to discover additional retired proteins that may be associated with other forms of cancer, specifically high incidence malignancies in the lung, colon and prostate.

Over the next several quarters, we expect the development of our therapeutics and vaccines to be the primary focus of the Company. As part of our legacy operations, the Company remains engaged in limited patent licensing activities of its various patent portfolios. We do not expect these activities to be a significant part of the Company’s ongoing operations nor do we expect these activities to require material financial resources or attention of senior management.

Over the past several years, our revenue was derived from technology licensing and the sale of patented technologies, including revenue from the settlement of litigation. We have not generated any revenue to date from our vaccine or therapeutics programs. In addition, while we pursue our vaccine and therapeutics programs, we may also make investments in and form new companies to develop additional emerging technologies. We do not expect to begin generating revenue with respect to any of our current vaccine or therapy programs in the near term. We hope to achieve a profitable outcome by eventually licensing our technologies to large pharmaceutical companies that have the resources and infrastructure in place to manufacture, market and sell our technologies as vaccines or therapeutics. The eventual licensing of any of our technologies may take several years, if it is to occur at all, and may depend on positive results from human clinical trials.

Funding and Management’s Plans

Based on currently available information as of September 10, 2025, we believe that our existing cash, cash equivalents and short-term investments will be sufficient to fund our activities for at least the next twelve months. The Company had approximately \$16,029,000 of cash, cash equivalents and short-term investments at July 31, 2025 compared to approximately \$19,924,000 at October 31, 2024 which is a reduction of approximately \$3,895,000 for the nine months ended July 31, 2025. Therefore, the Company believes that it has sufficient cash, cash equivalents and short-term investments to operate its business, as currently contemplated, for significantly longer than 12 months from the date of this Report. We have implemented a business model that conserves funds by collaborating with third parties to develop our technologies. During the nine months ended July 31, 2025, we raised approximately \$1,924,000, net of expenses, through an at-the-market equity offering of 611,686 shares of common stock. Under our at-the-market equity program, which is currently effective and may remain available for us to use in the future, as of July 31, 2025, we may sell approximately \$95 million of common stock.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("US GAAP") for interim financial information and with the instructions to Form 10-Q and Rule 8-03 of Regulation S-X. Accordingly, certain information and disclosures required by US GAAP in annual financial statements have been omitted or condensed. These interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and related disclosures included in our Annual Report on Form 10-K for the fiscal year ended October 31, 2024. The accompanying October 31, 2024 condensed consolidated balance sheet data was derived from the audited financial statements but does not include all disclosures required by US GAAP. The condensed consolidated financial statements include all adjustments of a normal recurring nature which, in the opinion of management, are necessary for a fair statement of our financial position as of July 31, 2025, and results of operations and cash flows for the interim periods represented. The results of operations for the three and nine months ended July 31, 2025 are not necessarily indicative of the results to be expected for the year.

Noncontrolling Interest

Noncontrolling interest represents Wistar's equity ownership in Certainty and is presented as a component of equity. The following table sets forth the changes in noncontrolling interest for the nine months ended July 31, 2025 (in thousands):

Balance, October 31, 2024	\$	(1,110)
Net loss attributable to noncontrolling interest		(74)
Balance, July 31, 2025	\$	<u>(1,184)</u>

Revenue Recognition

Our revenue has been derived solely from technology licensing and the sale of patented technologies. Revenue is recognized upon transfer of control of intellectual property rights and satisfaction of other contractual performance obligations to licensees in an amount that reflects the consideration we expect to receive.

Our revenue recognition policy requires us to make certain judgments and estimates in connection with the accounting for revenue. Such areas may include determining the existence of a contract and identifying each party's rights and obligations to transfer goods and services, identifying the performance obligations in the contract, determining the transaction price and allocating the transaction price to separate performance obligations, estimating the timing of satisfaction of performance obligations, determining whether a promise to grant a license is distinct from other promised goods or services and evaluating whether a license transfers to a customer at a point in time or over time.

Our revenue arrangements provide for the payment, within 30 days of execution of the agreement, of contractually determined, one-time, paid-up license fees in settlement of litigation and in consideration for the grant of certain intellectual property rights for patented technologies owned or controlled by the Company. These arrangements typically include some combination of the following: (i) the grant of a non-exclusive, retroactive and future license to manufacture and/or sell products covered by patented technologies owned or controlled by the Company, (ii) a covenant-not-to-sue, (iii) the release of the licensee from certain claims, and (iv) the dismissal of any pending litigation. In such instances, the intellectual property rights granted have been perpetual in nature, extending until the expiration of the related patents. Pursuant to the terms of these agreements, we have no further obligations with respect to the granted intellectual property rights, including no obligation to maintain or upgrade the technology, or provide future support or services. Licensees obtained control of the intellectual property rights they have acquired upon execution of the agreement. Accordingly, the performance obligations from these agreements were satisfied and 100% of the revenue was recognized upon the execution of the agreements.

Cost of Revenues

Cost of revenues include the costs and expenses incurred in connection with our patent licensing and enforcement activities, including inventor royalties paid to original patent owners, contingent legal fees paid to external counsel, other patent-related legal expenses paid to external counsel, licensing and enforcement related research and consulting and other expenses paid to third-parties. These costs are included under the caption "Operating costs and expenses" in the accompanying condensed consolidated statements of operations.

