UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2022

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: 001-38096

G1 THERAPEUTICS, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware	**26-3648180**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

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

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.0001 per share	GTHX	The Nasdaq Stock 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, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

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

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

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

As of April 29, 2022 the registrant had 42,705,532 shares of common stock, $0.0001 par value per share, outstanding.

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PART I—FINANCIAL INFORMATION

Item 1. Financial Statements.

G1 Therapeutics, Inc.
Condensed Balance Sheets (unaudited)
(in thousands, except share and per share amounts)

	March 31, 2022	December 31, 2021
Assets		
Current assets		
Cash and cash equivalents	$ 183,020	$ 221,186
Restricted cash	63	63
Accounts Receivable	7,615	5,688
Inventories	7,860	3,471
Prepaid expenses and other current assets	9,778	13,157
Total current assets	208,336	243,565
Property and equipment, net	1,898	2,013
Restricted cash	312	312
Operating lease assets	6,775	7,035
Other assets	918	1,169
Total assets	$ 218,239	$ 254,094
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable	$ 11,018	$ 2,897
Accrued expenses	22,577	23,180
Deferred revenue	17	31
Other current liabilities	1,371	1,505
Total current liabilities	34,983	27,613
Loan payable	75,646	75,190
Deferred revenue	1,000	1,000
Operating lease liabilities	6,478	6,750
Total liabilities	118,107	110,553
Stockholders' equity		
Common stock, $0.0001 par value, 120,000,000 shares authorized as of March 31, 2022, and December 31, 2021; 42,732,198 and 42,588,814 shares issued as of March 31, 2022, and December 31, 2021, respectively; 42,705,532 and 42,562,148 shares outstanding as of March 31, 2022, and December 31, 2021, respectively	4	4
Treasury stock, 26,666 shares as of March 31, 2022, and December 31, 2021	(8)	(8)
Additional paid-in capital	733,787	728,004
Accumulated deficit	(633,651)	(584,459)
Total stockholders' equity	100,132	143,541
Total liabilities and stockholders' equity	$ 218,239	$ 254,094

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

G1 Therapeutics, Inc.
Condensed Statements of Operations (unaudited)
(in thousands, except share and per share amounts)

	Three Months Ended March 31,	
	2022	2021
Revenues:		
Product sales, net	$ 5,480	$ 609
License revenue	1,422	13,609
Total revenues	6,902	14,218
Operating expenses:		
Cost of goods sold	669	243
Research and development	26,305	16,540
Selling, general and administrative	26,709	22,970
Total operating expenses	53,683	39,753
Loss from operations	(46,781)	(25,535)
Other income (expense):		
Interest income	9	19
Interest expense	(2,265)	(748)
Other income (expense)	(155)	(40)
Total other income (expense), net	(2,411)	(769)
Loss before income taxes	(49,192)	(26,304)
Income tax expense	-	138
Net loss	$ (49,192)	$ (26,442)
Net loss per share, basic and diluted	$ (1.15)	$ (0.65)
Weighted average common shares outstanding, basic and diluted	42,687,201	40,700,827

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

G1 Therapeutics, Inc.
Condensed Statements of Stockholders' Equity (unaudited)
(in thousands, except share and per share amounts)

	Common stock		Treasury stock		Additional paid-in capital	Accumulated deficit	Total stock-holders' equity
	Shares	Amount	Shares	Amount			
Balance at December 31, 2021	**42,588,814**	**$ 4**	**(26,666)**	**$ (8)**	**$ 728,004**	**$ (584,459)**	**$ 143,541**
Exercise of common stock options	27,333	—	—	—	18	—	18
Restricted stock units vested	116,051	—	—	—	—	—	—
Stock-based compensation	—	—	—	—	5,765	—	5,765
Net loss during quarter	—	—	—	—	—	(49,192)	(49,192)
Balance at March 31, 2022	**42,732,198**	**$ 4**	**(26,666)**	**$ (8)**	**$ 733,787**	**$ (633,651)**	**$ 100,132**

	Common stock		Treasury stock		Additional paid-in capital	Accumulated deficit	Total stock-holders' equity
	Shares	Amount	Shares	Amount			
Balance at December 31, 2020	**38,140,756**	**$ 4**	**(26,666)**	**$ (8)**	**$ 613,462**	**$ (436,107)**	**$ 177,351**
Public offering (ATM)	3,513,027	—	—	—	86,378	—	86,378
Exercise of common stock options	388,857	—	—	—	2,264	—	2,264
Stock-based compensation	—	—	—	—	5,892	—	5,892
Net loss during quarter	—	—	—	—	—	(26,442)	(26,442)
Balance at March 31, 2021	**42,042,640**	**$ 4**	**(26,666)**	**$ (8)**	**$ 707,996**	**$ (462,549)**	**$ 245,443**

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

G1 Therapeutics, Inc.
Condensed Statements of Cash Flows (unaudited)
(amounts in thousands)

	Three Months Ended March 31,	
	2022	2021
Cash flows from operating activities		
Net loss	$ (49,192)	$ (26,442)
Adjustments to reconcile net loss to net cash used in operating activities		
Stock-based compensation	5,765	5,892
Depreciation and amortization	115	120
Amortization of debt issuance costs	541	264
Non-cash interest expense	599	169
Non-cash equity interest, net	166	48
Change in operating assets and liabilities		
Accounts receivable	(1,927)	(4,811)
Inventories	(4,389)	(1,427)
Prepaid expenses and other assets	3,639	(254)
Accounts payable	8,121	(953)
Accrued expenses and other liabilities	(1,608)	597
Deferred revenue	(14)	(83)
Net cash used in operating activities	(38,184)	(26,880)
Cash flows from investing activities		
Net cash provided/used in investing activities	—	—
Cash flows from financing activities		
Proceeds from stock options exercised	18	2,264
Proceeds from loan agreement	—	10,000
Payments of debt issuance costs	—	(100)
Proceeds from public offering, net of underwriting fees and commissions	—	86,429
Payment of public offering costs	—	(51)
Net cash provided by financing activities	18	98,542
Net change in cash, cash equivalents and restricted cash	(38,166)	71,662
Cash, cash equivalents and restricted cash		
Beginning of period	221,561	207,806
End of period	$ 183,395	$ 279,468
Supplemental disclosure of cash flow information		
Cash paid for interest	$ 1,716	$ 483
Non-cash operating, investing and financing activities		
Upfront project costs and other current assets in accounts payable and accrued expenses	$ —	$ 2,164

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

1. Business Description

G1 Therapeutics, Inc. (the "Company" or "G1") is a commercial-stage biopharmaceutical company focused on the development and commercialization of novel small molecule therapeutics for the treatment of patients with cancer. The Company's first U.S. Food and Drug Administration ("FDA")-approved product, COSELA™ (trilaciclib) is the first and only therapy indicated to proactively help protect bone marrow from the damage of chemotherapy (myeloprotection) and is the first innovation in managing myelosuppression in decades. Trilaciclib was developed from a technology platform that targets key cellular pathways including transient arrest of the cell cycle at the G1 phase, prior to the beginning of DNA replication. Controlled administration and clean G1 arrest reduce hematologic adverse events ("AEs") caused by cytotoxic therapy and may increase the ability to receive longer treatment durations. Transient CDK4/6 inhibition also modulates multiple immune functions while allowing beneficial T cell proliferation which may improve patients' anti-tumor immune responses. The Company is exploring the use of trilaciclib in a variety of trials across multiple tumor types and treatment combinations to optimize these dual benefits of myeloprotection and improved anti-tumor efficacy for patients globally. The Company was incorporated on May 19, 2008 in the state of Delaware.

The Company uses "COSELA" when referring to its FDA approved drug and "trilaciclib" when referring to the development of COSELA for additional indications.

Product Portfolio

The Company's lead compound, trilaciclib, is a first-in-class therapy designed to help protect against chemotherapy-induced myelosuppression. Trilaciclib helps protect hematopoietic stem and progenitor cells ("HSPCs") in the bone marrow by transiently inhibiting CDK4/6 leading to a temporary arrest of susceptible host cells during chemotherapy in patients. This reduces the duration and severity of neutropenia and other myelosuppressive consequences of chemotherapy. In addition, trilaciclib may improve anti-tumor efficacy when administered as combination treatment in patients by increasing their ability to receive more cytotoxic therapy, protecting their immune systems from damage caused by cytotoxic therapy, and improving their immune responses by modulating multiple immune functions while also allowing beneficial T cell proliferation. On February 12, 2021, trilaciclib (COSELA™) was approved by the FDA to decrease the incidence of chemotherapy-induced myelosuppression in adult patients when administered prior to a platinum/etoposide-containing regimen or topotecan-containing regimen for extensive small cell lung cancer ("ES-SCLC"). The Company continues to explore these dual benefits of myeloprotection and anti-tumor efficacy across multiple clinical trials.

The Company is also executing on its tumor-agnostic strategy to evaluate the potential benefits of trilaciclib to patients with other tumors and to generate new data for trilaciclib in a variety of cytotoxic settings and treatment combinations to maximize its potential for patients in existing and future treatment paradigms. The Company currently has five on-going clinical trials: a Phase 3 pivotal trial in 1L colorectal cancer ("CRC"), a Phase 3 pivotal trial in 1L metastatic triple negative breast cancer ("mTNBC"), a Phase 2 trial in 1L bladder cancer with chemotherapy induction and checkpoint inhibitor maintenance, a Phase 2 trial in combination with an antibody-drug conjugate ("ADC") in 2L/3L mTNBC, and a Phase 2 trial in neoadjuvant TNBC designed to validate trilaciclib's immune-based mechanism of action ("MOA"). These studies will evaluate trilaciclib's dual benefits of proactive multi-lineage myeloprotection and anti-tumor efficacy across tumor types and treatment combinations and will help inform the design of future additional pivotal studies. The Company is also conducting extensive preclinical work to assess the additive/synergistic potential of trilaciclib with a variety of new and emerging therapeutic agents that may be pursued as combination treatments in future clinical trials.

Trilaciclib Product Portfolio

Candidate	Indication	Current Status	Timing of Initial Results	Endpoints	Development & Commercialization Rights (all indications)
trilaciclib	1L metastatic Colorectal cancer (CRC)	Registrational trial (enrolling)	1Q 2023	Primary: myeloprotection* Secondary: ORR*, PFS/OS, PRO	G1 Therapeutics owns all global development and commercial rights across all indications, with the exception of Greater China (Simcere)
	1L metastatic Triple negative breast cancer (mTNBC)	Registrational trial (enrolling)	2H 2023	Primary: OS* Secondary: PRO, myeloprotection, PFS/ORR	
	1L Bladder cancer (mUC)	Phase 2 trial (enrolling)	4Q 2022	Primary: PFS Secondary: ORR*, OS, myeloprotection*, others	
	Antibody-drug conjugate (ADC) combination trial in mTNBC	Phase 2 trial (enrolling)	4Q 2022	Primary: PFS Secondary: ORR*, OS, myeloprotection*, others	
	Mechanism of action trial in early stage neoadjuvant TNBC	Phase 2 trial (enrolling)	4Q 2022	Primary: Immune-based MOA* Secondary: pCR, immune response, others	

PFS=progression-free survival; OS=overall survival; PRO=patient reported outcome; ORR=overall response rate; pCR=pathological complete response; MOA=mechanism of action.

*Initial results: Phase 3 colorectal cancer trial: myeloprotection and ORR endpoints; Phase 3 1L mTNBC trial: interim results for OS; Phase 2 bladder cancer trial: ORR and myeloprotection endpoints; Phase 2 trial in combination with the ADC Trodelvy: ORR and myeloprotection endpoints; Phase 2 trial to confirm the immune-based mechanism of action (MOA) of trilaciclib in early-stage neoadjuvant TNBC: immune endpoints (e.g., CD8+ / Treg ratio)

The Company also has an active investigator Initiated Studies (“ISS”) program. An ISS is a study that is developed and conducted by a qualified physician external to the Company who assumes full responsibility for the conduct of the study. The Company supports investigator sponsored studies that align with its areas of scientific interest.

The Company out-licensed global rights to lerociclib, an internally discovered and differentiated oral CDK4/6 inhibitor designed to enable more effective combination treatment strategies across multiple oncology indications. In addition, the company out-licensed global rights to an internally discovered cyclin dependent kinase 2 (“CDK2”) inhibitor for all human and veterinary uses. After completing the evaluation of the Company’s rintodestrant partnering options and recent data in the highly competitive oral SERD space, the Company has made the strategic decision to discontinue the program, including all clinical and partnering efforts. The Company will responsibly wind down all remaining clinical efforts for rintodestrant by the end of this year and revert the rights back to the originator (University of Illinois Chicago); there are no additional financial obligations due to the originator resulting from the reversion. The Company also has intellectual property focused on cyclin-dependent kinase targets.

2. Basis of Presentation and Summary of Significant Accounting Policies

Basis of Presentation

The accompanying condensed financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States of America (“U.S. GAAP”). In the opinion of management, the Company has made all necessary adjustments, which include normal recurring adjustments necessary for a fair statement of the Company’s financial position and results of operations for the interim periods presented.

The information presented in the condensed financial statements and related notes as of March 31, 2022, and for the three months ended March 31, 2022, and 2021, is unaudited. The results for the three months ended March 31, 2022, are not necessarily indicative of the results expected for the full fiscal year or any future period. These interim financial statements should be read in conjunction with the financial statements and notes set forth in the Company's Annual Report on Form 10-K for the year ended December 31, 2021 filed with the SEC on February 23, 2022, (the "2021 Form 10-K"). The December 31, 2021 condensed balance sheet included herein was derived from the audited financial statements as of that date, but does not include all disclosures, including notes, required by U.S. GAAP for complete financial statements. Certain amounts have been reclassified to conform to current presentation.

The Company's financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. The Company has the ability to fund these operations for at least the next 12 months from the date of issuance of these financial statements. As of March 31, 2022, the Company had an accumulated deficit of $633.7 million. The Company has reported a net loss in all fiscal periods since inception and expects to incur substantial losses in the future to conduct research and development and pre-commercialization activities.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. On an ongoing basis, the Company's management evaluates its estimates which include, but are not limited to, estimates related to accrued expenses, accrued external clinical costs, net product sales, common stock valuation, stock-based compensation expense and deferred tax asset valuation allowance. Actual results could differ from those estimates.

Accounts Receivable

The Company's accounts receivable consists of amounts due from specialty distributors in the U.S. (collectively, its "Customers") related to sales of COSELA and have standard payment terms. Trade receivables are recorded net of the estimated variable consideration for chargebacks based on contractual terms and the Company's expectation regarding the utilization and earnings of the chargebacks and discounts as well as the net amount expected to be collected from its customers. Estimates of the Company's credit losses are determined based on existing contractual payment terms, individual customer circumstances, and any changes to the economic environment.

In addition, the Company's accounts receivable consists of open invoices issued to its license partners for services rendered by the Company or receivables with its license partners for invoices related to milestones that were completed and recognized as revenue.

Inventories

Inventories are stated at the lower of cost or net realizable value and recognized on a weighted-average cost method. The Company uses actual cost to determine the cost basis for inventory. Inventory is capitalized based on when future economic benefit is expected to be realized. Due to the nature of the Company's supply chain process, inventory that is owned by the Company, is physically stored at third-party warehouses, logistics providers, and contract manufacturers. The Company began capitalizing inventory upon receiving FDA approval for COSELA on February 12, 2021. Prior to FDA approval of COSELA, expenses associated with the manufacturing of the Company's products were recorded as research and development expense.

