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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): June 2, 2020 (May 29, 2020)

G1 THERAPEUTICS, INC.
(Exact name of registrant as specified in its charter)

Delaware	**001-38096**	**26-3648180**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

700 Park Offices Drive
Suite 200
Research Triangle Park, NC **27709**
(Address of principal executive offices) **(zip code)**

Registrant's telephone number, including area code: (919) 213-9835

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common stock, $0.0001 par value	**GTHX**	**The Nasdaq Stock Market**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

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. ☐

Item 1.01 Entry into a Material Definitive Agreement.

On May 29, 2020, G1 Therapeutics, Inc. (the "Company"), as borrower, entered into a loan and security agreement (the "Agreement") with Hercules Capital, Inc., the lender (the "Lender"), under which the Lender has agreed to lend the Company up to $100.0 million, to be made available in a series of tranches, subject to specified conditions. The Company requested that the Lender lend an amount of $20.0 million at closing, with the remaining tranches becoming available based on completion of certain performance-based milestones.

Under the terms of the Agreement, the Company received an initial tranche of $20.0 million from the Lender at closing (May 29, 2020), with an option for the Company to borrow up to an additional $10.0 million through March 31, 2021, unless such date is extended by the Lender in its discretion following request by the Company (the "First Tranche"). A second tranche (the "Second Tranche"), consisting of $20.0 million, will become available to the Company for drawdown upon (i) receipt of approval from the Food and Drug Administration ("FDA") of the New Drug Application for trilaciclib for the prevention or mitigation of myelosuppression in small cell lung cancer patients, and (ii) the initiation of a Phase 3 randomized, double-blind trial of trilaciclib versus placebo in patients receiving FOLFOXIRI/bevacizumab for metastatic colorectal cancer (the "Performance Milestone"). The Second Tranche will be available, if specified conditions are met, during the period beginning on January 1, 2021 through December 15, 2021, unless such date is extended by the Lender in its discretion following request by the Company. A third tranche (the "Third Tranche") of $30.0 million will become available upon achievement of the Performance Milestone and the Company's maintenance of a total debt-to-product revenue ratio of less than 2.75 at all times. The Third Tranche will be available to the Company during the period beginning on April 1, 2021 through December 31, 2022. A fourth tranche (the "Fourth Tranche") of $20.0 million will be available at the Lender's option through December 31, 2022.

The loan will mature on June 1, 2024; provided, however, that if the Company achieves the Performance Milestone prior to July 1, 2022 (which may be extended if specified conditions are met), then the loan will mature on June 1, 2025. The Company may make payments of interest only through June 1, 2022, which would be extended through January 1, 2023 upon achievement of the Performance Milestone on or before June 30, 2022, as long as there is no default under the loan. Thereafter, the interest only period would be extended through January 1, 2024, in quarterly increments, subject to continued compliance with the covenants of the Agreement. Amounts borrowed under the Agreement accrue interest at a rate equal to the greater of either (i) (a) the prime rate as reported in The Wall Street Journal, plus (b) 6.40%, and (ii) 9.65%.

The Company is required to pay the Lender a fee up front at closing in the amount of $650,000. The Company may prepay all or a portion of the outstanding principal amount under the Agreement subject to a prepayment fee equaling a percentage of the amount to be prepaid, as follows: (A) (i) 3.0% of the prepayment amount in the first year; (ii) 2.0% of the prepayment amount in the second year; (iii) 1.0% of the prepayment amount in the third year; and (iv) no payment thereafter, plus (B) a charge of 6.95% of the amount of the loan being prepaid. The Company will be required to make a final payment to the Lender in the amount of the greater of (A) $2,085,000 and (B) 6.95% of the aggregate amount of all loan advances, less any amount previously paid pursuant to clause (B) of the preceding sentence.

As security for obligations arising under the Agreement, the Company has granted the Lender a blanket lien on substantially all of the Company's assets, including intellectual property, subject to certain exemptions. The Company is permitted to out-license lerociclib in arms-length transactions and the Company is permitted to out-license rintodestrant upon approval of the licensing terms by the Lender.

Under the Agreement, the Lender has the right to participate in any equity offerings by the Company that are marketed to multiple investors during the term of the loan under the Agreement in an amount up to $2.0 million.

The Agreement contains a covenant that, in the event the Company does not achieve the Performance Milestone by June 30, 2021, at all times on and after July 1, 2021 through the date on which the Company achieves the Performance Milestone, the Company shall maintain a cash balance in an amount greater than or equal to the sum of $20.0 million plus the amount of any of the Company's accounts payable under GAAP not paid after the 120th day following the invoice for such accounts payable. If the Company achieves the Performance Milestone and

does not draw further on the loan under the Agreement, no additional covenants are required. In the event that the Company achieves the Performance Milestone by June 30, 2021, and draws down the Second Tranche, Third Tranche, or Fourth Tranche, additional financial covenants would apply.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information in Item 1.01 of this Current Report on Form 8-K is incorporated by reference into this Item 2.03.

Item 9.01 Financial Statements and Exhibits.

Exhibit No.	Description
99.1	Press Release dated June 1, 2020
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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.