Research and Development Expenses

Research and development expenses consist primarily of employee compensation, payments to third parties for research and development activities and other direct costs associated with developing our therapeutics and vaccines. We recognize research and development expenses as incurred. Advance payments for future research and development activities are deferred and expensed as the services are performed. We recognize our preclinical studies and clinical trial expenses based on the services performed pursuant to contracts with research institutions, clinical research organizations (“CROs”), clinical manufacturing organizations (“CMOs”), and other parties that conduct and manage various stages of research and development activities on our behalf. Fees for such services are recognized based on management’s estimates after considering the activities and tasks completed by each service provider in a given period, the time period over which services are expected to be performed, and the level of effort expended in each reporting period.

At each balance sheet date, management estimates prepaid and accrued research and development costs by discussing progress or stage of completion of activities with internal personnel and external service providers, and comparing this information to payments made, invoices received, and the agreed-upon contractual fee to be paid for such services in the applicable contract or statements of work.

In addition, we allocate certain internal compensation costs to research and development expenses based on management’s estimates of each employee’s time and effort expended.

Investment Policy

The Company’s investment policy is designed to optimize returns while managing risk and liquidity. The policy allows for investments in a diversified range of financial instruments, including U.S. government debt securities with fixed maturities and contractual cash flows, as well as alternative investments such as Bitcoin and Bitcoin-based exchange traded funds (collectively, the “Bitcoin Assets”).

The Company acquires U.S. government debt securities that it has the positive intent and ability to hold to maturity. These securities are recorded at amortized cost, net of any applicable discount which is amortized to interest income, and are accounted for as held-to-maturity securities. The Company’s Bitcoin Assets are measured at fair value based on quoted prices on active exchanges. The Company recognizes changes in the fair value of Bitcoin Assets as gains or losses in the statement of operations during the period in which they occur.

3. STOCK-BASED COMPENSATION

The Company maintains stock equity incentive plans under which the Company may grant incentive stock options, non-qualified stock options, stock appreciation rights, stock awards, performance awards, or stock units to employees, directors and consultants.

Stock Option Compensation Expense

We account for stock options granted to employees, directors and consultants using the accounting guidance in ASC 718, Stock Compensation. We estimate the fair value of service-based stock options on the date of grant, using the Black-Scholes pricing model, and recognize compensation expense over the requisite service period of the grant. We recorded stock-based compensation expense related to service-based stock options granted to employees and directors of approximately \$829,000 and \$1,094,000 during the three months ended July 31, 2025 and 2024, respectively, and approximately \$2,822,000 and \$3,440,000 during the nine months ended July 31, 2025 and 2024, respectively.

The compensation cost for service-based stock options granted to consultants is measured at the grant date, based on the fair value of the award using the Black-Scholes pricing model, and is expensed on a straight-line basis over the requisite service period (the vesting period of the stock option) which is one to three years. We recorded stock-based consulting expense related to stock options granted to consultants of approximately \$26,000 and \$23,000 during the three months ended July 31, 2025 and 2024, respectively, and approximately \$77,000, and \$101,000, during the nine months ended July 31, 2025 and 2024, respectively.

Stock Option Activity

During the three months ended July 31, 2025 and 2024, we granted options to purchase 75,000 shares and 0 shares of common stock, respectively, and during the nine months ended July 31, 2025 and 2024, we granted options to purchase 1,430,000 shares and 1,350,000 shares of common stock, respectively, to employees and consultants, with exercise prices ranging from \$2.37 to \$3.07 per share, pursuant to the Anixa Biosciences, Inc. 2018 Share Incentive Plan (the “2018 Share Plan”).

During the three and nine months ended July 31, 2025, stock options to purchase 685 shares of common stock were exercised on a cash basis, with aggregate proceeds of approximately \$2,000. During the three and nine months ended July 31, 2025, stock options to purchase 35,000 shares of common stock, of which 21,642 shares of common stock were withheld, were exercised on a cashless basis. During the three months ended July 31, 2024, stock options to purchase 80,000 shares of common stock were exercised on a cash basis, with aggregate proceeds of approximately \$194,000. During the nine months ended July 31, 2024, stock options to purchase 123,999 shares of common stock were exercised on a cash basis, with aggregate proceeds of approximately \$318,000.

Stock Option Plans

During the three and nine months ended July 31, 2025, we had two stock option plans: the Anixa Biosciences, Inc. 2010 Share Incentive Plan (the “2010 Share Plan”) and the 2018 Share Plan, which were adopted by our Board of Directors on July 14, 2010 and January 25, 2018, respectively. The 2018 Share Plan was approved by our shareholders on March 29, 2018.