Inventory valuation reserves are established based on a number of factors including, but not limited to, finished goods not meeting product specifications, product excess and obsolescence, or application of the lower of cost or net realizable value concepts. The determination of events requiring the establishment of inventory valuation, together with the calculation of the amount of such reserves may require judgment. The Company analyzes its inventory levels on a periodic basis to determine if any inventory is at risk for expiration prior to sale or has a cost basis that is greater than its estimated future net realizable value. Any adjustments are recognized through cost of sales in the period in which they are incurred. No inventory valuation reserves have been recorded for any periods presented.

Revenue Recognition

For elements of those arrangements that the Company determines should be accounted for under ASC 606, *Revenue from Contracts with Customers* ("ASC 606"), the Company assesses which activities in its license or collaboration agreements are performance obligations that should be accounted for separately and determines the transaction price of the arrangement, which includes the assessment of the probability of achievement of future milestones and other potential consideration. For arrangements that include multiple performance obligations, such as granting a license or performing manufacturing or research and development activities, the Company allocates the transaction price based on the relative standalone selling price and recognizes revenue that is allocated to the respective performance obligation when (or as) control is transferred to the customer and the performance obligation is satisfied. Accordingly, the Company develops assumptions that require judgment to determine the standalone selling price for each performance obligation identified in the contract. These key assumptions may include revenue forecasts, clinical development timelines and costs, discount rates and probabilities of clinical and regulatory success.

License Revenue

Licenses of Intellectual Property

If a license to the Company's intellectual property is determined to be distinct from the other performance obligations identified in the arrangement, the Company recognizes revenue allocated to the license when the license is transferred to the customer and the customer is able to use and benefit from the license. For licenses that are bundled with other promises, the Company utilizes judgment to assess the nature of the combined performance obligation to determine whether the combined performance obligation is satisfied over time or at a point in time and, if over time, the appropriate method of measuring progress for purposes of recognizing revenue associated with the bundled performance obligation. The Company evaluates the measure of progress each reporting period and, if necessary, adjusts the measure of progress and related revenue recognition.

Milestone Payments

At the inception of each arrangement that includes developmental and regulatory milestone payments, the Company evaluates whether the achievement of each milestone specifically relates to the Company's efforts to satisfy a performance obligation or transfer a distinct good or service within a performance obligation. The Company evaluates each milestone to determine when and how much of the milestone to include in the transaction price. The Company first estimates the amount of the milestone payment that the Company could receive using either the expected value or the most likely amount approach. The Company primarily uses the most likely amount approach as that approach is generally most predictive for milestone payments with a binary outcome. Then, the Company considers whether any portion of that estimated amount is subject to the variable consideration constraint (that is, whether it is probable that a significant reversal of cumulative revenue would not occur upon resolution of the uncertainty). The Company updates the estimate of variable consideration included in the transaction price at each reporting date which includes updating the assessment of the likely amount of consideration and the application of the constraint to reflect current facts and circumstances.

Royalties

For arrangements that include sales-based royalties, including milestone payments based on the level of sales, and the license is deemed to be the predominant item to which the royalties relate, the Company will recognize revenue at the later of (i) when the related sales occur, or (ii) when the performance obligation to which some or all of the royalty has been allocated has been satisfied (or partially satisfied). To date, the Company has not recognized any revenue related to sales-based royalties or milestone payments based on the level of sales.

Product Sales, Net

The Company sells COSELA to specialty distributors in the U.S. and, in accordance with ASC 606, recognizes revenue at the point in time when the customer is deemed to have obtained control of the product. The customer is deemed to have obtained control of the product at the time of physical receipt of the product at the customers' distribution facilities, or Free on Board ("FOB") destination, the terms of which are designated in the contract.

Product sales are recorded at the net selling price, which includes estimates of variable consideration for which reserves are established for (a) rebates and chargebacks, (b) co-pay assistance programs, (c) distribution fees, (d) product returns, and (e) other discounts. Where appropriate, these estimates take into consideration a range of possible outcomes which are probability-weighted for relevant factors such as current contractual and statutory requirements, and forecasted customer buying and payment patterns. Overall, these reserves reflect the Company's best estimates of the amount of consideration to which it is entitled based on the terms of the applicable contract. The amount of variable consideration may be constrained and is included in the net sales price only to the extent that it is probable that a significant reversal in the amount of the cumulative revenue recognized will not occur in a future period. Actual amounts of consideration ultimately received may differ from the Company's estimates. If actual results in the future vary from estimates, the Company adjusts these estimates, which would affect net product revenue and earnings in the period such variances become known.

Liabilities related to co-pay assistance, rebates, and GPO fees are classified as "Accrued Expenses" in the Condensed Balance Sheets. Discounts such as chargebacks, returns, and specialty distributor fees are recorded as a reduction to trade accounts receivable, which is included in "Accounts Receivable" in the Condensed Balance Sheets.

Forms of Variable Consideration

Rebates and Chargebacks*:* The Company estimates reductions to product sales for Public Health Service Institutions, such as Medicaid, Medicare and Veterans' Administration ("VA") programs, as well as certain other qualifying federal and state government programs, and other group purchasing organizations. The Company estimates these reductions based upon the Company's contracts with government agencies and other organizations, statutorily defined discounts and estimated payor mix. These organizations purchase directly from the Company's specialty distributors at a discount and the specialty distributors charge the Company back the difference between the wholesaler price and the discounted price. The Company's liability for Medicaid rebates consists of estimates for claims that a state will make. The Company's reserve for this discounted pricing is based on expected sales to qualified healthcare providers and the chargebacks that customers have already claimed.

Co-pay assistance: Eligible patients who have commercial insurance may receive assistance from the Company to reduce the patient's out of pocket costs. Liabilities for co-pay assistance are calculated by actual program participation from third-party administrators.

Distribution Fees: The Company has written contracts with its customers that include terms for distribution fees and costs for inventory management. The Company estimates and records distribution fees due to its customers based on gross sales.

Product Returns: The Company generally offers a right of return based on the product's expiration date and certain spoilage and damaged instances. The Company estimates the amount of product sales that may be returned and records the estimate as a reduction of product sales in the period the related product sales are recognized. The Company's estimates for expected returns are based primarily on an ongoing analysis of sales information and visibility into the inventory remaining in the distribution channel.

Cost of Goods Sold

Cost of goods sold includes direct and indirect costs related to the manufacturing and distribution of COSELA, including third-party manufacturing costs, packaging services, freight-in, third-party logistics costs associated with COSELA, and Company personnel costs. Cost of goods sold may also include period costs related to certain inventory manufacturing services and inventory adjustment charges. In connection with the FDA approval of COSELA on February 12, 2021, the Company subsequently began capitalizing inventory manufactured or purchased after this date. As a result, certain manufacturing costs associated with product shipments of COSELA were expensed prior to FDA approval and, therefore, are not included in cost of goods sold during the current period.

Research and Development

Research and development expenses consist of costs incurred to further the Company's research and development activities and include salaries and related employee benefits, manufacturing of pharmaceutical active ingredients and drug products, costs associated with clinical trials, nonclinical activities, regulatory activities, research-related overhead expenses and fees paid to expert consultants, external service providers and contract research organizations which conduct certain research and development activities on behalf of the Company. Costs incurred in the research and development of products are charged to research and development expense as incurred.

Each reporting period, management estimated and accrued research and development expenses, including external clinical study costs associated with clinical trial activities. The process of estimating and accruing expenses involves reviewing contracts and purchase orders, identifying services that have been provided on the Company's behalf, and estimating the level of service performed and the associated cost incurred for the service when the Company has not yet been invoiced or otherwise notified of the actual costs.

Costs for clinical trial activities were estimated based on an evaluation of vendors' progress towards completion of specific tasks, using data such as patient enrollment, clinical site activations or information provided by vendors regarding their actual costs incurred. Payments for these activities are based on the terms of individual contracts and payment timing may differ significantly from the period in which the services were performed. The Company determines accrual estimates through reports from and discussions with applicable personnel and outside service providers as to the progress or state of completion of trials, or the services completed. The estimates of accrued external clinical study costs as of each balance sheet date are based on the facts and circumstances known at the time.

Income Taxes

Income taxes are accounted for using the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statements carrying amounts of assets and liabilities and their respective tax bases, operating loss carryforwards, and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

In accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 740, *Accounting for Income Taxes*, the Company reflects in the financial statements the benefit of positions taken in a previously filed tax return or expected to be taken in a future tax return only when it is considered 'more-likely-than-not' that the position taken will be sustained by a taxing authority. As of March 31, 2022, and December 31, 2021, the Company had no unrecognized income tax benefits and correspondingly there is no impact on the Company's effective income tax rate associated with these items. The Company's policy for recording interest and penalties relating to uncertain income tax positions is to record them as a component of income tax expense in the accompanying statements of operations. As of March 31, 2022, and December 31, 2021, the Company had no such accruals.

Income tax expense recognized during the three months ended March 31, 2021 related to the foreign withholding taxes incurred as a result of the Simcere milestone payments received during the period. There was no income tax expense recognized during the three months ended March 31, 2022.

Stock-Based Compensation

The primary type of stock-based payments utilized by the Company are stock options. The Company accounts for stock-based employee compensation arrangements by measuring the cost of employee services received in exchange for all equity awards granted based on the fair value of the award on the grant date. The fair value of each employee stock option is estimated on the date of grant using an options pricing model. The Company currently uses the Black-Scholes valuation model to estimate the fair value of its share-based payments. The model requires management to make a number of assumptions including expected volatility, expected life, risk-free interest rate and expected dividends.

The Company also incurs stock-based compensation expense related to restricted stock units ("RSUs") granted to employees. The fair value of RSUs is determined by the closing market price of the Company's common stock on the date of grant and then recognized over the requisite service period of the award.

Debt Issuance Costs

Debt issuance costs are amortized to interest expense over the estimated life of the related debt based on the effective interest method. In accordance with ASC 835, *Interest*, the Company presents debt issuance costs on the condensed balance sheet as a direct deduction from the associated debt.

3. Fair Value Measurements

The Company provides disclosure of financial assets and financial liabilities that are carried at fair value based on the price that would be received upon sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements may be classified based on the amount of subjectivity associated with the inputs to fair valuation of these assets and liabilities using the following three levels:

Level 1 Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.

Level 2 Inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 Unobservable inputs that reflect the Company's estimates of the assumptions that market participants would use in pricing the asset or liability. The Company develops these inputs based on the best information available, including its own data.

The carrying amounts of cash, cash equivalents, accounts payable and accrued liabilities approximate fair value because of their short-term nature.

At March 31, 2022, and December 31, 2021, these financial instruments and respective fair values have been classified as follows (in thousands):

	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant other unobservable inputs (Level 3)	Balance at March 31, 2022
Assets				
Money market funds	$ 72,052	$ —	$ —	$ 72,052
Total assets at fair value:	$ 72,052	$ —	$ —	$ 72,052

	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant other unobservable inputs (Level 3)	Balance at December 31, 2021
Assets				
Money market funds	$ 110,443	$ —	$ —	$ 110,443
Total assets at fair value:	$ 110,443	$ —	$ —	$ 110,443

During the three months ended March 31, 2022, and the year ended December 31, 2021, there were no changes in valuation methodology.

The Loan Payable (discussed in Note 8), which is classified as a Level 3 liability, has a variable interest rate and the carrying value approximates its fair value. As of March 31, 2022, the carrying value was $75.6 million.

4. Inventories

Inventories as of March 31, 2022, and December 31, 2021 consist of the following (in thousands):

	March 31, 2022	December 31, 2021
Raw materials	$ 2,799	$ 2,105
Work in process	2,294	1,342
Finished goods	2,767	24
Inventories	$ 7,860	$ 3,471

The Company uses third party contract manufacturing organizations for the production of its raw materials, active pharmaceutical ingredients, and finished drug product which the Company owns. Costs incurred by the Company for manufacturing of initial commercial product of COSELA in preparation of commercial launch were expensed prior to FDA approval.

5. Property and Equipment

Property and equipment consists of the following (in thousands):

	March 31, 2022	December 31, 2021
Computer equipment	$ 327	$ 327
Laboratory equipment	334	334
Furniture and fixtures	866	866
Leasehold improvements	1,782	1,782
Accumulated depreciation	(1,411)	(1,296)
Property and equipment, net	$ 1,898	$ 2,013

Depreciation expense relating to property and equipment was $115 thousand and $120 thousand for the three months ended March 31, 2022, and March 31, 2021, respectively.

6. Patent License Agreement

On November 23, 2016, the Company entered into a license agreement with the Board of Trustees of the University of Illinois (the "University"), which was amended on March 24, 2017. Pursuant to the license agreement, as amended, the University licensed patent rights to the Company, with rights of sublicense, to make, have made, use, import, sell and offer for sale products covered by certain patent rights owned by the University. The rights licensed to the Company are exclusive, worldwide, non-transferable rights, for all fields of use. Under the terms of the agreement the Company paid a one-time only, non-refundable license issue fee in the amount of $0.5 million which was charged to research and development expense in the fourth quarter of 2016.

The Company is also obligated to pay annual maintenance fees to the University. All annual minimum payments are fully creditable against any royalty payments made by the Company. Under the terms of the agreement, the Company must pay the University a royalty percentage on all net sales of products and a share of sublicensing revenues. In addition, the University is eligible to receive milestone payments of up to $2.6 million related to the initiation and execution of clinical trials and the first commercial sale of a product in another country. To date, the Company has made milestone payments totaling $0.6 million, all of which were made prior to the current quarter. The Company will be responsible for any future patent prosecution costs that may arise.

The term of the license agreement will continue until the later of (i) the expiration of the last valid claim within the patent rights covering the product in such country, (ii) the expiration of market exclusivity in such country and (iii) the 10th anniversary of the first commercial sale in such country. The University may terminate the agreement in the event (i) the Company fails to pay any amount or make any report when required to be made and fails to cure such failure within thirty (30) days after receipt of notice from the University, (ii) is in breach of any provision of the agreement and fails to remedy within forty-five (45) days after receipt of notice, (iii) makes a report to the University under the agreement that is determined to be materially false, (iv) declares insolvency or bankruptcy or (v) takes an action that causes patent rights or technical information to be subject to lien or encumbrance and fails to remedy any such breach within forty-five (45) days of receipt of notice from the University. The Company may terminate the agreement at any time on written notice to the University at least ninety (90) days prior to the termination date specified in the notice. Upon expiration or termination of the agreement, all rights revert to the University. In May 2022, the Company notified the University that it was terminating the license agreement.