G1 THERAPEUTICS, INC.

By: */s/ Jennifer Moses*
Jennifer Moses
Chief Financial Officer

Date: June 2, 2020

EXHIBIT 99.1

G1 Therapeutics Announces Flexible Credit Financing for Up to $100 Million with Hercules Capital

- Non-dilutive capital to support commercialization and additional development of trilaciclib

RESEARCH TRIANGLE PARK, N.C., JUNE 1, 2020 – G1 Therapeutics, Inc. (Nasdaq: GTHX), a clinical-stage oncology company, today announced that the company has entered into a debt financing agreement with Hercules Capital, Inc. (NYSE: HTGC) for up to $100 million. G1 plans to use the proceeds to fund commercialization and further development of trilaciclib, its first-in-class investigational therapy designed to improve outcomes for people with cancer treated with chemotherapy.

“We expect to file a New Drug Application for trilaciclib later this month for myelopreservation in small cell lung cancer. This financing strengthens our balance sheet as we prepare for commercial launch in our first indication and to execute a robust development plan to evaluate trilaciclib in additional tumor types,” said Mark Velleca, M.D., Ph.D., Chief Executive Officer.

The $100 million credit facility from Hercules is available in four tranches: the first tranche of $30 million is available at loan closing, of which the company plans to utilize $20 million immediately, with the remaining $10 million available through March 31, 2021; the second tranche of $20 million will be available upon achievement of U.S. Food and Drug Administration approval of trilaciclib in small cell lung cancer and initiation of a registrational trial in metastatic colorectal cancer, to be available from January 1, 2021 through December 15, 2021; an additional tranche of $30 million will be available from April 1, 2021 through December 31, 2022, subject to certain terms and conditions, including in connection with net product revenues for trilaciclib; and a final tranche of $20 million will be available prior to December 31, 2022 to support strategic initiatives, subject to future approvals by Hercules.

The term loan has a 24-month interest only period from date of closing, extendible up to 42 months upon achievement of certain conditions. Maturity of the loan is 48 months from date of closing, extendible up to 60 months upon achievement of certain milestones.

“This structured investment represents a significant commitment from Hercules and provides an example of the breadth of our platform and our ability to finance life sciences companies through all stages of development. We are excited to begin our partnership with the G1 management team as they advance the New Drug Application for trilaciclib and prepare for a commercial launch,” said Bryan Jadot, Senior Managing Director and Life Sciences Group Head for Hercules.

Armentum Partners acted as the company’s sole financial adviser in connection with the loan facility.

Additional information regarding the financing agreement will be disclosed in a Current Report on Form 8-K to be filed by the company with the U.S. Securities and Exchange Commission (available here).

About G1 Therapeutics

G1 Therapeutics, Inc. is a clinical-stage biopharmaceutical company focused on the discovery, development and delivery of innovative therapies that improve the lives of those affected by cancer. The company is advancing three clinical-stage programs. Trilaciclib is a first-in-class therapy designed to improve outcomes for patients being treated with chemotherapy. Trilaciclib has received Breakthrough Therapy Designation from the FDA; a rolling NDA submission for small cell lung cancer is expected to be completed in the second quarter of 2020. Rintodestrant is a potential best-in-class oral selective estrogen receptor degrader (SERD) for the treatment of ER+ breast cancer. Lerociclib is a differentiated oral CDK4/6 inhibitor designed to enable more effective combination treatment strategies.

G1 Therapeutics is based in Research Triangle Park, N.C. For additional information, please visit www.g1therapeutics.com and follow us on Twitter @G1Therapeutics.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "may," "will," "expect," "plan," "anticipate," "estimate," "intend" and similar expressions (as well as other words or expressions referencing future events, conditions or circumstances) are intended to identify forward-looking statements. Forward-looking statements in this press release include, but are not limited to, those relating to the therapeutic potential of trilaciclib, rintodestrant and lerociclib, the timing of marketing applications in the U.S. and Europe for trilaciclib in SCLC, trilaciclib's possibility to improve patient outcomes across multiple indications, rintodestrant's potential to be best-in-class oral SERD, lerociclib's differentiated safety and tolerability profile over other marketed CDK4/6 inhibitors and the impact of pandemics such as COVID-19 (coronavirus), are based on the company's expectations and assumptions as of the date of this press release. Each of these forward-looking statements involves risks and uncertainties. Factors that may cause the company's actual results to differ from those expressed or implied in the forward-looking statements in this press release are discussed in the company's filings with the U.S. Securities and Exchange Commission, including the "Risk Factors" sections contained therein and include, but are not limited to, the company's ability to complete clinical trials for, obtain approvals for and commercialize any of its product candidates; the company's initial success in ongoing clinical trials may not be indicative of results obtained when these trials are completed or in later stage trials; the inherent uncertainties associated with developing new products or technologies and operating as a development-stage company; and market conditions. Except as required by law, the company assumes no obligation to update any forward-looking statements contained herein to reflect any change in expectations, even as new information becomes available.

###

Contact:

Jeff Macdonald
Senior Director, Investor Relations & Corporate Communications
919-907-1944
jmacdonald@g1therapeutics.com