2010 Share Plan

The 2010 Share Plan provided for the grant of nonqualified stock options, stock appreciation rights, stock awards, performance awards and stock units to employees, directors and consultants. In accordance with the provisions of the 2010 Share Plan, the plan terminated with respect to the ability to grant future awards on July 14, 2020. Information regarding the 2010 Share Plan for the nine months ended July 31, 2025 is as follows:

	Shares	Weighted Average Exercise Price Per Share	Aggregate Intrinsic Value (in thousands)
Options outstanding at October 31, 2024	986,968	\$ 2.77	
Exercised	(685)	2.92	
Options outstanding and exercisable at July 31, 2025	986,283	\$ 2.77	\$ 650

The following table summarizes information about stock options outstanding and exercisable under the 2010 Share Plan as of July 31, 2025:

Range of Exercise Prices	Number Outstanding and Exercisable	Weighted Average Remaining Contractual Life (in years)	Weighted Average Exercise Price
\$ 0.67 - \$2.27	316,000	2.0	\$ 1.11
\$ 2.58 - \$3.13	251,283	0.6	\$ 2.93
\$ 3.46 - \$5.30	419,000	2.7	\$ 3.93

2018 Share Plan

The 2018 Share Plan provides for the grant of incentive stock options, nonqualified stock options, stock appreciation rights, stock awards, performance awards and stock units to employees, directors and consultants. As of July 31, 2025, the 2018 Share Plan had 656,642 shares available for future grants. Information regarding the 2018 Share Plan for the nine months ended July 31, 2025 is as follows:

	Shares	Weighted Average Exercise Price Per Share	Aggregate Intrinsic Value (in thousands)
Options outstanding at October 31, 2024	11,171,094	\$ 3.74	
Granted	1,430,000	2.41	
Exercised	(35,000)	2.09	
Forfeited/expired	(90,000)	3.54	
Options outstanding at July 31, 2025	12,476,094	\$ 3.59	\$ 1,707
Options exercisable at July 31, 2025	8,943,235	\$ 3.61	\$ 972

The following table summarizes information about stock options outstanding and exercisable under the 2018 Share Plan as of July 31, 2025:

Range of Exercise Prices	Number Outstanding	Options Outstanding		Number Exercisable	Options Exercisable	
		Weighted Average Remaining Contractual Life (in years)	Weighted Average Exercise Price		Weighted Average Remaining Contractual Life (in years)	Weighted Average Exercise Price
\$ 2.09 - \$3.87	6,638,879	5.7	\$ 3.06	5,439,960	5.0	\$ 3.19
\$ 4.02 - \$5.30	5,837,215	6.7	\$ 4.20	3,503,275	6.6	\$ 4.25

Employee Stock Purchase Plan

The Company maintains the Anixa Biosciences, Inc. Employee Stock Purchase Plan (the “ESPP”) which permits eligible employees to purchase shares at not less than 85% of the market value of the Company’s common stock on the offering date or the purchase date of the applicable semi-annual offering period, whichever is lower. The ESPP was adopted by our Board of Directors on August 13, 2018 and approved by our shareholders on September 27, 2018. During the nine months ended July 31, 2025 and 2024, employees purchased 1,518 shares and 2,616 shares, respectively, under the ESPP with aggregate proceeds of approximately \$4,000 and \$7,000, respectively .

Warrants

As of July 31, 2025, we had warrants outstanding to purchase 300,000 shares of common stock at \$6.56 per share, issued during fiscal year 2021 and expiring on March 22, 2026.

Information regarding the Company’s warrants for the nine months ended July 31, 2025 is as follows:

	Shares	Weighted Average Exercise Price Per Share	Aggregate Intrinsic Value
Warrants outstanding at October 31, 2024	300,000	\$ 6.56	
Warrants outstanding and exercisable at July 31, 2025	300,000	\$ 6.56	\$ 0

The following table summarizes information about the Company's outstanding and exercisable warrants as of July 31, 2025:

Range of Exercise Prices	Number Outstanding and Exercisable	Weighted Average Remaining Contractual Life (in years)	Weighted Average Exercise Price
\$ 6.56	300,000	0.6	\$ 6.56

Stock Awards

During the three and nine months ended July 31, 2025, we did not issue any stock awards. During the three and nine months ended July 31, 2024, we issued 60,000 shares and 89,336 shares of common stock, respectively, to consultants providing investor relations services, and recorded expense of approximately \$62,000 and \$158,000, respectively.

Treasury stock

During the fiscal year ended October 31, 2024, the Company purchased 2,000 shares of its common stock as treasury stock. The shares were purchased at an average cost of \$3.17 per share for a total cost of approximately \$6,000. The repurchases were made as part of a stock buyback program approved by our Board of Directors on July 11, 2024, that has subsequently expired. The treasury shares were accounted for under the cost method and were recorded as a reduction in shareholders' equity in the condensed consolidated balance sheet. In March 2025, the Company cancelled the treasury shares resulting in a reduction in shares outstanding and paid-in capital.

4. FAIR VALUE MEASUREMENTS

US GAAP defines fair value and establishes a framework for measuring fair value. We have categorized our financial assets and liabilities, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy as set forth below. If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Financial assets and liabilities recorded in the accompanying condensed consolidated balance sheets are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial instruments whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market which we have the ability to access at the measurement date.

Level 2 – Financial instruments whose values are based on quoted market prices in markets where trading occurs infrequently or whose values are based on quoted prices of instruments with similar attributes in active markets.

Level 3 – Financial instruments whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the instrument.