7. Accrued Expenses

Accrued expenses are comprised as follows (in thousands):

	March 31, 2022	December 31, 2021
Accrued external research	$ 591	$ 773
Accrued professional fees and other	3,985	8,058
Accrued external clinical study costs	15,945	9,579
Accrued compensation expense	2,056	4,770
Accrued expenses	$ 22,577	$ 23,180

8. Loan Payable

On May 29, 2020, the Company entered into a loan and security agreement (the "Loan Agreement") with Hercules Capital, Inc. ("Hercules"), under which Hercules agreed to lend the Company up to $100.0 million, to be made available in a series of tranches, subject to certain terms and conditions. The first tranche totals $30.0 million, of which the Company received $20.0 million at closing. Upon initiation of the phase 3 trial of COSELA for metastatic colorectal cancer and receiving FDA approval for COSELA for small cell lung cancer ("Performance Milestone"), the second tranche of $20.0 million became available to the Company for drawdown through December 15, 2021. The third tranche of $30.0 million will be available through December 31, 2022. The fourth tranche of $20.0 million will be available at Hercules' approval through December 31, 2022. On March 31, 2021, the Company entered into the First Amendment to Loan and Security Agreement (the "First Amendment") with Hercules whereby the Company drew the remaining $10.0 million of the first tranche and the interest rate and financial covenants were amended. Unless loan advances exceeded $40.0 million, no financial covenants were required.

Amounts borrowed under the Loan Agreement will bear an interest 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%. Based on original terms of the Loan Agreement, the Company will make interest only payments through June 1, 2022 and following the interest only period, the Company will repay the principal balance and interest of the advances in equal monthly installments through June 1, 2024. Based on the original terms of the Loan Agreement, upon satisfaction of the Performance Milestone, the interest only period was extended through January 1, 2023 and the maturity date was extended to June 1, 2025. Upon entering into the First Amendment on March 31, 2021, the interest rate was amended to the greater of either (i) (a) the prime rate as reported in The Wall Street Journal, plus (b) 6.20%, and (ii) 9.45%.

The Company may prepay advances under the Loan Agreement, in whole or in part, at any time subject to a prepayment charge equal to (a) 3.0% of the prepayment amount in the first year; (b) 2.0% of the prepayment amount in the second year; and (c) 1.0% of the prepayment amount in the third year.

Upon prepayment or repayment of all or any of the advances under the Loan Agreement, the Company will pay (in addition to the prepayment charge) an end of term charge of 6.95% of the aggregate funded amount. With respect to the first tranche, the end of term charge of $2.1 million will be payable upon any prepayment or repayment. To the extent that the Company is provided additional advances under the Loan Agreement, the 6.95% end of term charge will be applied to such additional amounts. These amounts have been accrued over the term of the loan using effective-interest method.

On November 1, 2021, the Company entered into a Second Amendment to Loan and Security Agreement (the "Second Amendment") under which Hercules agreed to lend the Company up to $150.0 million, to be made available in a series of tranches, subject to certain terms and conditions. The first tranche was increased to $100.0 million. At close of the Second Amendment, the Company borrowed an additional $45.0 million from tranche 1 with $25.0 million remaining to be borrowed through September 15, 2022. The second tranche of $20.0 million will become available to the Company upon achievement of $50.0 million trailing six-month net product revenue of COSELA no later than June 30, 2023 and will be available through December 15, 2023. The third tranche of $15.0 million will become available upon achievement of certain development performance milestones and available through December 15, 2023. The fourth tranche of $15.0 million will be available at Hercules' approval through June 30, 2024.

Amounts borrowed under the Second Amendment will bear an interest rate equal to the greater of either (i) (a) the prime rate as reported in The Wall Street Journal, plus (b) 5.90%, and (ii) 9.15%. The Company will make interest only payments through December 1, 2024 and may be extended through December 1, 2025, in quarterly increments, subject to compliance with covenants of the Second Amendment. Following the interest only period, the Company will repay the principal balance and interest of the advances in equal monthly installments through November 1, 2026.

The Company may prepay advances under the Second Amendment, in whole or in part, at any time subject to a prepayment charge equal to (a) 3.0% of the prepayment amount in the first year from the closing of the Second Amendment; (b) 2.0% of the prepayment amount in the second year from the closing of the Second Amendment; and (c) 1.0% of the prepayment amount in the third year from the closing of the Second Amendment.

Upon prepayment or repayment of all or any of the advances under the Second Amendment, the Company will pay (in addition to the prepayment charge) an end of term charge of 6.75% of the aggregate amount funded. The Company will be required to make a final payment to Hercules in the amount of 6.75% of the amounts funded, less any amount previously paid. In addition, the Company will be required to make a payment to the lender for $2.1 million on the earliest occurrence of (i) June 1, 2025, (ii) the date the Company repays the outstanding principal amount in full, or (iii) the date that the principal amount becomes due and payable in full.

The Second Amendment is secured by substantially all of the Company's assets, including intellectual property, subject to certain exemptions. The Company out-licensed lerociclib as permitted in the Loan Agreement and the Company may out-license rintodestrant upon approval of the licensing terms by Hercules.

The Second Amendment contains a minimum revenue covenant. Beginning August 15, 2022, with the reporting of the financial results for the second fiscal quarter ended June 30, 2022, and tested monthly, the Company must have achieved net product revenue of COSELA of at least 65% of the amounts projected in the Company's forecast. Testing of the minimum revenue covenant shall be waived at any time in which either (a) the Company's market capitalization exceeds $750.0 million and the Company maintains unrestricted cash equal to at least 50% of the total amounts funded, or (b) the Company maintains unrestricted cash equal to at least 100% of the total amounts funded.

The Company evaluated the Second Amendment under the guidance found in ASC 470-50 *Modification and Extinguishment*. The Company concluded that the previous debt under the Loan Agreement was extinguished based on the difference in present value of the cash flows of the Loan Agreement and the Second Amendment. Accordingly, the difference between the carrying value of the Loan Agreement as of November 1, 2021, including the unamortized debt issuance costs, and the fair value of the Second Amendment was recorded as a $0.2 million loss on extinguishment of debt for the twelve months ended December 31, 2021. Fees paid to third parties directly related to the funded portion of the Second Amendment have been capitalized as debt issuance costs and will be amortized to interest expense over the life of the Second Amendment using the effective interest method. Fees paid that were directly related to the unfunded portion is accounted for as a deferred financing charge and amortized to interest expense over the period the unfunded portions are available. The end of term charges associated with the Second Amendment are being accreted through interest expense using the effective interest method over the related term of the debt. During the three months ended March 31, 2022, the Company recognized $2.3 million of interest expense related to the debt, which is reflected in other income (expense), net on the statement of operations.

As of March 31, 2022, the future principal payments due under the Loan Agreement, excluding interest, is as follows:

	Amount
2022	$ —
2023	—
2024	2,853
2025	35,951
2026	36,196
Total principal outstanding	75,000
End of term charge	1,520
Unamortized debt issuance costs	(874)
Total	$ 75,646

9. Stockholders' Equity

Common Stock

The Company is authorized to issue 120.0 million shares of common stock. Holders of common stock are entitled to one vote per share. Holders of common stock are entitled to receive dividends, as, if and when declared by the Company's Board of Directors.

On June 15, 2018, the Company entered into a sales agreement for "at the market offerings" with Cowen and Company, LLC ("Cowen"), which allowed the Company to issue and sell shares of common stock pursuant to a shelf registration statement for total gross sales proceeds of up to $125.0 million from time to time through Cowen, acting as its agent. Between January 14, 2021 and February 9, 2021, the Company sold 3,513,027 shares of common stock pursuant to this agreement, resulting in $86.4 million in net proceeds. As of February 9, 2021, the Company has used the entirety of the remaining availability under the 2018 sales agreement with Cowen.

On July 2, 2021, the Company filed an automatic shelf registration statement on Form S-3 with the Securities and Exchange Commission (the "SEC"), which became effective upon filing, pursuant to which the Company registered for sale an unlimited amount of any combination of its common stock, preferred stock, debt securities, warrants, rights and/or units from time to time and at prices and on terms that the Company may determine, so long as the Company continued to satisfy the requirements of a "well-known seasoned issuer" under SEC rules (the "2021 Form S-3").

In connection with the 2021 Form S-3, on July 2, 2021, the Company entered into a sales agreement for "at the market offerings" with Cowen, which allowed the Company to issue and sell shares of common stock pursuant to the 2021 Form S-3 for total gross sales proceeds of up to $150.0 million from time to time through Cowen, acting as its agent (the "2021 Sales Agreement"). The Company did not sell any shares of common stock under the 2021 Sales Agreement.

Since the Company no longer qualifies as a "well-known seasoned issuer" as such term is defined in Rule 405 under the Securities Act of 1933, as amended, at the time of the filing of the Company's 2021 Form 10-K in February 2022, the Company filed an automatic post-effective amendment to the 2021 Form S-3 on Form POSASR prior to filing of the Company's 2021 Form 10-K, which became effective upon filing, to register for sale up to $300.0 million of any combination of its common stock, preferred stock, debt securities, warrants, rights and/or units from time to time and at prices and on terms that the Company may determine and, as required by SEC rules, and another post-effective amendment to the 2021 Form S-3 on Form POS AM after the filing of the Company's 2021 Form 10-K. The post-effective amendment to the 2021 Form S-3 on Form POS AM was declared effective by the SEC on May 3, 2022 and the 2021 Form S-3 will remain in effect for up to three years from the date it originally became effective, which was July 2, 2021. The Company makes no assurances as to the continued effectiveness of the 2021 Form S-3. The 2021 Form S-3 also includes a prospectus covering up to an aggregate of $100.0 million in common stock that the Company may issue and sell from time to time, through Cowen acting as its sales agent, pursuant to that certain sales agreement that the Company entered into with Cowen on February 23, 2022 (the "2022 Sales Agreement"). In connection with the Company entering into the 2022 Sales Agreement with Cowen, the Company terminated the 2021 Sales Agreement. As of the date hereof, we have not sold any shares of common stock or other securities under the 2022 Sales Agreement for our "at the market offerings."

Preferred Stock

The Company is authorized to issue 5.0 million shares of undesignated preferred stock in one or more series. As of March 31, 2022, no shares of preferred stock were issued or outstanding.

Shares Reserved for Future Issuance

The Company has reserved authorized shares of common stock for future issuance at March 31, 2022, and December 31, 2021 as follows:

	March 31, 2022	December 31, 2021
Common stock options outstanding	7,760,708	6,701,727
RSUs outstanding	602,866	414,991
Options and RSUs available for grant under Equity Incentive Plans	2,227,948	1,771,635
	10,591,522	8,888,353

10. Stock-Based Compensation

2011 Equity Incentive Plan

In March 2011, the Company adopted the 2011 Equity Incentive Plan (the "2011 Plan"). The 2011 Plan provided for the direct award or sale of the Company's common stock and for the grant of stock options to employees, directors, officers, consultants and advisors of the Company. The 2011 Plan was subsequently amended in August 2012, October 2013, February 2015, December 2015, April 2016 and November 2016 to allow for the issuance of additional shares of common stock. In connection with the adoption of the 2017 Plan (as defined below), the 2011 Plan was terminated and no further awards will be made under the 2011 Plan.

2017 Equity Incentive Plan

In May 2017, the Company adopted the 2017 Equity Incentive Plan (the "2017 Plan"). The 2017 Plan provided for the direct award or sale of the Company's common stock and for the grant of up to 1,932,000 stock options to employees, directors, officers, consultants and advisors of the Company. The 2017 Plan provides for the grant of incentive stock options, non-statutory stock options or restricted stock. Effective January 1, 2021, and in accordance with the "evergreen" provision of the 2017 Plan, an additional 1,096,553 shares were made available for issuance.

Under both the 2011 Plan and the 2017 Plan, options to purchase the Company's common stock may be granted at a price no less than the fair market value of a share of common stock on the date of grant. The fair value shall be the closing sales price for a share as quoted on any established securities exchange for such grant date or the last preceding date for which such quotation exists. Vesting terms of options issued are determined by the Board of Directors or Compensation Committee of the Board. The Company's stock options vest based on terms in the stock option agreements. Stock options have a maximum term of ten years.

Beginning in January 2021, the Company began granting Restricted Stock Units ("RSUs") under the 2017 Plan. RSUs are granted at the fair market value of a share of common stock on the date of grant.

As of March 31, 2022, there were a total of 1,393,148 shares of common stock available for future issuance under the 2017 Plan.

Amended and Restated 2021 Inducement Equity Incentive Plan

In February 2021, the Company adopted the 2021 Inducement Equity Incentive Plan (the "2021 Inducement Plan"). The 2021 Inducement Plan provides for the grant of up to 500,000 non-qualified options, stock grants, and stock-based awards to employees and directors of the Company. The 2021 Inducement Plan does not include an evergreen provision.
In September 2021, the Company adopted the 2021 Sales Force Inducement Equity Incentive Plan (the "2021 Sales Force Inducement Plan"). The 2021 Sales Force Inducement Plan provides for the grant of up to 500,000 non-qualified options, stock grants, and stock-based awards to sales force individuals and support staff that were not previously employees or directors of the Company. The 2021 Sales Force Inducement Plan does not include an evergreen provision.

In March 2022, the Company merged the 2021 Sales Force Inducement Plan into the 2021 Inducement Plan and amended and restated

the 2021 Inducement Plan to create the Amended and Restated 2021 Inducement Equity Incentive Plan (the "Amended and Restated 2021 Plan"). In addition, the number of shares reserved for issuance under the Amended and Restated 2021 Plan was increased by 750,000 shares of the Company's common stock, for an aggregate of 1,750,000 shares of the Company's common stock authorized to issue under the Amended and Restated 2021 Plan. The Amended and Restated 2021 Plan does not include an evergreen provision.

As of March 31, 2022, there was a total of 834,800 shares of common stock available for future issuance under the Amended and Restated 2021 Plan.

Stock-Based Compensation

The Company recognizes compensation costs related to stock options granted to employees based on the estimated fair value of the awards on the date of grant, net of estimated forfeitures. The grant date fair value of the stock-based awards is generally recognized on a straight-line basis over the requisite service period, which is generally the vesting period of the respective awards. Share-based awards granted to non-employee directors as compensation for serving on the Company's Board of Directors are accounted for in the same manner as employee share-based compensation awards.

The Company calculates the fair value of stock options using the Black-Scholes option pricing model. The Black-Scholes option-pricing model requires the use of subjective assumptions, including the expected volatility of the Company's common stock, the assumed dividend yield, the expected term of the Company's stock options and the fair value of the underlying common stock on the date of grant.

The Company also incurs stock-based compensation expense related to RSUs. The fair value of RSUs is determined by the closing market price of the Company's common stock on the date of grant and then recognized over the requisite service period of the award.

The table below summarizes the stock-based compensation expense recognized in the Company's statement of operations by classification (in thousands):

	Three Months Ended March 31,	
	2022	2021
Cost of goods sold	$ 51	$ 43
Research and development	1,149	1,405
Selling, general and administrative	4,565	4,444
Total stock-based compensation expense	$ 5,765	$ 5,892

Stock options— Black-Scholes inputs

The fair value of stock options was estimated using the following weighted-average assumptions for the three months ended March 31, 2022, and March 31, 2021:

	Three Months Ended March 31,	
	2022	2021
Expected volatility	76.7 – 77.1%	78.3 – 79.0%
Weighted-average risk free rate	1.4 – 1.7%	0.4 – 0.9%
Dividend yield	—%	—%
Expected term (in years)	6.07	6.02

Stock Option Activity

The following table is a summary of the Stock option activity for the three months ended March 31, 2022:

	Options outstanding	Weighted average exercise price	Weighted average Remaining contractual life (Years)	Weighted average Aggregate intrinsic value (in thousands)
Balance as of December 31, 2021	6,701,727	$ 17.88	7.2	$ 10,427
Granted	1,273,739	$ 10.60		
Cancelled	(187,425)	23.30		
Exercised	(27,333)	0.67		
Balance as of March 31, 2022	7,760,708	$ 16.62	7.4	$ 6,824
Exercisable at December 31, 2021	3,660,578	16.72	5.9	$ 10,422
Vested at December 31, 2021 and expected to vest	6,701,727	17.88	7.2	$ 10,427
Exercisable at March 31, 2022	4,054,422	17.07	6.0	$ 6,824
Vested at March 31, 2022 and expected to vest	7,760,708	16.62	7.4	$ 6,824

As of March 31, 2022, unrecognized compensation expense related to unvested stock options totaled $36.1 million, which the Company expects to be recognized over a weighted-average period of approximately 2.5 years.