The following table presents the hierarchy for our financial assets measured at fair value on a recurring basis as of July 31, 2025 (in thousands):

	Level 1	Level 2	Level 3	Total
Money market funds:				
Cash equivalents	\$ 1,448	\$ -	\$ -	\$ 1,448
Bitcoin exchange traded funds:				
Short-term investments	-	12	-	12
U.S. treasury bills:				
Short-term investments	-	14,522	-	14,522
Total financial assets	\$ 1,448	\$ 14,534	\$ -	\$ 15,982

The following table presents the hierarchy for our financial assets measured at fair value on a recurring basis as of October 31, 2024 (in thousands):

	Level 1	Level 2	Level 3	Total
Money market funds:				
Cash equivalents	\$ 1,170	\$ -	\$ -	\$ 1,170
U.S. treasury bills:				
Short-term investments	-	18,653	-	18,653
Total financial assets	\$ 1,170	\$ 18,653	\$ -	\$ 19,823

Our non-financial assets that are measured at fair value on a non-recurring basis are property and equipment and other assets which are measured using fair value techniques whenever events or changes in circumstances indicate a condition of impairment exists. The estimated fair value of prepaid expenses and other current assets, accounts payable and accrued expenses approximates their individual carrying amounts due to the short-term nature of these measurements. Cash equivalents are stated at carrying value which approximates fair value.

5. ACCRUED EXPENSES

Accrued expenses consist of the following as of:

	July 31, 2025	October 31, 2024
	(in thousands)	
Payroll and related expenses	\$ 865	\$ 1,126
Accrued royalty and contingent legal fees	626	626
Accrued other	260	194
Accrued expenses	\$ 1,751	\$ 1,946

6. NET LOSS PER SHARE OF COMMON STOCK

Basic net loss per common share ("Basic EPS") is computed by dividing net loss by the weighted average number of common shares outstanding. Diluted net loss per common share ("Diluted EPS") is computed by dividing net loss by the weighted average number of common shares and dilutive common share equivalents and convertible securities then outstanding. Diluted EPS for all periods presented is the same as Basic EPS, as the inclusion of the effect of common share equivalents then outstanding would be anti-dilutive. For this reason, excluded from the calculation of Diluted EPS for the nine months ended July 31, 2025 and 2024, were stock options to purchase 13,462,377 shares and 12,342,094 shares, respectively, and warrants to purchase 300,000 shares and 300,000 shares, respectively.

7. EFFECT OF RECENTLY ADOPTED AND ISSUED PRONOUNCEMENTS

In November 2023, the FASB issued Accounting Standards Update 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures, to provide more disaggregated expense information about a public entity's reportable segments. The amendments in this update should be applied retrospectively and are effective for fiscal years beginning after December 15, 2023, and interim periods beginning after December 15, 2024. We are currently evaluating the impact of this guidance on our consolidated financial statements and related disclosures.

In December 2023, the FASB issued Accounting Standards Update 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, to require disaggregated information about a reporting entity's effective tax rate reconciliation as well as information on income taxes paid. The amendments in this update should be applied prospectively, with an option to apply them retrospectively, and are effective for fiscal years beginning after December 15, 2024 for public entities. We are currently evaluating the impact of this guidance on our consolidated financial statements and related disclosures.

In March 2024, the FASB issued Accounting Standards Update 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses, to improve the disclosures about a public business entity’s expenses and to provide more detailed information about the types of expenses in commonly presented expense captions. The amendments in this update should be applied either prospectively or retrospectively, and are effective for fiscal years beginning after December 15, 2026, and interim periods beginning after December 15, 2027. We are currently evaluating the impact of this guidance on our consolidated financial statements and related disclosures.

8. INCOME TAXES

We recognize deferred tax assets and liabilities for the estimated future tax effects of events that have been recognized in our financial statements or tax returns. Under this method, deferred tax assets and liabilities are determined based on the difference between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect in the years in which the differences are expected to reverse. A valuation allowance is established, when necessary, to reduce deferred tax assets to the amount expected to be realized. We have provided a full valuation allowance against our deferred tax asset due to our historical pre-tax losses and the uncertainty regarding the realizability of these deferred tax assets.

We have substantial net operating loss carryforwards for Federal and California income tax returns. These net operating loss carryforwards could be subject to limitations under Internal Revenue Code section 382, the effects of which have not been determined by the Company. We have no unrecognized income tax benefits as of July 31, 2025 and October 31, 2024 and we account for interest and penalties related to income tax matters, if any, in general and administrative expenses.

9. LEASES

We lease approximately 2,000 square feet of office space at 3150 Almaden Expressway, San Jose, California (our principal executive offices) from an unrelated party pursuant to an operating lease that, as amended, will expire on September 30, 2027, with an option to extend the lease an additional two years. The base rent is approximately \$5,000 per month and the lease provides for annual increases of approximately 3% and an escalation clause for increases in certain operating costs. The lease, as amended, resulted in a right-of-use asset and lease liability of approximately \$250,000 with a discount rate of 12%. Rent expense was approximately \$16,000 and \$16,000, respectively, for the three months ended July 31, 2025 and 2024, and approximately \$47,000 and \$49,000, respectively, for the nine months ended July 31, 2025 and 2024.

For operating leases, the lease liability is initially and subsequently measured at the present value of the unpaid lease payments. The remaining 50-month lease term as of July 31, 2025 for the Company’s lease includes the noncancelable period of the lease and the additional two-year option period that the Company is reasonably certain to exercise. All right-of-use assets are reviewed for impairment when indications of impairment are present.

As of July 31, 2025, the annual minimum future lease payments of our operating lease liability were as follows (in thousands):

For Years Ended October 31,	Operating Leases
2025 (remaining)	\$ 15
2026	63
2027	64
2028	66
2029	63
Total future minimum lease payments, undiscounted	271
Less: Imputed interest	58
Present value of future minimum lease payments	\$ 213
Balance as of July 31, 2025:	
Operating lease liability, current	\$ 39
Operating lease liability, non-current	174
Total	\$ 213

10. COMMITMENTS AND CONTINGENCES

Litigation Matters

Other than lawsuits related to the enforcement of our patent rights, we are not a party to any material pending legal proceedings, nor are we aware of any pending litigation or legal proceeding against us that would have a material adverse effect upon our results of operations or financial condition.

License Commitments

As of July 31, 2025, our commitments under certain technology license agreements related to our therapeutic and vaccine development programs for the next twelve months were approximately \$150,000.

Research & Development Agreements

We have entered into certain research and development agreements with various collaboration partners and third-party vendors related to i) the manufacturing of materials necessary for the expected Phase 2 clinical trial of our breast cancer vaccine, ii) the discovery of new vaccine targets in high incidence malignancies in prostate, lung and colon and iii) the further development of our CAR-T technology. As of July 31, 2025, future payments the Company may make under these agreements, dependent upon, among other things, development of analytical methods, formulation feasibility studies, stability testing and results of manufacturing processes, may be approximately \$1.8 million and such payments may be made over up to a three-year period.

11. SEGMENT INFORMATION

We follow the accounting guidance of ASC 280 “Segment Reporting” (“ASC 280”). Reportable operating segments are determined based on the management approach. The management approach, as defined by ASC 280, is based on the way that the chief operating decision-maker organizes the segments within an enterprise for making operating decisions and assessing performance. While our results of operations are primarily reviewed on a consolidated basis, the chief operating decision-maker manages the enterprise in three reportable segments, each with different operating and potential revenue generating characteristics: (i) Cancer Vaccines, (ii) CAR-T Therapeutics, and (iii) Other. The following represents selected financial information for our segments for the three and nine months ended July 31, 2025 and 2024 and as of July 31, 2025 and October 31, 2024 (in thousands):

	For the Three Months Ended July 31,		For the Nine Months Ended July 31,	
	2025	2024	2025	2024
Net loss:				
Cancer Vaccines	\$ (1,298)	\$ (2,160)	\$ (5,195)	\$ (5,628)
CAR-T Therapeutics	(973)	(1,145)	(3,074)	(4,115)
Other	(9)	(10)	(37)	(42)
Total	<u>\$ (2,280)</u>	<u>\$ (3,315)</u>	<u>\$ (8,306)</u>	<u>\$ (9,785)</u>
Total operating costs and expenses	\$ 2,436	\$ 3,592	\$ 8,825	\$ 10,668
Less non-cash stock-based compensation	(855)	(1,179)	(2,899)	(3,699)
Operating costs and expenses excluding non-cash stock-based compensation	<u>\$ 1,581</u>	<u>\$ 2,413</u>	<u>\$ 5,926</u>	<u>\$ 6,969</u>
Operating costs and expenses excluding non-cash stock-based compensation:				
Cancer Vaccines	\$ 884	\$ 1,614	\$ 3,714	\$ 3,988
CAR-T Therapeutics	689	789	2,180	2,943
Other	8	10	32	38
Total	<u>\$ 1,581</u>	<u>\$ 2,413</u>	<u>\$ 5,926</u>	<u>\$ 6,969</u>
		July 31, 2025	October 31, 2024	
Total assets:				
Cancer Vaccines		\$ 9,842	\$ 12,917	
CAR-T Therapeutics		7,691	8,535	
Other		118	139	
Total		<u>\$ 17,651</u>	<u>\$ 21,591</u>	

Operating costs and expenses excluding non-cash stock-based compensation is the measurement the chief operating decision-maker uses in managing the enterprise.

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

Information included in this Quarterly Report on Form 10-Q (this "Report") contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements are not statements of historical facts, but rather reflect our current expectations concerning future events and results. We generally use the words "believes," "expects," "intends," "plans," "anticipates," "likely," "will" and similar expressions to identify forward-looking statements. Such forward-looking statements, including those concerning our expectations, involve risks, uncertainties and other factors, some of which are beyond our control, which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These risks, uncertainties and factors include, but are not limited to, those factors set forth in our Annual Report on Form 10-K for the fiscal year ended October 31, 2024. Except as required by applicable law, including the securities laws of the United States, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You are cautioned not to unduly rely on such forward-looking statements when evaluating the information presented in this Report.

GENERAL

We discuss the description of our business in the Notes to our Condensed Consolidated Financial Statements.

RESULTS OF OPERATIONS

Three months ended July 31, 2025 compared with three months ended July 31, 2024

Revenue

We had no revenue during the three-month periods ended July 31, 2025 and 2024.

We have not generated any revenue to date from our therapeutics or vaccine programs. In addition, while we pursue our therapeutics and vaccine programs, we may also make investments in and form new companies to develop additional emerging technologies. We do not expect to begin generating revenue with respect to any of our current therapy or vaccine programs in the near term. We hope to achieve a profitable outcome by eventually licensing our technologies to large pharmaceutical companies that have the resources and infrastructure in place to manufacture, market and sell our technologies as therapeutics or vaccines. The eventual licensing of any of our technologies may take several years, if it is to occur at all, and may depend on positive results from human clinical trials.