Restricted Stock Units

The Company's restricted stock units ("RSUs") are considered nonvested share awards and require no payment from the employee. For each RSU, employees receive one common share at the end of the vesting period. Compensation cost is recorded based on the market price of the Company's common stock on the grant date and is recognized on a straight-line basis over the requisite service period.

The following table is a summary of the RSU activity for three months ended March 31, 2022:

	Number of RSUs	Weighted – Average Fair Value per Share
Balance as of December 31, 2021	414,991	$ 18.24
Granted	328,031	10.67
Cancelled	(24,105)	13.35
Vested	(116,051)	18.02
Balance as of March 31, 2022	602,866	$ 14.36

As of March 31, 2022, there was $7.6 million of total unrecognized compensation cost related to Company RSUs that are expected to vest. These costs are expected to be recognized over a weighted-average period of approximately 2.8 years.

11. License Revenue

Incyclix License Agreement

On May 22, 2020, the Company entered into an exclusive license agreement with Incyclix Bio, LLC ("Incyclix"), formerly ARC Therapeutics, LLC, a company primarily owned by a former board member, whereby the Company granted to Incyclix an exclusive, worldwide, royalty-bearing license, with the right to sublicense, solely to make, have made, use, sell, offer for sale, import, export, and commercialize products related to its CDK2 inhibitor compounds. At close, the Company received consideration in the form of an upfront payment of $1.0 million and an equity interest in Incyclix equal to 10% of its issued and outstanding units valued at $1.1 million. In addition, the Company may receive a future development milestone payment totaling $2.0 million and royalty payments in the mid-single digits based on net sales of the licensed compound after commercialization. The Company has right of first negotiation to re-acquire these assets.

The Company assessed the license agreement in accordance with ASC 606 and identified one performance obligation in the contract, which is the transfer of the license, as Incyclix can benefit from the license using its own resources. The Company recognized $2.1 million in license revenue consisting of the upfront payment and the 10% equity interest in Incyclix upon the effective date as the Company determined the license was a right to use the intellectual property and the Company had provided all necessary information to Incyclix to benefit from the license.

The company considers the future potential development milestones and sales-based royalties to be variable consideration. The development milestone is excluded from the transaction price because it determined the payment to be fully constrained under ASC 606 due to the inherent uncertainty in the achievement of such milestone due to factors outside of the Company's control. As sales-based royalties are all related to the license of the intellectual property, the Company will recognize revenue in the period when subsequent sales are made pursuant to the sales-based royalty exception. The Company will re-evaluate the transaction price in each reporting period and as uncertain events are resolved or other changes in circumstances occur.

There was no revenue recognized during the three months ended March 31, 2022.

Genor License Agreement

On June 15, 2020, the Company entered into an exclusive license agreement with Genor Biopharma Co. Inc. ("Genor") for the development and commercialization of lerociclib in the Asia-Pacific region, excluding Japan (the "Genor Territory"). Under the license agreement, the Company granted to Genor an exclusive, royalty-bearing, non-transferable license, with the right to grant sublicenses, to develop, obtain, hold and maintain regulatory approvals for, and commercialize lerociclib, in the Genor Territory.

Under the license agreement, Genor agreed to pay the Company a non-refundable, upfront cash payment of $6.0 million with the potential to pay an additional $40.0 million upon reaching certain development and commercial milestones. In addition, Genor will pay the Company tiered royalties ranging from high single to low double-digits based on annual net sales of lerociclib in the Genor Territory. In September 2020, the Company transferred to Genor the related technology and know-how that is necessary to develop, seek regulatory approval for, and commercialize lerociclib in the Genor Territory, which resulted in the recognition of $6.0 million in revenue in accordance with ASC 606.

There was no milestone revenue recognized during the three months ended March 31, 2022.

EQRx License Agreement

On July 22, 2020, the Company entered into an exclusive license agreement with EQRx, Inc. ("EQRx") for the development and commercialization of lerociclib in the U.S., Europe, Japan and all other global markets, excluding the Asia-Pacific region (except Japan) (the "EQRx Territory"). Under the license agreement, the Company granted to EQRx an exclusive, royalty-bearing, non-transferable license, with the right to grant sublicenses, to develop, obtain, hold and maintain regulatory approvals for, and commercialize lerociclib in the EQRx Territory.

Under the license agreement, EQRx agreed to pay the Company a non-refundable, upfront cash payment of $20.0 million with the potential to pay an additional $290.0 million upon reaching certain development and commercial milestones. In addition, EQRx will pay the Company tiered royalties ranging from mid-single digits to mid-teens based on annual net sales of lerociclib in the EQRx Territory. In September 2020, the Company transferred to EQRx the related technology and know-how that is necessary to develop, seek regulatory approval for, and commercialize lerociclib in the EQRx Territory which resulted in the recognition of $20.0 million in revenue in accordance with ASC 606. EQRx will be responsible for the development of the product in the EQRx Territory. The Company will continue until completion, as the clinical trial sponsor, its two primary clinical trials at EQRx's sole cost and expense. EQRx will reimburse the Company for all of its out-of-pocket costs incurred after the effective date of the license agreement in connection with these clinical trials. The Company will invoice EQRx within 30 days following the end of the quarter, and EQRx will pay within 30 days after its receipt of such invoice.

For the three months ended March 31, 2022, the Company recognized revenue of $0.5 million for the reimbursement of clinical trials costs.. No development and commercial milestones, as defined by the agreement, have been achieved through March 31, 2022.

Simcere License Agreement

On August 3, 2020, the Company entered into an exclusive license agreement with Nanjing Simcere Dongyuan Pharmaceutical Co., Ltd ("Simcere") for the development and commercialization of trilaciclib in all indications in Greater China (mainland China, Hong Kong, Macau, and Taiwan) (the "Simcere Territory"). Under the license agreement, the Company granted to Simcere an exclusive, royalty-bearing, non-transferable license, with the right to grant sublicenses, to develop, obtain, hold and maintain regulatory approvals for, and commercialize trilaciclib in the Simcere Territory.

Under the license agreement, Simcere agreed to pay the Company a non-refundable, upfront cash payment of $14.0 million with the potential to pay an additional $156.0 million upon reaching certain development and commercial milestones. In addition, Simcere will pay the Company tiered low double-digit royalties on annual net sales of trilaciclib in the Simcere Territory. In accordance with ASC 606, the Company recognized the non-refundable, upfront cash payment of $14.0 million (less applicable withholding taxes of $1.4 million) in 2020 as the Company had transferred the license and related technology and know-how to Simcere.

There was no milestone revenue recognized during the three months ended March 31, 2022. The Company recognized $0.6 million for reimbursement of clinical trial costs during the three months ended March 31, 2022.

12. Net Loss per Common Share

Basic net loss per common share is computed using the weighted average number of common shares outstanding during the period including nominal issuances of common stock warrants. Diluted net loss per common share is computed using the sum of the weighted average number of common shares outstanding during the period and, if dilutive, the weighted average number of potential shares of common stock, including the assumed exercise of stock options, stock warrants and unvested restricted common stock. For the three months ended March 31, 2022, and 2021, the following potentially dilutive securities have been excluded from the computations of diluted weighted-average shares outstanding because the effect would be anti-dilutive:

	Three Months Ended March 31,	
	2022	2021
	(unaudited)	
Stock options issued and outstanding	7,736,333	7,450,754
Unvested RSUs	606,371	465,620
Total potential dilutive shares	8,342,704	7,916,374

Amounts in the table above reflect the common stock equivalents of the noted instrument.

13. Income Taxes

The Company’s effective income tax rate was 0% and (0.5)% for the three months ended March 31, 2022, and 2021, respectively. The Company continues to recognize losses in the United States and therefore, has recorded no tax benefit associated with these losses. The only income tax expense recognized related to the foreign withholding taxes incurred as a result of the Simcere licensing agreement. See Note 11 for further discussion on this transaction.

14. Related Party Transactions

The Company entered into a consulting agreement effective July 1, 2021 with Seth A. Rudnick, M.D., who at the time was a member of the Board of Directors, for scientific advisory services outside of his role on the Board of Directors that expires on June 30, 2022. Pursuant to the terms of the agreement, Dr. Rudnick will receive $50,000 as consideration for his services and other obligations as provided under the agreement paid, in two equal semi-annual installments. On October 13, 2021, Dr. Rudnick notified the Company of his decision to resign from the Board of Directors of the Company effective immediately as of October 13, 2021.

The Company entered into a senior advisor agreement on September 29, 2020 with Mark A. Velleca, M.D., Ph.D., a member of the Board of Directors, with an effective date of January 1, 2021. Pursuant to the terms of the agreement, Dr. Velleca will receive $200,000 annually, paid in equal quarterly installments, for his services. The senior advisor agreement will expire on December 31, 2023.

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

You should read the following discussion and analysis of our financial condition and results of operations together with our financial statements and related notes included elsewhere in this quarterly report. This discussion and other parts of this quarterly report contain forward-looking statements that involve risks and uncertainties, such as statements of our plans, objectives, expectations and intentions. As a result of many factors, including those factors set forth in the "Risk Factors" section of our 2021 Form 10-K, and in our subsequently filed Quarterly Reports on Form 10-Q, our actual results could differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

In this Quarterly Report on Form 10-Q, the terms "we," "us," "our," the "Company" and "G1" mean G1 Therapeutics, Inc.

Overview

We are a commercial-stage biopharmaceutical company focused on the development and commercialization of novel small molecule therapeutics for the treatment of patients with cancer. Our first product approved by the U.S. Food and Drug Administration ("FDA"), COSELA™ (trilaciclib), is the first and only therapy indicated to proactively help protect bone marrow from the damage of chemotherapy (myeloprotection) and is the first innovation in managing myeloprotection in decades. Trilaciclib was developed from a technology platform that targets key cellular pathways including transient arrest of the cell cycle at the G1 phase, prior to the beginning of DNA replication. Controlled administration and clean G1 arrest reduce hematologic adverse events ("AEs") caused by cytotoxic therapy and may increase the ability to receive longer treatment durations. Transient CDK4/6 inhibition also modulates multiple immune functions while allowing beneficial T cell proliferation which may improve patients' anti-tumor immune responses. We are exploring the use of trilaciclib in a variety of trials across multiple tumor types and treatment combinations to optimize these dual benefits of myeloprotection and improved anti-tumor efficacy for patients globally.

We shall use "COSELA" when referring to our FDA approved drug and "trilaciclib" when referring to our development of COSELA for additional indications.

COSELA is a prescription medicine used to help reduce the occurrence of low blood cell counts caused by damage to bone marrow from chemotherapy. COSELA is used to treat adults taking certain chemotherapies (platinum/etoposide or topotecan) for extensive-stage small cell lung cancer.

COSELA is an injection for intravenous (IV) use given within 4 hours before chemotherapy.

Commercial Product

On February 12, 2021, COSELA (trilaciclib) for injection was approved by the FDA to decrease the incidence of chemotherapy-induced myelosuppression in adult patients treated with a platinum/etoposide-containing regimen or topotecan-containing regimen for ES-SCLC. COSELA became commercially available through our specialty distributor network on March 2, 2021.

We announced on March 25, 2021 that COSELA had been included in two updated National Comprehensive Cancer Network® ("NCCN") Clinical Practice Guidelines in Oncology (NCCN Guidelines®): The Treatment Guidelines for Small Cell Lung Cancer and the Supportive Care Guidelines for Hematopoietic Growth Factors. These guidelines document evidence-based, consensus-driven management to ensure that all patients receive preventive, diagnostic, treatment, and supportive services that are most likely to lead to optimal outcomes. On October 1, 2021, we announced that the permanent J-code for COSELA that was issued in July 2021 by the Centers for Medicare & Medicaid Services (CMS) is now effective for provider billing for all sites of care. All hospital outpatient departments, ambulatory surgery centers and physician offices in the United States have one consistent Healthcare Common Procedure Coding System (HCPCS) code to standardize the submission and payment of COSELA insurance claims across Medicare, Medicare Advantage, Medicaid and commercial plans. Our new technology add-on payment (NTAP) for COSELA which provides additional payment to inpatient hospitals above the standard Medicare Severity Diagnosis-Related Group (MS-DRG) payment amount also became effective for provider billing on October 1, 2021.

We are also exploring potential use of trilaciclib in a variety of tumors, including colorectal cancer ("CRC"), breast cancer, bladder cancer, and in trials designed to inform the design of future additional pivotal studies across multiple tumor types and treatment combinations including targeted chemotherapy medicines called antibody-drug conjugates (ADCs).

In June 2020, we entered into a three-year co-promotion agreement for COSELA in the United States and Puerto Rico with Boehringer Ingelheim Pharmaceuticals, Inc. In December 2021, the Company and Boehringer Ingelheim mutually agreed to end the co-promotion agreement for COSELA, effective March 2022. At that time, we announced that we would hire and deploy a total of 34 oncology sales representatives to allow us to target all accounts to accelerate sales activities and help maximize the adoption of COSELA. As of February 21, 2022, all 34 sales representatives have been hired, trained, and deployed into their respective regions.

Product Portfolio

Trilaciclib is a first-in-class therapy designed to help protect against chemotherapy-induced myelosuppression. Trilaciclib, a novel transient IV CDK4/6 inhibitor has unique attributes including rapid onset from IV administration, potent and selective CDK4 and CDK6 inhibition and a short half-life. Controlled administration and clean G1-phase arrest reduce hematologic AEs caused by cytotoxic therapy and may increase patients' abilities to receive longer treatment durations. Transient CDK4/6 inhibition also modulates multiple immune functions while allowing beneficial T cell proliferation which may improve patients' anti-tumor immune responses.

Trilaciclib transiently blocks progression through the cell cycle. This provides benefits which manifest depending on the tumor type and therapeutic backbone, including: (1) proactive multi-lineage myeloprotection, and (2) potentially improved anti-tumor efficacy.

First, trilaciclib provides proactive multi-lineage myeloprotection by transiently arresting hematopoietic stem and progenitor cells ("HSPCs"), helping to protect them from damage caused by cytotoxic therapy thereby minimizing cytopenias across neutrophils, erythrocytes, and platelets. These proactive multi-lineage myeloprotection benefits were seen in our three double-blind, placebo-controlled clinical trials in ES-SCLC, where highly myelosuppressive chemotherapy regimens are administered multiple days in a row. This myeloprotection benefit is being explored as the primary endpoint in our ongoing PRESERVE 1 trial in 1L colorectal cancer.