Research and Development Expenses

During the three months ended July 31, 2025, research and development expenses related to the development of our cancer vaccines and CAR-T therapeutics consisted of approximately \$615,000 and \$440,000, respectively. During the three months ended July 31, 2024 research and development expenses related to the development of our cancer vaccines and CAR-T therapeutics consisted of approximately \$1,259,000 and \$666,000, respectively.

Research and development expenses decreased by approximately \$870,000 to approximately \$1,055,000 in the three months ended July 31, 2025, from approximately \$1,925,000 in the three months ended July 31, 2024. The decrease in research and development expenses was primarily due to a decrease in outside research and development expenses related to our breast cancer vaccine of approximately \$631,000, a decrease in outside research and development expenses related to our ovarian cancer CAR-T therapeutic of approximately \$170,000, a decrease in employee stock-based compensation expense of approximately \$106,000, and a decrease in clinical consulting services of approximately \$52,000, offset by an increase in employee compensation and related costs, other than stock-based compensation expense, of approximately \$96,000.

General and Administrative Expenses

General and administrative expenses decreased by approximately \$286,000 to approximately \$1,381,000 in the three months ended July 31, 2025, from approximately \$1,667,000 in the three months ended July 31, 2024. The decrease in general and administrative expenses was primarily due to a decrease in director stock-based compensation of approximately \$98,000, a decrease in investor and public relations expense of approximately \$94,000, a decrease in employee compensation and related costs, other than stock-based compensation expense, of approximately \$77,000 and a decrease in employee stock-based compensation of approximately \$61,000.

Interest Income

Interest income decreased by approximately \$121,000 to approximately \$156,000 in the three months ended July 31, 2025, from approximately \$277,000 in the three months ended July 31, 2024, primarily due to a decrease in the amount of short-term investments held and a decrease in interest rates.

Net Loss Attributable to Noncontrolling Interest

The net loss attributable to noncontrolling interest, representing Wistar's ownership interest in Certainty's net loss, decreased by approximately \$16,000 to approximately \$22,000 in the three months ended July 31, 2025 from approximately \$38,000 in the three months ended July 31, 2024, as Certainty's net loss decreased.

Nine months ended July 31, 2025 compared with nine months ended July 31, 2024

Revenue

We had no revenue during the nine-month periods ended July 31, 2025 and 2024.

We have not generated any revenue to date from our therapeutics or vaccine programs. In addition, while we pursue our therapeutics and vaccine programs, we may also make investments in and form new companies to develop additional emerging technologies. We do not expect to begin generating revenue with respect to any of our current therapy or vaccine programs in the near term. We hope to achieve a profitable outcome by eventually licensing our technologies to large pharmaceutical companies that have the resources and infrastructure in place to manufacture, market and sell our technologies as therapeutics or vaccines. The eventual licensing of any of our technologies may take several years, if it is to occur at all, and may depend on positive results from human clinical trials.

Research and Development Expenses

During the nine months ended July 31, 2025, research and development expenses related to the development of our cancer vaccines and CAR-T therapeutics consisted of approximately \$2,489,000 and \$1,440,000, respectively. During the nine months ended July 31, 2024 research and development expenses related to the development of our cancer vaccines and CAR-T therapeutics consisted of approximately \$2,827,000 and \$2,093,000, respectively.

Research and development expenses decreased by approximately \$991,000 to approximately \$3,929,000 in the nine months ended July 31, 2025, from approximately \$4,920,000 in the nine months ended July 31, 2024. The decrease in research and development expenses was primarily due to a decrease in outside research and development expenses related to our breast cancer vaccine of approximately \$524,000, a decrease in outside research and development expenses related to our ovarian cancer CAR-T therapeutic of approximately \$402,000, a decrease in employee stock-based compensation expense of approximately \$271,000, offset by an increase in outside research and development expenses related to our new vaccine discovery program of approximately \$113,000, and an increase in technology licensing fees of approximately \$56,000.

General and Administrative Expenses

General and administrative expenses decreased by approximately \$852,000 to approximately \$4,896,000 in the nine months ended July 31, 2025, from approximately \$5,748,000 in the nine months ended July 31, 2024. The decrease in general and administrative expenses was primarily due to a decrease in investor and public relations expense of approximately \$478,000, a decrease in director stock-based compensation of approximately \$280,000, a decrease in employee stock-based compensation of approximately \$68,000, and a decrease in consulting fees of approximately \$58,000, offset by an increase in patent-related costs of approximately \$67,000.

Interest Income

Interest income decreased by approximately \$364,000 to approximately \$519,000 in the nine months ended July 31, 2025, from approximately \$883,000 in the nine months ended July 31, 2024, primarily due to a decrease in the amount of short-term investments held and a decrease in interest rates.

Net Loss Attributable to Noncontrolling Interest

The net loss attributable to noncontrolling interest, representing Wistar's ownership interest in Certainty's net loss, decreased by approximately \$40,000 to approximately \$74,000 in the nine months ended July 31, 2025 from approximately \$114,000 in the nine months ended July 31, 2024, as Certainty's net loss decreased.

LIQUIDITY AND CAPITAL RESOURCES

Our primary sources of liquidity are cash, cash equivalents and short-term investments.

Based on currently available information as of September 10, 2025, we believe that our existing cash, cash equivalents and short-term investments will be sufficient to fund our activities for at least the next twelve months. The Company had approximately \$16,029,000 of cash, cash equivalents and short-term investments at July 31, 2025 compared to approximately \$19,924,000 at October 31, 2024 which is a reduction of approximately \$3,895,000 for the nine months ended July 31, 2025. Therefore, the Company believes that it has sufficient cash, cash equivalents and short-term investments to operate its business, as currently contemplated, for significantly longer than 12 months from the date of this Report. We have implemented a business model that conserves funds by collaborating with third parties to develop our technologies. During the nine months ended July 31, 2025, we raised approximately \$1,924,000, net of expenses, through an at-the-market equity offering of 611,686 shares of common stock. Under our at-the-market equity program, which is currently effective and may remain available for us to use in the future, as of July 31, 2025, we may sell approximately \$95 million of common stock.

During the nine months ended July 31, 2025, cash used in operating activities was approximately \$5,918,000. Cash provided by investing activities was approximately \$4,212,000, resulting from the maturities of short-term investments of approximately \$40,912,000, offset by purchases of short-term investments of approximately \$36,700,000. Cash provided by financing activities was approximately \$1,930,000, resulting from the sale of 611,686 shares of common stock in an at-the-market equity offering of approximately \$1,924,000, net of expenses, proceeds from the sale of common stock pursuant to an employee stock purchase plan of approximately \$4,000 and proceeds from stock option exercises of approximately \$2,000. As a result, our cash, cash equivalents, and short-term investments at July 31, 2025 decreased approximately \$3,895,000 to approximately \$16,029,000 from approximately \$19,924,000 at the end of fiscal year 2024.

CRITICAL ACCOUNTING POLICIES

The Company's condensed consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. In preparing these financial statements, we make assumptions, judgments and estimates that can have a significant impact on amounts reported in our condensed consolidated financial statements. We base our assumptions, judgments and estimates on historical experience and various other factors that we believe to be reasonable under the circumstances. Actual results could differ materially from these estimates under different assumptions or conditions. On a regular basis, we evaluate our assumptions, judgments and estimates and make changes accordingly.

We believe that, of the significant accounting policies discussed in Note 2 to our consolidated financial statements in our Annual Report on Form 10-K for the fiscal year ended October 31, 2024, the following accounting policies require our most difficult, subjective or complex judgments:

- Revenue Recognition,
- Stock-Based Compensation, and
- Research and Development Expenses.

Revenue Recognition

Our revenue has been derived solely from technology licensing and the sale of patented technologies. Revenue is recognized upon transfer of control of intellectual property rights and satisfaction of other contractual performance obligations to licensees in an amount that reflects the consideration we expect to receive.

Our revenue recognition policy requires us to make certain judgments and estimates in connection with the accounting for revenue. Such areas may include determining the existence of a contract and identifying each party's rights and obligations to transfer goods and services, identifying the performance obligations in the contract, determining the transaction price and allocating the transaction price to separate performance obligations, estimating the timing of satisfaction of performance obligations, determining whether a promise to grant a license is distinct from other promised goods or services and evaluating whether a license transfers to a customer at a point in time or over time.

Our revenue arrangements provide for the payment, within 30 days of execution of the agreement, of contractually determined, one-time, paid-up license fees in settlement of litigation and in consideration for the grant of certain intellectual property rights for patented technologies owned or controlled by the Company. These arrangements typically include some combination of the following: (i) the grant of a non-exclusive, retroactive and future license to manufacture and/or sell products covered by patented technologies owned or controlled by the Company, (ii) a covenant-not-to-sue, (iii) the release of the licensee from certain claims, and (iv) the dismissal of any pending litigation. In such instances, the intellectual property rights granted have been perpetual in nature, extending until the expiration of the related patents. Pursuant to the terms of these agreements, we have no further obligations with respect to the granted intellectual property rights, including no obligation to maintain or upgrade the technology, or provide future support or services. Licensees obtained control of the intellectual property rights they have acquired upon execution of the agreement. Accordingly, the performance obligations from these agreements were satisfied and 100% of the revenue was recognized upon the execution of the agreements.

Stock-Based Compensation

The compensation cost for service-based stock options granted to employees, directors and consultants is measured at the grant date, based on the fair value of the award using the Black-Scholes pricing model, and is recognized as an expense on a straight-line basis over the requisite service period (the vesting period of the stock option) which is one to four years. For employee options vesting if the trading price of the Company's common stock exceeds certain price targets, we use a Monte Carlo Simulation in estimating the fair value at grant date and recognize compensation cost over the implied service period.

For stock awards granted to employees and directors that vest at date of grant we recognize expense based on the grant date market price of the underlying common stock. For restricted stock awards vesting upon achievement of a price target of our common stock, we use a Monte Carlo Simulation in estimating the fair value at grant date and recognize compensation cost over the implied service period (median time to vest).