Second, trilaciclib may have the ability to improve anti-tumor efficacy through a combination of potential factors, including increasing patients' ability to receive more cytotoxic therapy, protecting the immune system from damage caused by cytotoxic therapy, and favorably modulating multiple immune functions while also allowing beneficial T cell proliferation. In particular, these immune function improvements may include: (1) enhancing T cell activation (via increased antigen presentation and secretion of IL-2 and IFNγ), (2) favorably altering the tumor microenvironment (via increased chemokines responsible for trafficking T cells to tumors and reducing the number and function of immunosuppressive cell populations), and (3) improving long-term immune surveillance (via increased generation of memory CD8+ T cells). A meaningful anti-tumor efficacy benefit was observed in our Phase 2 mTNBC study in which trilaciclib led to a significant improvement in overall survival when administered in combination with chemotherapy compared to chemotherapy alone. We are exploring these dual benefits of myeloprotection and anti-tumor efficacy across a variety of ongoing Phase 2 and Phase 3 clinical trials.

We are executing on our tumor-agnostic strategy to evaluate the potential benefits of trilaciclib to patients with other tumors to continuously develop new data with trilaciclib in a variety of chemotherapeutic settings and in combination with other agents to maximize the applicability of the drug to potential future treatment paradigms. We currently have five ongoing clinical trials: a pivotal Phase 3 trial in 1L colorectal cancer ("CRC"), a pivotal Phase 3 trial in 1L mTNBC, a Phase 2 trial in 1L bladder cancer with chemotherapy induction and a checkpoint inhibitor maintenance, a Phase 2 trial in combination with an antibody-drug conjugate ("ADC") in 2L/3L mTNBC, and a Phase 2 trial in neoadjuvant TNBC designed to validate trilaciclib's immune-based mechanism of action ("MOA"). These studies across treatment settings and tumor types will evaluate trilaciclib's dual benefits of proactive multi-lineage myeloprotection and anti-tumor efficacy across tumor types. In addition, the MOA and ADC trials will inform the design of future additional pivotal studies across multiple tumor types and treatment combinations. We are also conducting significant preclinical work to assess the additive/synergistic potential of trilaciclib with a variety of novel and emerging therapeutic agents to identify synergies to evaluate in future clinical trials. Our clinical approach to designing our clinical program includes monitoring the evolution of future standards of care and develop trilaciclib with these in mind, allowing us to conduct or support trials that will generate important data to maximize future usage in a variety of future settings.

Trilaciclib Product Portfolio

Candidate	Indication	Current Status	Timing of Initial Results	Endpoints	Development & Commercialization Rights (all indications)
trilaciclib	1L metastatic Colorectal cancer (CRC)	Registrational Phase 3 trial (enrolling)	1Q 2023	Primary: myeloprotection* Secondary: ORR*, PFS/OS, PRO	G1 Therapeutics owns all global development and commercial rights across all indications, with the exception of Greater China (Simcere)
	1L metastatic Triple negative breast cancer (mTNBC)	Registrational Phase 3 trial (enrolling)	2H 2023	Primary: OS* Secondary: PRO, myeloprotection, PFS/ORR	
	1L Bladder cancer (mUC)	Phase 2 trial (enrolling)	4Q 2022	Primary: PFS Secondary: ORR*, OS, myeloprotection*, others	
	Antibody-drug conjugate (ADC) combination trial in mTNBC	Phase 2 trial (enrolling)	4Q 2022	Primary: PFS Secondary: ORR*, OS, myeloprotection*, others	
	Mechanism of action trial in early stage neoadjuvant TNBC	Phase 2 trial (enrolling)	4Q 2022	Primary: Immune-based MOA* Secondary: pCR, immune response, others	

PFS=progression-free survival; OS=overall survival; PRO=patient reported outcome; ORR=overall response rate; pCR=pathological complete response; MOA=mechanism of action.

*Initial results: Phase 3 colorectal cancer trial: myeloprotection and ORR endpoints; Phase 3 1L mTNBC trial: interim results for OS; Phase 2 bladder cancer trial: ORR and myeloprotection endpoints; Phase 2 trial in combination with the ADC Trodelvy: ORR and myeloprotection endpoints; Phase 2 trial to confirm the immune-based mechanism of action (MOA) of trilaciclib in early-stage neoadjuvant TNBC: immune endpoints (e.g., CD8+ / Treg ratio)

Lerociclib

Lerociclib is a differentiated clinical-stage oral CDK4/6 inhibitor being developed for use in combination with other targeted therapies in multiple oncology indications. In 2020, we entered into separate, exclusive agreements with EQRx, Inc. (rights for U.S., Europe, Japan and all markets outside Asia-Pacific) and Genor Biopharma Co. Inc. (rights for Asia-Pacific, excluding Japan) for the development and commercialization of lerociclib in all indications. Combined, these agreements provide $26.0 million in upfront payments, along with sales-based royalties, and the opportunity for up to $330.0 million in potential milestone payments. EQRx, Inc. and Genor Biopharma Co. Inc. are responsible for all costs related to the development and commercialization of lerociclib in their respective territories.

Rintodestrant

Rintodestrant is an oral SERD, for use as a monotherapy and in combination with CDK4/6 inhibitors, initially Ibrance® (palbociclib), for the treatment of ER+, HER2- breast cancer. After completing the evaluation of our rintodestrant partnering options and recent data in the highly competitive oral SERD space, we have made the strategic decision to discontinue the program, including all clinical and partnering efforts. We will responsibly wind down all remaining clinical efforts for rintodestrant by the end of this year and revert the rights back to the originator (University of Illinois Chicago); there are no additional financial obligations due to the originator resulting from the reversion.

CDK2 Inhibitor

In 2020, we entered into a global license agreement with Incyclix Bio, LLC ("Incyclix"), formerly ARC Therapeutics, LLC, for the development and commercialization of an internally discovered cyclin dependent kinase 2 ("CDK2") inhibitor for all human and veterinary uses. Incyclix is currently granted an exclusive, royalty-bearing, license with the right to grant sublicenses to one of our solely owned patent families.

Coronavirus (COVID-19) impact on operations

We have implemented business continuity plans to address the COVID-19 pandemic and minimize disruptions to ongoing operations. Enrollment of patients in current and future clinical trials may be impacted by COVID-19. Although we have not had any significant supply chain delays or shortages as a result of the COVID-19 pandemic to date, we have experienced delays in the delivery of our investigational product to certain investigative sites due to shortages of ancillary materials and the delay of governmental inspections. To date, we are on track to meet all of our previously announced clinical milestones. If the COVID-19 pandemic continues or increases in severity, we could experience disruptions to our clinical development timelines. If we experience delays in patient enrollment, we could incur increased clinical program expense if it is deemed necessary or advisable to improve patient recruitment by opening additional clinical sites. COVID-19 travel limitations and government-mandated work-from-home or shelter-in-place orders may reduce the number of in-person meetings with prescribers and fewer patient visits with physicians, potentially resulting in fewer new prescriptions.

We established a COVID-19 response team which continually monitors the impact of COVID-19 on our operations. The COVID-19 response team manages our workplace protocols that govern our employees' use of our office. To mitigate the impact of COVID-19 on our business, we put in place the following safety measures for our employees, patients, healthcare professionals, and suppliers to limit exposure: we substantially restricted travel, supplied personal protective equipment to employees, limited access to our headquarters and asked most of our staff to work remotely. As of March 31, 2022, the majority of our employees are still working remotely, which may negatively impact our ability to conduct research and development activities, engage in sales-related initiatives, or efficiently conduct day-to-day operations. In addition, we added bandwidth and VPN capacity to our infrastructure to facilitate remote work arrangements. We will continue to monitor the impact of COVID-19 on our operations, including how it will impact our employees, clinical trials, development programs, supply chain, and other aspects of our operations, and report to our Board of Directors regularly on the progress of our response to the COVID-19 outbreak.

Financial Overview

Since our inception in 2008, we have devoted substantially all of our resources to synthesizing, acquiring, testing and developing our product candidates, including conducting preclinical studies and clinical trials and providing selling, general and administrative support for these operations as well as securing intellectual property protection for our products. Currently, COSELA is our only product approved for sale. We began generating revenue for the net product sales from COSELA in March of 2021. We recorded $5.5 million and $11.1 million of net product sales from COSELA for the three months ended March 31, 2022, and the year ended December 31, 2021, respectively. We recorded $1.4 million and $20.4 million of license revenue for the three months ended March 31, 2022, and the year ended December 31, 2021, respectively. To date, we have financed our operations primarily through the sale of equity securities, our loan agreement with Hercules Capital, Inc., and licensing arrangements. Under our licensing arrangements, we are eligible to receive certain development and sales-based milestones. Our ability to earn these milestones and the timing of achieving these milestones is primarily dependent upon the outcome of the licensee's activities and is uncertain at this time.

As of March 31, 2022, we had cash and cash equivalents of $183.0 million. Since inception we have incurred net losses. As of March 31, 2022, we had an accumulated deficit of $633.7 million. Substantially all of our net losses have resulted from costs incurred in connection with our research and development programs, our commercial launch of COSELA, and from selling, general and administrative expenses associated with our operations. We expect to continue to incur significant expenses and increasing operating losses. We expect our research and development, commercial activities, and selling, general and administrative expenses will continue to increase in connection with our ongoing and future activities as we:

- continue development of trilaciclib, including initiation of additional clinical trials;
- identify and develop new product candidates;
- seek additional marketing approvals for trilaciclib upon successful completion of clinical trials;
- grow our sales, marketing and distribution infrastructure to commercialize COSELA and any future products for which we may obtain marketing approval;
- achieve market acceptance of our product in the medical community and with third-party payors;

- maintain, expand and protect our intellectual property portfolio;
- hire additional personnel;
- enter into collaboration arrangements, if any, for the development of our product or in-license other products and technologies;
- identify and develop new product candidates;
- add operational, financial and management information systems and personnel, including personnel to support our product development and planned future commercialization efforts; and
- continue to incur increased costs as a result of operating as a public company.

Components of our Results of Operations

Revenue

On February 12, 2021, COSELA™ was approved by the FDA and we began generating revenue for the product sales of COSELA in March 2021. Prior to the approval of COSELA, our revenues have been derived from our license agreements.

We entered into an exclusive license agreement with Nanjing Simcere Dongyuan Pharmaceutical Co., Ltd ("Simcere") in August 2020 and granted them the rights to develop and commercialize trilaciclib in Greater China (mainland China, Hong Kong, Macau, and Taiwan) (the "Simcere Territory"). We received an upfront payment of $14.0 million (less applicable withholding taxes of $1.4 million) in September 2020. This was recognized as revenue once the transfer of the related technology and know-how was completed in the fourth quarter of 2020. We have the potential to receive $156.0 million upon reaching development and commercial milestones, and receive tiered low double-digit royalties on annual net sales of trilaciclib in the Simcere Territory. We did not receive any development milestones during the three months ended March 31, 2022.

We entered into an exclusive license agreement with EQRx, Inc. ("EQRx") in July 2020 and granted them the rights to develop and commercialize lerociclib in the U.S, Europe, Japan and all other global markets, excluding the Asia-Pacific region (except Japan) (the "EQRx Territory"). We received an upfront payment of $20.0 million in August 2020. This was recognized as revenue in September 2020 when we transferred the license and related technology and know-how. We have the potential to receive $290.0 million upon reaching development and commercial milestones, and receive tiered royalties ranging from mid-single digits to mid-teens based on annual net sales of lerociclib in the EQRx Territory. We did not receive any development milestones during the three months ended March 31, 2022.

We entered into an exclusive license agreement with Genor Biopharma Co. Inc. ("Genor") in June 2020 and granted them the rights to develop and commercialize lerociclib in the Asia-Pacific Region, excluding Japan (the "Genor Territory"). We received an upfront payment of $6.0 million in July 2020. This was recognized as revenue in September 2020 when we transferred the license and related technology and know-how. We have the potential to receive $40.0 million upon reaching development and commercial milestones, and receive tiered royalties ranging from high single to low double-digits based on annual net sales of lerociclib in the Genor Territory. We did not receive any development milestones during the three months ended March 31, 2022.

We entered into an exclusive license agreement with Incyclix Bio, LLC ("Incyclix"), formerly ARC Therapeutics, LLC, a company primarily owned by a former board member, in May 2020. We granted Incyclix an exclusive, worldwide, royalty-bearing license of its CDK2 inhibitor compounds in exchange for an upfront payment and equity in Incyclix with a total value of approximately $2.1 million, which resulted in the recognition of related party revenue. We are entitled to receive additional milestone payments and sales-based royalties, and has right of first negotiation to re-acquire these assets.

Operating expenses

We classify our operating expenses into three categories: cost of goods sold, research and development and selling, general and administrative expenses. Personnel costs, including salaries, benefits, bonuses, and stock-based compensation expense, comprise a significant component of each of these expense categories. We allocate expenses associated with personnel costs based on the nature of work associated with these resources. In addition, costs to sell and market COSELA are included within selling, general and administrative expense categories.

Cost of goods sold

Cost of goods sold includes direct and indirect costs related to the manufacturing and distribution of COSELA, including third-party manufacturing costs, packaging services, freight-in, third-party logistics costs associated with COSELA, and personnel costs. Cost of goods sold may also include period costs related to certain inventory manufacturing services and inventory adjustment charges.

Research and development expenses

The largest component of our total operating expenses since inception has been research and development activities, including the preclinical and clinical development of our product candidates.

Research and development costs are expensed as incurred. Our research and development expense primarily consists of:

- salaries and personnel-related costs, including bonuses, benefits and any stock-based compensation, for our scientific personnel performing or managing out-sourced research and development activities;
- costs incurred under agreements with contract research organizations and investigative sites that conduct preclinical studies and clinical trials;
- costs related to manufacturing pharmaceutical active ingredients and drug products for preclinical studies and clinical trials;
- costs related to upfront and milestone payments under in-licensing agreements;
- fees paid to consultants and other third parties who support our product development; and
- allocated facility-related costs and overhead.

The successful development of our products are highly uncertain. Products in later stages of clinical development generally have higher development costs than those in earlier stages of clinical development, primarily due to the increased size and duration of later-stage clinical trials. Accordingly, we expect research and development costs to increase as we conduct later stage clinical trials. However, we do not believe that it is possible at this time to accurately project total program-specific expenses through commercialization. Our expenditures on current and future preclinical and clinical development programs are subject to numerous uncertainties in timing and cost to completion. The duration, costs and timing of clinical trials and development of our products will depend on a variety of factors, including:

- the scope, rate of progress, and expenses of our ongoing as well as any additional clinical trials and other research and development activities;
- future clinical trial results;
- achievement of milestones requiring payments under our in-licensing agreements;
- uncertainties in clinical trial enrollment rates or drop-out or discontinuation rates of patients;
- potential additional studies requested by regulatory agencies;
- significant and changing government regulation; and
- the timing and receipt of any regulatory approvals.

We track research and development expenses on a program-by-program basis only for clinical-stage product candidates. Preclinical research and development expenses and chemical manufacturing research and development expenses are not assigned or allocated to individual development programs. As of the first quarter of 2022, we had two clinical-stage products, trilaciclib and rintodestrant.