The Black-Scholes pricing model and the Monte Carlo Simulation we use to estimate fair value requires valuation assumptions of expected term, expected volatility, risk-free interest rates and expected dividend yield. The expected term of stock options represents the weighted average period the stock options are expected to remain outstanding. For employees we use the simplified method, which is a weighted average of the vesting term and contractual term, to determine expected term. The simplified method was adopted since we do not believe that historical experience is representative of future performance because of the impact of the changes in our operations and the change in terms from historical options. For consultants we use the contract term for expected term. Under the Black-Scholes pricing model, we estimated the expected volatility of our shares of common stock based upon the historical volatility of our share price over a period of time equal to the expected term of the grants. We estimated the risk-free interest rate based on the implied yield available on the applicable grant date of a U.S. Treasury note with a term equal to the expected term of the underlying grants. We made the dividend yield assumption based on our history of not paying dividends and our expectation not to pay dividends in the future.

We will reconsider use of the Black-Scholes pricing model and the Monte Carlo Simulation if additional information becomes available in the future that indicates another model would be more appropriate. If factors change and we employ different assumptions in future periods, the compensation expense that we record may differ significantly from what we have recorded in the current period.

Research and Development Expenses

We recognize research and development expenses as incurred. Advance payments for future research and development activities are deferred and expensed as the services are performed. We recognize our preclinical studies and clinical trial expenses based on the services performed pursuant to contracts with research institutions, clinical research organizations (“CROs”), clinical manufacturing organizations (“CMOs”), and other parties that conduct and manage various stages of research and development activities on our behalf. Fees for such services are recognized based on management’s estimates after considering the activities and tasks completed by each service provider in a given period, the time period over which services are expected to be performed, and the level of effort expended in each reporting period.

At each balance sheet date, management estimates prepaid and accrued research and development costs by discussing progress or stage of completion of activities with internal personnel and external service providers, and comparing this information to payments made, invoices received, and the agreed-upon contractual fee to be paid for such services in the applicable contract or statements of work.

In addition, we allocate certain internal compensation costs to research and development expenses based on management’s estimates of each employee’s time and effort expended.

EFFECT OF RECENTLY ISSUED PRONOUNCEMENTS

We discuss the effect of recently issued pronouncements in Note 7 of the condensed consolidated financial statements, included elsewhere in this Report.

Item 3. Quantitative and Qualitative Disclosures About Market Risk. Not applicable.

Item 4. Controls and Procedures.

We carried out an evaluation, under the supervision and with the participation of our management including our Chief Executive Officer and our Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rule 13(a)-15(b) of the Exchange Act. Based upon that evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures are effective as of the end of the period covered by this Report.

There was no change in our internal control over financial reporting during the three months ended July 31, 2025, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

Other than lawsuits related to the enforcement of our patent rights, we are not a party to any material pending legal proceedings, nor are we aware of any pending litigation or legal proceeding against us that would have a material adverse effect upon our results of operations or financial condition.

Item 1A. Risk Factors.

There have been no material changes in our risk factors from those disclosed in our Annual Report on Form 10-K for the fiscal year ended October 31, 2024.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds. None.

Item 3. Defaults Upon Senior Securities. None.

Item 4. Mine Safety Disclosures. Not Applicable.

Item 5. Other Information. None.

Item 6. Exhibits.

31.1	Certification of Chief Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, dated September 10, 2025.
31.2	Certification of Chief Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, dated September 10, 2025.
32.1	Statement of Chief Executive Officer, pursuant to Section 1350 of Title 18 of the United States Code, dated September 10, 2025.
32.2	Statement of Chief Financial Officer, pursuant to Section 1350 of Title 18 of the United States Code, dated September 10, 2025.
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase
104	Cover Page Interactive Data File (formatted in 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.

ANIXA BIOSCIENCES, INC.

September 10, 2025

By: /s/ Dr. Amit Kumar

Dr. Amit Kumar
Chairman and Chief Executive Officer
(Principal Executive Officer)

September 10, 2025

By: /s/ Michael J. Catelani

Michael J. Catelani
President, Chief Operating Officer and
Chief Financial Officer
(Principal Financial and
Accounting Officer)

CERTIFICATION

I, Dr. Amit Kumar, certify that:

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

/s/ Dr. Amit Kumar

Dr. Amit Kumar

Chairman and Chief Executive Officer

(Principal Executive Officer)

September 10, 2025

CERTIFICATION

I, Michael J. Catelani, certify that:

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

/s/ Michael J. Catelani

Michael J. Catelani

President, Chief Operating Officer and Chief Financial Officer
(Principal Financial and Accounting Officer)

September 10, 2025

Statement of Chief Executive Officer
Pursuant to Section 1350 of Title 18 of the United States Code

Pursuant to Section 1350 of Title 18 of the United States Code as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned, Dr. Amit Kumar, the Chairman and Chief Executive Officer of Anixa Biosciences, Inc., hereby certifies that:

1. The Company's Form 10-Q Quarterly Report for the period ended July 31, 2025 (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.

/s/ Dr. Amit Kumar

Dr. Amit Kumar
Chairman and Chief Executive Officer
(Principal Executive Officer)

September 10, 2025

Statement of Chief Financial Officer
Pursuant to Section 1350 of Title 18 of the United States Code

Pursuant to Section 1350 of Title 18 of the United States Code as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned, Michael J. Catelani, the President, Chief Operating Officer and Chief Financial Officer of Anixa Biosciences, Inc., hereby certifies that:

1. The Company's Form 10-Q Quarterly Report for the period ended July 31, 2025 (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.

/s/ Michael J. Catelani

Michael J. Catelani
President, Chief Operating Officer and Chief Financial Officer
(Principal Financial and Accounting Officer)

September 10, 2025