Selling, general and administrative expenses

Selling, general and administrative expenses consist of personnel costs, allocated expenses and other expenses for outside professional services, including legal, audit and accounting services. Personnel costs consist of salaries, bonuses, benefits and stock-based compensation. Other selling, general and administrative expenses include facility-related costs not otherwise allocated to research and development expense, professional fees, commercialization costs, expenses associated with obtaining and maintaining patents and costs of our information systems. We anticipate that our selling, general and administrative expenses will continue to increase in the future as we increase our headcount to support our continued research and development and commercialization of COSELA™.

We expect to continue to incur additional selling, general and administrative expenses in the future in connection with the commercialization of COSELA, as we support continued research and development activities, and as we support our operations in a public company environment, including expenses related to compliance with the rules and regulations of the SEC and Nasdaq, additional insurance expenses, and expenses related to investor relations activities.

Total other income (expense), net

Total other income (expense), net consists of interest income earned on cash and cash equivalents and interest expenses incurred under our loan and security agreement with Hercules.

Income taxes

To date, we have not been required to pay U.S. federal or state income taxes because we have not generated taxable income. Income tax expense recognized in 2021 related to the foreign withholding taxes incurred as a result of the milestone payments received from the Simcere license agreement during the quarter. We did not recognize any income tax expense for the three months ended March 31, 2022.

Results of Operations

Comparison of the three months ended March 31, 2022 and March 31, 2021

	Three Months Ended March 31,		Change
	2022	2021	$
	(in thousands)		
Revenues:			
Product sales, net	$ 5,480	$ 609	$ 4,871
License revenue	1,422	13,609	(12,187)
Total revenues	6,902	14,218	(7,316)
Operating expenses:			
Cost of goods sold	669	243	426
Research and development	26,305	16,540	9,765
Selling, general and administrative	26,709	22,970	3,739
Total operating expenses	53,683	39,753	13,930
Loss from operations	(46,781)	(25,535)	(21,246)
Other income (expense):			
Interest income	9	19	(10)
Interest expense	(2,265)	(748)	(1,517)
Other income (expense)	(155)	(40)	(115)
Total other income (expense), net	(2,411)	(769)	(1,642)
Loss before income taxes	(49,192)	(26,304)	(22,888)
Income tax expense	-	138	(138)
Net loss	$ (49,192)	$ (26,442)	$ (22,750)

Product sales, net

Product sales, net was $5.5 million and $0.6 million for the three months ended March 31, 2022, and 2021, respectively. The revenue for the three months ended March 31, 2022 related to the product sales of COSELA. We received FDA approval on February 12, 2021 and the product was commercially available beginning March 2, 2021.

License Revenue

License revenue was $1.4 million and $13.6 million for the three months ended March 31, 2022, and 2021, respectively. The revenue for the three months ended March 31, 2022, primarily related to revenue recognized from amounts to be reimbursed by EQRx and Simcere for the costs associated with the clinical trials.

Cost of goods sold

Cost of goods sold was $0.7 million and $0.2 million for the three months ended March 31, 2022, and 2021, respectively, which relates to our third-party logistics costs for the sales of COSELA and personnel costs.

Research and development

Research and development expenses were $26.3 million for the three months ended March 31, 2022, compared to $16.5 million for the three months ended March 31, 2021. The increase of $9.8 million, or 59%, was primarily due to an increase of $10.7 million in clinical trial costs offset by a decrease of $0.9 million in costs for manufacturing of active pharmaceutical ingredients and drug product to support clinical trials. The following table summarizes our research and development expenses allocated to trilaciclib, rintodestrant, lerociclib and unallocated research and development expenses for the periods indicated:

	Three Months Ended March 31,	
	2022	2021
	(in thousands)	
Clinical Program Expenses—trilaciclib	$ 23,651	$ 11,748
Clinical Program Expenses—rintodestrant	625	1,365
Clinical Program Expenses—lerociclib	604	1,027
Chemical Manufacturing and Development	852	1,745
Discovery, Pre-Clinical and Other Expenses	573	655
Total Research and Development Expenses	$ 26,305	$ 16,540

Selling, general and administrative

Selling, general and administrative expenses were $26.7 million for the three months ended March 31, 2022, compared to $23.0 million for the three months ended March 31, 2021. The increase of $3.7 million, or 16%, was due to an increase of $4.3 million in personnel costs due to increased headcount, of which $0.1 million related to non-cash stock compensation expense, and an increase of $0.1 million in professional services, insurance and other administrative costs. The increase is offset by a decrease in $0.5 million in medical affairs costs and $0.2 million in commercialization activities.

Total other income (expense), net

Total other income (expense), net was $(2.4) million for the three months ended March 31, 2022, as compared to $(0.8) million for the three months ended March 31, 2021. The increase of $1.6 million, or 214%, was primarily due to an increase in interest expense on our loan payable during the three months ended March 31, 2022, as compared to the three months ended March 31, 2021.

Income tax expense

There was no income tax expense recognized for the three months ended March 31, 2022, as compared to $0.1 for the three months ended March 31, 2021. Income tax expense in the prior period related to the foreign withholding taxes incurred as a result of the development milestone payments received from the Simcere license agreement during the quarter.

Liquidity and Capital Resources

We have incurred cumulative losses and negative cash flows from operations since our inception in 2008. As of March 31, 2022, we had an accumulated deficit of $633.7 million. We anticipate that we will continue to incur losses.

As of March 31, 2022, we had cash and cash equivalents of $183.0 million. To date, we have funded our operations primarily through proceeds from our initial public offering, our follow-on stock offerings, our debt agreement with Hercules Capital, Inc. (“Hercules”), and proceeds from our license agreements. Under our licensing arrangements, we are eligible to receive certain development and sales-based milestones. Our ability to earn these milestones and the timing of achieving these milestones is primarily dependent upon the outcome of the licensee’s activities and are uncertain at this time.

Shelf registration statement

On July 2, 2021, we filed an automatically effective shelf registration statement (the "2021 Form S-3") with the Securities and Exchange Commission (the "SEC"). Each issuance under the shelf registration statement would have required the filing of a prospectus supplement identifying the amount and terms of securities to be issued. The 2021 Form S-3 did not limit the amount of securities that could have been issued thereunder.

Since we no longer qualify as a "well-known seasoned issuer" as such term is defined in Rule 405 under the Securities Act of 1933, as amended, at the time of the filing of our 2021 Form 10-K in February 2022, we filed an automatic post-effective amendment to the 2021 Form S-3 on Form POSASR prior to the filing of our 2021 Form 10-K, which became effective upon filing, to register for sale up to $300.0 million of any combination of our common stock, preferred stock, debt securities, warrants, rights and/or units from time to time and at prices and on terms that we may determine and, as required by SEC rules, and another post-effective amendment to the 2021 Form S-3 on Form POS AM after the filing of our 2021 Form 10-K. The post-effective amendment to the 2021 Form S-3 on Form POS AM was declared effective by the SEC on May 3, 2022 and the 2021 Form S-3 will remain in effect for up to three years from the date it originally became effective, which was July 2, 2021. We make no assurances as to our ability to continue to use the 2021 Form S-3.

At-the-market offerings

On June 15, 2018, we entered into a sales agreement for "at the market offerings" with Cowen and Company, LLC ("Cowen"), which allows us to issue and sell shares of common stock pursuant to a shelf registration statement for total gross sales proceeds of up to $125.0 million from time to time through Cowen, acting as our agent. Between June 18, 2018 and August 2, 2018, we sold 752,008 shares of common stock pursuant to this agreement resulting in $36.1 million in net proceeds, realizing $12.1 million in the second quarter and the remaining $24.0 million by August 2, 2018.

Between January 14, 2021 and February 9, 2021, we sold 3,513,027 shares of common stock pursuant to this agreement resulting in $86.4 million in net proceeds. As of February 9, 2021, we have used the entirety of the remaining availability under the sales agreement with Cowen.

In connection with the 2021 Form S-3, on July 2, 2021, we entered into a sales agreement for "at the market offerings" with Cowen, which allowed us to issue and sell shares of common stock pursuant to the 2021 Form S-3 for total gross sales proceeds of up to $150.0 million from time to time through Cowen, acting as our agent (the "2021 Sales Agreement"). We did not sell any shares of common stock or other securities under the 2021 Sales Agreement and we terminated the 2021 Sales Agreement on February 23, 2022. Also, on February 23, 2022, we entered into a sales agreement for "at the market offerings" with Cowen, which allows us to issue and sell shares of common stock pursuant to the 2021 Form S-3 for total gross sales proceeds of up to $100.0 million from time to time through Cowen, acting as our agent. As of the date hereof, we have not sold any shares of common stock or other securities under this sales agreement.

Loan and Security Agreement with Hercules

On May 29, 2020, we entered into a loan and security agreement with Hercules Capital, Inc. ("Hercules") under which Hercules has agreed to lend us up to $100.0 million, to be made available in a series of tranches, subject to specified conditions. We borrowed $20.0 million at loan closing. The term of the loan is approximately 48 months, with a maturity date of June 1, 2024. No principal payments are due during an interest-only period, commencing on the initial borrowing date and continuing through June 1, 2022. The interest only period may be extended through January 1, 2023 upon satisfaction of certain milestones. Following the interest only period, we will repay the principal balance and interest of the advances in equal monthly installments through June 1, 2024.

On March 31, 2021, we entered into the First Amendment to Loan and Security Agreement (the "First Amendment") with Hercules whereby the Company drew the remaining $10.0 million of the first tranche and the interest rate and financial covenants were amended. Unless loan advances exceeded $40.0 million, no financial covenants were required.

On November 1, 2021, we entered into a Second Amendment to the Loan and Security Agreement with Hercules under which Hercules has agreed to lend us up to $150.0 million, to be made available in a series of tranches, subject to certain terms and conditions. The first tranche was increased to $100.0 million. At close of the Second Amendment, we borrowed an additional $45.0 million from tranche 1 with $25.0 million remaining to be borrowed through September 15, 2022. No principal payments are due during an interest-only period, commencing on the close of the Second Amendment and continuing through December 1, 2024. The interest only period may be extended through December 1, 2025, in quarterly increments, subject to compliance with covenants of the Second Amendment. Following the interest only period, we will repay the principal balance and interest of the advances in equal monthly installments through the maturity date of November 1, 2026.

Genor License Agreement

On June 15, 2020, we entered into an exclusive license agreement with Genor Biopharma Co. Inc. ("Genor") for the development and commercialization of lerociclib in the Asia-Pacific region, excluding Japan (the "Genor Territory"). Under the license agreement, we granted to Genor an exclusive, royalty-bearing, non-transferable license, with the right to grant sublicenses, to develop, obtain, hold and maintain regulatory approvals for, and commercialize lerociclib, in the Genor Territory.

Under the license agreement, Genor agreed to pay us a non-refundable, upfront cash payment of $6.0 million with the potential to pay an additional $40.0 million upon reaching certain development and commercial milestones. In addition, Genor will pay us tiered royalties ranging from high single to low double-digits based on annual net sales of lerociclib in the Genor Territory. The upfront cash payment was received in July 2020. In September 2020, we transferred to Genor the related technology and know-how that is necessary to develop, seek regulatory approval for, and commercialize lerociclib in the Genor Territory. Genor will be responsible for the development of the product in the Genor Territory and will be responsible, at its sole cost, for obtaining supply of lerociclib to meet its development, regulatory approval, and commercialization obligations under the agreement. We did not recognize any revenue related to development milestones in the first quarter of 2022.

EQRx License Agreement

On July 22, 2020, we entered into an exclusive license agreement with EQRx, Inc. ("EQRx") for the development and commercialization of lerociclib in the U.S., Europe, Japan and all other global markets, excluding the Asia-Pacific region (except Japan) (the "EQRx Territory"). Under the license agreement, we granted to EQRx an exclusive, royalty-bearing, non-transferable license, with the right to grant sublicenses, to develop, obtain, hold and maintain regulatory approvals for, and commercialize lerociclib in the EQRx Territory.

Under the license agreement, EQRx agreed to pay us a non-refundable, upfront cash payment of $20.0 million with the potential to pay an additional $290.0 million upon reaching certain development and commercial milestones. In addition, EQRx will pay us tiered royalties ranging from mid-single digits to mid-teens based on annual net sales of lerociclib in the EQRx Territory. The upfront cash payment was received in August 2020. In September 2020, we transferred to EQRx the related technology and know-how that is necessary to develop, seek regulatory approval for, and commercialize lerociclib in the EQRx Territory. EQRx will be responsible for the development of the product in the EQRx Territory. We will continue until completion, as the clinical trial sponsor, its two primary clinical trials at EQRx's sole cost and expense. EQRx will reimburse us for all of its out-of-pocket costs incurred after the effective date of the license agreement in connection with these clinical trials. We will invoice EQRx within 30 days following the end of the quarter, and EQRx will pay within 30 days after its receipt of such invoice. We did not recognize any revenue related to development milestones in the first quarter of 2022.

Simcere License Agreement

On August 3, 2020, we entered into an exclusive license agreement with Nanjing Simcere Dongyuan Pharmaceutical Co., Ltd ("Simcere") for the development and commercialization of trilaciclib in all indications in Greater China (mainland China, Hong Kong, Macau, and Taiwan) (the "Simcere Territory"). Under the license agreement, we granted to Simcere an exclusive, royalty-bearing, non-transferable license, with the right to grant sublicenses, to develop, obtain, hold and maintain regulatory approvals for, and commercialize trilaciclib in the Simcere Territory. Simcere expects to receive regulatory approval of trilaciclib in Greater China in the second half of 2022.

Under the license agreement, Simcere agreed to pay us a non-refundable, upfront cash payment of $14.0 million with the potential to pay an additional $156.0 million upon reaching certain development and commercial milestones. In addition, Simcere will pay us tiered low double-digit royalties on annual net sales of trilaciclib in the Simcere Territory. The upfront payment of $14.0 million (less applicable withholding taxes of $1.4 million) was received in September 2020. In return, we will furnish to Simcere the related technology and know-how that is necessary to develop, seek regulatory approval for, and commercialize trilaciclib in the Simcere Territory. Simcere will be responsible for all development and commercialization costs in its territory and may be able to participate in global clinical trials as agreed upon by the companies. We did not recognize any revenue related to development milestones in the first quarter of 2022.

Cash flows

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

	Three Months Ended March 31,		Change
	2022	2021	$
	(in thousands)		
Net cash used in operating activities	$ (38,184)	$ (26,880)	$ (11,304)
Net cash provided/used in investing activities	—	—	—
Net cash provided by financing activities	18	98,542	(98,524)
Net change in cash, cash equivalents, and restricted cash	$ (38,166)	$ 71,662	$ (109,828)

Net cash used in operating activities

During the three months ended March 31, 2022, net cash used in operating activities was $38.2 million which consisted primarily of a net loss of $49.2 million offset by non-cash stock compensation expense of $5.8 million, $0.1 million of depreciation expense, $0.5 million in amortization of debt issuance costs, $0.6 million of non-cash interest expense, $0.2 million in non-cash equity interest, and an increase of $3.8 million in net operating assets and liabilities.

During the three months ended March 31, 2021, net cash used in operating activities was $26.9 million, which consisted primarily of a net loss of $26.4 million and a decrease in net operating assets and liabilities of $7.0 million, partially offset by non-cash stock compensation expense of $5.9 million, $0.1 million of depreciation expense, $0.3 million in amortization of debt issuance costs, and $0.2 million of non-cash interest expense.

Net cash used in operating activities increased by $11.3 million as compared to the three months ended March 31, 2021 primarily due to increase in net loss from an increase in research costs related to clinical trials as well as administrative costs operating as a commercial company.

Net cash used in investing activities

During the three months ended March 31, 2022, and the three months ended March 31, 2021, there was no cash provided or used in investing activities.

Net cash provided by financing activities

During the three months ended March 31, 2022, net cash provided by financing activities was $18 thousand, which consisted of proceeds from exercise of stock options.

During the three months ended March 31, 2021, net cash provided by financing activities was $98.5 million, which consisted of $86.4 million in net proceeds from our ATM offering after deducting cash paid in the quarter for underwriting discounts and commissions and other expenses, $9.9 million in net proceeds from debt funding, and $2.2 million from proceeds from the exercise of stock options.

Operating capital requirements and plan of operations

To date, we have generated limited revenue from product sales. We expect our expenses to increase as we continue the development of and seek additional regulatory approvals for trilaciclib, and continue to commercialize COSELA. As described in the risk factors included in the 2021 Form 10-K, we are subject to all of the risks inherent in the development of new products, and we may encounter unforeseen expenses, difficulties, complications, delays and other unknown factors that may adversely affect our business.

We believe that our existing cash and cash equivalents will be sufficient to fund our projected cash needs for at least the next 12 months.

We have based our projections of operating capital requirements on assumptions that may prove to be incorrect and we may use all of our available capital resources sooner than we expect. Because of the numerous risks and uncertainties associated with research, development and commercialization of pharmaceutical products, we are unable to estimate the exact amount of our operating capital requirements. Our future funding requirements will depend on many factors, including, but not limited to:

- the scope, progress, results and costs of nonclinical development, laboratory testing and clinical trials for our product candidates;
- the scope, prioritization and number of our research and development programs;
- the costs, timing and outcome of regulatory review of our product candidates;
- the extent to which we enter into non-exclusive, jointly funded clinical research collaboration arrangements, if any, for the development of our product candidates in combination with other companies' products;
- our ability to establish such collaborative co-development arrangements on favorable terms, if at all;
- the achievement of milestones or occurrence of other developments that trigger payments under our license agreements and any collaboration agreements into which we enter;
- the extent to which we are obligated to reimburse, or entitled to reimbursement of, clinical trial costs under future collaboration agreements, if any;
- the extent to which we acquire or in-license product candidates and technologies and the terms of such in-licenses;
- the costs of commercialization activities, including product sales, marketing, manufacturing and distribution, for any of our product candidates for which we receive marketing approval;
- revenue received from commercial sales of our product candidates; and
- the costs of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending intellectual property-related claims.

Until such time, if ever, as we can generate substantial revenues, we expect to finance our cash needs through a combination of equity offerings, debt financings, other third-party funding, marketing and distribution arrangements and other collaborations, strategic alliances and licensing arrangements. We do not have any committed external source of funds except for amounts included under our licensing arrangements and the loan agreement with Hercules. To the extent that we raise additional capital through the sale of equity or convertible debt securities, our stockholders' ownership interest will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect your rights as a common stockholder. Debt financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. If we raise funds through additional collaborations, strategic alliances or licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs or product candidates or to grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds when needed, we may be required to delay, limit, reduce or terminate our product development or future commercialization efforts or grant rights to develop and market product candidates that we would otherwise prefer to develop and market ourselves.

Contractual Obligations, Commitments and Contingencies

There have been no material changes to our contractual obligations during the current period from those disclosed in our Annual Report on Form 10-K for year ended December 31, 2021.

Off-Balance Sheet Arrangements

We did not have, during the periods presented, and we do not currently have, any off-balance sheet arrangements, as defined under applicable SEC rules.

Critical Accounting Policies and Significant Judgments and Estimates

Our management's discussion and analysis of our financial condition and results of operations is based on our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America, or U.S. GAAP. The preparation of our financial statements requires us to make estimates, judgments, and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the dates of the balance sheet, and the reported amount of expenses incurred during the reporting period. In accordance with U.S. GAAP, we evaluate our estimates and judgments on an ongoing basis. Our estimates are based on our historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

We believe that our accounting policies are critical to the process of making significant judgments and estimates in the preparation of our financial statements and understanding and evaluating our reported financial results. We discussed our accounting policies and significant assumptions used in our estimates in Note 2 of our audited financial statements included in our 2021 Form 10-K. There have been no material changes during the three months ended March 31, 2022, to our critical accounting policies, significant judgments and estimates disclosed in our 2021 Form 10-K.

Recent Accounting Pronouncements

See Note 2 to our unaudited condensed financial statements included in Item 1 of this Quarterly Report on Form 10-Q for recently issued accounting pronouncements, including respective adoption dates and the potential impact on our financial statements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to market risks in the ordinary course of our business. These risks primarily include interest rate sensitivities, which are affected by changes in the general level of U.S. interest rates. We had cash and cash equivalents of $183.0 million as of March 31, 2022, which consists of deposits in banks, including checking accounts, money market accounts and certificates of deposit. Such interest-earning instruments carry a degree of interest rate risk; however, historical fluctuations in interest income have not been significant. Due to the short-term nature of our cash equivalents, a sudden change in interest rates would not be expected to have a material effect on our business, financial condition or results of operations.

We also have exposure to market risk on our loan agreement with Hercules Capital, Inc. Our loan agreement (as such is amended from time to time) accrues interest from its date of issue at a variable interest rate equal to the greater of either (i) (a) the prime rate as reported in The Wall Street Journal, plus (b) 6.20%, and (ii) 9.45%. As of March 31, 2022, $75.0 million was outstanding under the loan agreement with Hercules.

We are not currently exposed to significant market risk related to changes in foreign currency exchange rates; however, our operations may be subject to fluctuations in foreign currency exchange rates in the future.

Inflation generally affects us by increasing our cost of labor. We do not believe that inflation had a material effect on our business financial condition or results of operations during the three months ended March 31, 2022.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of March 31, 2022. The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, or the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by the company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Our management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and our management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of March 31, 2022, our principal executive officer and our principal financial officer concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

PART II—OTHER INFORMATION

Item 1A. Risk Factors.

Investing in our common stock involves a high degree of risk. In addition to the other information contained elsewhere in this report, you should carefully consider the risks and uncertainties described in our “Item 1A. Risk Factors” of our 2021 Form 10-K, which could materially affect our business, financial condition or future results before investing in our common stock. Additional risks and uncertainties that we are unaware of, or that we currently believe are not material, may also become important factors that affect us. If any of these risks occur, our business, operating results and prospects could be materially harmed. In that event, the price of our common stock could decline, and you could lose part or all of your investment. There have been no material changes in the risk factors set forth in Part II, Item 1A of our 2021 Form 10-K.

Item 6. Exhibits.

Exhibit Number	Description
10.1*+	G1 Therapeutics, Inc. Amended and Restated 2021 Inducement Equity Incentive Plan.
10.2	Sales Agreement by and between the Registrant and Cowen and Company, LLC dated as of February 23, 2022, filed as Exhibit 10.29 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2021 filed on February 23, 2022 (File No. 001-38096), and incorporated herein by reference.
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)XBRL Taxonomy Extension Presentation Linkbase Document

* Filed herewith.

\+ Management contract or compensatory plan or arrangement.

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.

Date: May 4, 2022

By: */s/ Jennifer K. Moses*

Jennifer K. Moses
Chief Financial Officer (On behalf of the Registrant and as Principal Financial and Accounting Officer)

Exhibit 10.1

G1 THERAPEUTICS, INC.

AMENDED AND RESTATED 2021 INDUCEMENT EQUITY INCENTIVE PLAN

(Approved and adopted by the Board on March 10, 2022)

1. DEFINITIONS.

Unless otherwise specified or unless the context otherwise requires, the following terms, as used in this G1 Therapeutics, Inc. Amended and Restated 2021 Inducement Equity Incentive Plan, have the following meanings:

Administrator means the Board of Directors, unless it has delegated power to act on its behalf to the Committee, in which case the term "Administrator" means the Committee.

Affiliate means a corporation which, for purposes of Section 424 of the Code, is a parent or subsidiary of the Company, direct or indirect.

Agreement means an agreement between the Company and a Participant pertaining to a Stock Right delivered pursuant to the Plan in such form as the Administrator shall approve.

Board of Directors means the Board of Directors of the Company.

Cause means, with respect to a Participant (a) dishonesty with respect to the Company or any Affiliate, (b) insubordination, substantial malfeasance or non-feasance of duty, (c) unauthorized disclosure of confidential information, (d) breach by a Participant of any provision of any employment, consulting, advisory, nondisclosure, non-competition or similar agreement between the Participant and the Company or any Affiliate, and (e) conduct substantially prejudicial to the business of the Company or any Affiliate; provided, however, that any provision in an agreement between a Participant and the Company or an Affiliate, which contains a conflicting definition of Cause for termination and which is in effect at the time of such termination, shall supersede this definition with respect to that Participant. The determination of the Administrator as to the existence of Cause will be conclusive on the Participant and the Company.

Code means the United States Internal Revenue Code of 1986, as amended including any successor statute, regulation and guidance thereto.

Committee means the committee of the Board of Directors, if any, to which the Board of Directors has delegated power to act under or pursuant to the provisions of the Plan, the composition of which shall at all times satisfy the provisions of Section 162(m) of the Code.

Common Stock means shares of the Company's common stock, $0.0001 par value per share.

Company means G1 Therapeutics, Inc., a Delaware corporation.

Director means any member of the Board of Directors.

Disability or Disabled means permanent and total disability as defined in Section 22(e)(3) of the Code.

Employee means any employee of the Company or of an Affiliate (including, without limitation, an employee who is also serving as an officer or director of the Company or of an Affiliate), designated by the Administrator to be eligible to be granted one or more Stock Rights under the Plan.

Exchange Act means the United States Securities Exchange Act of 1934, as amended.

Fair Market Value of a Share of Common Stock means:

(1) If the Common Stock is listed on a national securities exchange or traded in the over-the-counter market and sales prices are regularly reported for the Common Stock, the closing or, if not applicable, the last price of the Common Stock on the composite tape or other comparable reporting system for the trading day on the applicable date and if such applicable date is not a trading day, the last market trading day prior to such date;

(2) If the Common Stock is not traded on a national securities exchange but is traded on the over-the-counter market, if sales prices are not regularly reported for the Common Stock for the trading day referred to in clause (1), and if bid and asked prices for the Common Stock are regularly reported, the mean between the bid and the asked price for the Common Stock at the close of trading in the over-the-counter market for the trading day on which Common Stock was traded on the applicable date and if such applicable date is not a trading day, the last market trading day prior to such date; and

(3) If the Common Stock is neither listed on a national securities exchange nor traded in the over-the-counter market, such value as the Administrator, in good faith, shall determine in compliance with applicable laws.

Non-Qualified Option means an option which is not intended to qualify as an incentive stock option under Section 422 of the Code.

Option means a Non-Qualified Option granted under the Plan.

Participant means an Employee or a Director to whom one or more Stock Rights are granted under the Plan. As used herein, “Participant” shall include the Participant’s “Survivors” where the context requires.

Plan means this G1 Therapeutics, Inc. Amended and Restated 2021 Inducement Equity Incentive Plan.

Securities Act means the United States Securities Act of 1933, as amended.

Shares means shares of the Common Stock as to which Stock Rights have been or may be granted under the Plan or any shares of capital stock into which the Shares are changed or for which they are exchanged within the provisions of Paragraph 3 of the Plan. The Shares issued under the Plan may be authorized and unissued shares or shares held by the Company in its treasury, or both.

Stock-Based Award means a grant by the Company under the Plan of an equity award or an equity based award which is not an Option or a Stock Grant.

Stock Grant means a grant by the Company of Shares under the Plan.

Stock Right means a right to Shares or the value of Shares of the Company granted pursuant to the Plan, in the form of a Non-Qualified Option, a Stock Grant or a Stock-Based Award.

Survivor means a deceased Participant's legal representatives and/or any person or persons who acquired the Participant's rights to a Stock Right by will or by the laws of descent and distribution.

2. PURPOSES OF THE PLAN.

The Plan is intended to encourage ownership of Shares by Employees and Directors of the Company in order to attract and retain such people, to induce them to work for the benefit of the Company or of an Affiliate and to provide additional incentive for them to promote the success of the Company or of an Affiliate. The Company intends that the Plan be reserved for persons to whom the Company may issue securities without stockholder approval as an inducement pursuant to Listing Rule 5635(c)(4) of the corporate governance rules of the Nasdaq Stock Market. The Plan provides for the granting and awarding of Non-Qualified Options, Stock Grants and Stock-Based Awards.

3. SHARES SUBJECT TO THE PLAN.

(a) The number of Shares which may be issued from time to time pursuant to this Plan shall be the sum of (i) One Million Seven Hundred Fifty Thousand (1,750,000) and (ii) any shares of Common Stock that are attributable to awards granted under the G1 Therapeutics, Inc. 2021 Sales Force Inducement Equity Incentive Plan that are forfeited, expire or are cancelled without delivery of shares of Common Stock or which result in the forfeiture of shares of Common Stock back to the Company on or after March 10, 2022, or the equivalent of such number of Shares after the Administrator, in its sole discretion, has interpreted the effect of any stock split, stock dividend, combination, recapitalization or similar transaction in accordance with Paragraph 24 of this Plan.

(b) If an Option ceases to be "outstanding," in whole or in part (other than by exercise), or if the Company shall reacquire (at not more than its original issuance price) any Shares issued pursuant to a Stock Grant or Stock-Based Award, or if any Stock Right expires or is forfeited, cancelled, or otherwise terminated or results in any Shares not being issued, the unissued or reacquired Shares which were subject to such Stock Right shall again be available for issuance from time to time pursuant to this Plan. Notwithstanding the foregoing, if a Stock Right is

exercised, in whole or in part, by tender of Shares or if the Company or an Affiliate's tax withholding obligation is satisfied by withholding Shares, the number of Shares deemed to have been issued under the Plan for purposes of the limitation set forth in Paragraph 3(a) above shall be the number of Shares that were subject to the Stock Right or portion thereof, and not the net number of Shares actually issued.

4. ADMINISTRATION OF THE PLAN.

The Administrator of the Plan will be the Board of Directors, except to the extent the Board of Directors delegates its authority to the Committee, in which case the Committee shall be the Administrator. Subject to the provisions of the Plan, the Administrator is authorized to:

(a) Interpret the provisions of the Plan and all Stock Rights and to make all rules and determinations which it deems necessary or advisable for the administration of the Plan;

(b) Determine which Employees and Directors shall be granted Stock Rights;

(c) Determine the number of Shares for which a Stock Right or Stock Rights shall be granted;

(d) Specify the terms and conditions upon which a Stock Right or Stock Rights may be granted;

(e) Amend any term or condition of any outstanding Stock Right, other than reducing the exercise price or purchase price or extending the expiration date of an Option, provided that (i) such term or condition as amended is not prohibited by the Plan; (ii) any such amendment shall not impair the rights of a Participant under any Stock Right previously granted without such Participant's consent or in the event of death of the Participant the Participant's Survivors; and (iii) any such amendment shall be made only after the Administrator determines whether such amendment would cause any adverse tax consequences to the Participant, including, but not limited to, pursuant to Section 409A of the Code;

(f) Buy out for a payment in cash or Shares, a Stock Right previously granted, awarded and/or cancel any such Stock Right and grant in substitution therefor other Stock Rights, covering the same or a different number of Shares and having an exercise price or purchase price per share which may be lower or higher than the exercise price or purchase price of the cancelled Stock Right, based on such terms and conditions as the Administrator shall establish and the Participant shall accept; and

(g) Adopt any sub-plans applicable to residents of any specified jurisdiction as it deems necessary or appropriate in order to comply with or take advantage of any tax or other laws applicable to the Company, any Affiliate or to Participants or to otherwise facilitate the administration of the Plan, which sub-plans may include additional restrictions or conditions applicable to Stock Rights or Shares issuable pursuant to a Stock Right;

provided, however, that all such interpretations, rules, determinations, terms and conditions shall be made and prescribed in the context of not causing any adverse tax consequences under Section 409A of the Code. Subject to the foregoing, the interpretation and construction by the

Administrator of any provisions of the Plan or of any Stock Right granted under it shall be final, unless otherwise determined by the Board of Directors, if the Administrator is the Committee. In addition, if the Administrator is the Committee, the Board of Directors may take any action under the Plan that would otherwise be the responsibility of the Committee.

To the extent permitted under applicable law, the Board of Directors or the Committee may allocate all or any portion of its responsibilities and powers to any one or more of its members and may delegate all or any portion of its responsibilities and powers to any other person selected by it. The Board of Directors or the Committee may revoke any such allocation or delegation at any time. Notwithstanding the foregoing, only the Board of Directors or the Committee shall be authorized to grant a Stock Right to any Director or to any "officer" of the Company as defined by Rule 16a-1 under the Exchange Act.

5. ELIGIBILITY FOR PARTICIPATION.

The Administrator will, in its sole discretion, name the Participants in the Plan; provided, however, that each Participant must be an Employee or a Director at the time a Stock Right is granted and a person to whom the Company may issue securities without stockholder approval as an inducement pursuant to Listing Rule 5635(c)(4) of the corporate governance rules of the Nasdaq Stock Market. Notwithstanding the foregoing, the Administrator may authorize the grant of a Stock Right to a person not then an Employee or a Director; provided, however, that the actual grant of such Stock Right shall be conditioned upon such person becoming eligible to become a Participant at or prior to the time of the execution of the Agreement evidencing such Stock Right. Non-Qualified Options, Stock Grants and Stock-Based Awards may be granted to any Employee or any Director. The granting of any Stock Right to any individual shall neither entitle that individual to, nor disqualify him or her from, participation in any other grant of Stock Rights or any grant under any other benefit plan established by the Company or any Affiliate for Employees or Directors.

6. TERMS AND CONDITIONS OF OPTIONS.

Each Option shall be set forth in writing in an Option Agreement, duly executed by the Company and, to the extent required by law or requested by the Company, by the Participant. The Administrator may provide that Options be granted subject to such terms and conditions, consistent with the terms and conditions specifically required under this Plan, as the Administrator may deem appropriate. The Option Agreements shall be subject to at least the following terms and conditions:

(a) Each Non-Qualified Option shall be subject to the terms and conditions which the Administrator determines to be appropriate and in the best interest of the Company, subject to the following minimum standards for any such Non-Qualified Option:

(i) Exercise Price: Each Option Agreement shall state the exercise price (per share) of the Shares covered by each Option, which exercise price shall be determined by the Administrator and shall be at least equal to the Fair Market Value per share of Common Stock on the date of grant of the Option.

(ii) Number of Shares: Each Option Agreement shall state the number of Shares to which it pertains.

(iii) Vesting: Each Option Agreement shall state the date or dates on which it first is exercisable and the date after which it may no longer be exercised, and may provide that the Option rights accrue or become exercisable in installments over a period of months or years, or upon the occurrence of certain performance conditions or the attainment of stated goals or events.

(iv) Additional Conditions: Exercise of any Option may be conditioned upon the Participant's execution of a Share purchase agreement in a form satisfactory to the Administrator providing for certain protections for the Company and its other shareholders, including requirements that:

A. The Participant's or the Participant's Survivors' right to sell or transfer the Shares may be restricted; and

B. The Participant or the Participant's Survivors may be required to execute letters of investment intent and must also acknowledge that the Shares will bear legends noting any applicable restrictions.

(v) Term of Option: Each Option shall terminate not more than ten years from the date of the grant or at such earlier time as the Option Agreement may provide.

7. TERMS AND CONDITIONS OF STOCK GRANTS.

Each Stock Grant to a Participant shall state the principal terms in an Agreement duly executed by the Company and, to the extent required by law or requested by the Company, by the Participant. The Agreement shall be in a form approved by the Administrator and shall contain terms and conditions which the Administrator determines to be appropriate and in the best interest of the Company, subject to the following minimum standards:

(a) Each Agreement shall state the purchase price per share, if any, of the Shares covered by each Stock Grant, which purchase price shall be determined by the Administrator but shall not be less than the minimum consideration required by the Delaware General Corporation Law, if any, on the date of the grant of the Stock Grant;

(b) Each Agreement shall state the number of Shares to which the Stock Grant pertains; and

(c) Each Agreement shall include the terms of any right of the Company to restrict or reacquire the Shares subject to the Stock Grant.

8.TERMS AND CONDITIONS OF OTHER STOCK-BASED AWARDS.

The Administrator shall have the right to grant other Stock-Based Awards based upon the Common Stock having such terms and conditions as the Administrator may determine, including, without limitation, the grant of Shares based upon certain conditions, the grant of securities convertible into Shares and the grant of stock appreciation rights, phantom stock awards or stock units. The principal terms of each Stock-Based Award shall be set forth in an Agreement, duly executed by the Company and, to the extent required by law or requested by the Company, by the Participant. The Agreement shall be in a form approved by the Administrator and shall contain terms and conditions which the Administrator determines to be appropriate and in the best interest of the Company. Each Agreement shall include the terms of any right of the Company including the right to terminate the Stock-Based Award without the issuance of Shares, the terms of any vesting conditions or events upon which Shares shall be issued. Under no circumstances may the Agreement covering stock appreciation rights (a) have an exercise price (per share) that is less than the Fair Market Value per share of Common Stock on the date of grant or (b) expire more than ten years following the date of grant.

The Company intends that the Plan and any Stock-Based Awards granted hereunder be exempt from the application of Section 409A of the Code or meet the requirements of paragraphs (2), (3) and (4) of subsection (a) of Section 409A of the Code, to the extent applicable, and be operated in accordance with Section 409A so that any compensation deferred under any Stock-Based Award (and applicable investment earnings) shall not be included in income under Section 409A of the Code. Any ambiguities in the Plan shall be construed to effect the intent as described in this Paragraph 8.

9. EXERCISE OF OPTIONS AND ISSUE OF SHARES.

An Option (or any part or installment thereof) shall be exercised by giving written notice to the Company or its designee (in a form acceptable to the Administrator, which may include electronic notice), together with provision for payment of the aggregate exercise price in accordance with this Paragraph for the Shares as to which the Option is being exercised, and upon compliance with any other condition(s) set forth in the Option Agreement. Such notice shall be signed by the person exercising the Option (which signature may be provided electronically in a form acceptable to the Administrator), shall state the number of Shares with respect to which the Option is being exercised and shall contain any representation required by the Plan or the Option Agreement. Payment of the exercise price for the Shares as to which such Option is being exercised shall be made (a) in United States dollars in cash or by check; or (b) at the discretion of the Administrator, through delivery of shares of Common Stock held for at least six months (if required to avoid negative accounting treatment) having a Fair Market Value equal as of the date of the exercise to the aggregate cash exercise price for the number of Shares as to which the Option is being exercised; or (c) at the discretion of the Administrator, by having the Company retain from the Shares otherwise issuable upon exercise of the Option, a number of Shares having a Fair Market Value equal as of the date of exercise to the aggregate exercise price for the number of Shares as to which the Option is being exercised; or (d) at the discretion of the Administrator, in accordance with a cashless exercise program established with a securities brokerage firm, and approved by the Administrator; or (e) at the discretion of the Administrator, by any combination of (a), (b), (c) and (d) above; or (f) at the discretion of the Administrator, by payment of such other lawful consideration as the Administrator may determine.

The Company shall then reasonably promptly deliver the Shares as to which such Option was exercised to the Participant (or to the Participant's Survivors, as the case may be). In determining what constitutes "reasonably promptly," it is expressly understood that the issuance and delivery of the Shares may be delayed by the Company in order to comply with any law or regulation (including, without limitation, state securities or "blue sky" laws) which requires the Company to take any action with respect to the Shares prior to their issuance. The Shares shall, upon delivery, be fully paid, non-assessable Shares.

10. PAYMENT IN CONNECTION WITH THE ISSUANCE OF STOCK GRANTS AND STOCK-BASED AWARDS AND ISSUE OF SHARES.

Any Stock Grant or Stock-Based Award requiring payment of a purchase price for the Shares as to which such Stock Grant or Stock-Based Award is being granted shall be made (a) in United States dollars in cash or by check; or (b) at the discretion of the Administrator, through delivery of shares of Common Stock held for at least six months (if required to avoid negative accounting treatment) and having a Fair Market Value equal as of the date of payment to the purchase price of the Stock Grant or Stock-Based Award; or (c) at the discretion of the Administrator, by any combination of (a) and (b) above; or (d) at the discretion of the Administrator, by payment of such other lawful consideration as the Administrator may determine.

The Company shall, when required by the applicable Agreement, reasonably promptly deliver the Shares as to which such Stock Grant or Stock-Based Award was made to the Participant (or to the Participant's Survivors, as the case may be), subject to any escrow provision set forth in the applicable Agreement. In determining what constitutes "reasonably promptly," it is expressly understood that the issuance and delivery of the Shares may be delayed by the Company in order to comply with any law or regulation (including, without limitation, state securities or "blue sky" laws) which requires the Company to take any action with respect to the Shares prior to their issuance.

11. RIGHTS AS A SHAREHOLDER.

No Participant to whom a Stock Right has been granted shall have rights as a shareholder with respect to any Shares covered by such Stock Right except after due exercise of an Option or issuance of Shares as set forth in any Agreement, tender of the aggregate exercise or purchase price, if any, for the Shares being purchased and registration of the Shares in the Company's share register in the name of the Participant.

12. ASSIGNABILITY AND TRANSFERABILITY OF STOCK RIGHTS.

By its terms, a Stock Right granted to a Participant shall not be transferable by the Participant other than (i) by will or by the laws of descent and distribution, or (ii) as approved by the Administrator in its discretion and set forth in the applicable Agreement provided that no Stock Right may be transferred by a Participant for value. The designation of a beneficiary of a Stock Right by a Participant, with the prior approval of the Administrator and in such form as the Administrator shall prescribe, shall not be deemed a transfer prohibited by this Paragraph. Except as provided above during the Participant's lifetime a Stock Right shall only be exercisable by or issued to such Participant (or his or her legal representative) and shall not be assigned, pledged or

hypothecated in any way (whether by operation of law or otherwise) and shall not be subject to execution, attachment or similar process. Any attempted transfer, assignment, pledge, hypothecation or other disposition of any Stock Right or of any rights granted thereunder contrary to the provisions of this Plan, or the levy of any attachment or similar process upon a Stock Right, shall be null and void.

13. EFFECT ON OPTIONS OF TERMINATION OF SERVICE OTHER THAN FOR CAUSE OR DEATH OR DISABILITY.

Except as otherwise provided in a Participant's Option Agreement, in the event of a termination of service (whether as an Employee or Director) with the Company or an Affiliate before the Participant has exercised an Option, the following rules apply:

(a) A Participant who ceases to be an Employee or a Director (for any reason other than termination for Cause, Disability, or death for which events there are special rules in Paragraphs 14, 15 and 16, respectively), may exercise any Option granted to him or her to the extent that the Option is exercisable on the date of such termination of service, but only within such term as the Administrator has designated in a Participant's Option Agreement.

(b) The provisions of this Paragraph, and not the provisions of Paragraph 15 or 16, shall apply to a Participant who subsequently becomes Disabled or dies after the termination of employment or director status; provided, however, in the case of a Participant's Disability or death within three months after the termination of employment or director status, the Participant or the Participant's Survivors may exercise the Option within one year after the date of the Participant's termination of service, but in no event after the date of expiration of the term of the Option.

(c) Notwithstanding anything herein to the contrary, if subsequent to a Participant's termination, but prior to the exercise of an Option, the Administrator determines that, either prior or subsequent to the Participant's termination, the Participant engaged in conduct which would constitute Cause, then such Participant shall forthwith cease to have any right to exercise any Option.

(d) A Participant to whom an Option has been granted under the Plan who is absent from the Company or an Affiliate because of temporary disability (any disability other than a Disability as defined in Paragraph 1 hereof), or who is on leave of absence for any purpose, shall not, during the period of any such absence, be deemed, by virtue of such absence alone, to have terminated such Participant's employment or director status with the Company or with an Affiliate, except as the Administrator may otherwise expressly provide.

(e) Except as required by law or as set forth in a Participant's Option Agreement, Options granted under the Plan shall not be affected by any change of a Participant's status within or among the Company and any Affiliates, so long as the Participant continues to be an Employee or Director.

14. EFFECT ON OPTIONS OF TERMINATION OF SERVICE FOR CAUSE.

Except as otherwise provided in a Participant's Option Agreement, the following rules apply if the Participant's service (whether as an Employee or Director) with the Company or an

Affiliate is terminated for Cause prior to the time that all his or her outstanding Options have been exercised:

(a) All outstanding and unexercised Options as of the time the Participant is notified his or her service is terminated for Cause will immediately be forfeited.

(b) Cause is not limited to events which have occurred prior to a Participant's termination of service, nor is it necessary that the Administrator's finding of Cause occur prior to termination. If the Administrator determines, subsequent to a Participant's termination of service but prior to the exercise of an Option, that either prior or subsequent to the Participant's termination the Participant engaged in conduct which would constitute Cause, then the right to exercise any Option is forfeited.

15. EFFECT ON OPTIONS OF TERMINATION OF SERVICE FOR DISABILITY.

Except as otherwise provided in a Participant's Option Agreement:

(a) A Participant who ceases to be an Employee or Director by reason of Disability may exercise any Option granted to such Participant to the extent that the Option has become exercisable but has not been exercised on the date of the Participant's termination of service due to Disability;

(b) In the event rights to exercise the Option accrue periodically, a Disabled Participant may exercise any Option granted to such Participant to the extent of a pro rata portion through the date of the Participant's termination of service due to Disability of any additional vesting rights that would have accrued on the next vesting date had the Participant not become Disabled. The proration shall be based upon the number of days accrued in the current vesting period prior to the date of the Participant's termination of service due to Disability;

(c) A Disabled Participant may exercise the Option only within the period ending one year after the date of the Participant's termination of service due to Disability, notwithstanding that the Participant might have been able to exercise the Option as to some or all of the Shares on a later date if the Participant had not been terminated due to Disability and had continued to be an Employee, Director or, if earlier, within the originally prescribed term of the Option; and

(d) The Administrator shall make the determination both of whether Disability has occurred and the date of its occurrence (unless a procedure for such determination is set forth in another agreement between the Company and such Participant, in which case such procedure shall be used for such determination). If requested, the Participant shall be examined by a physician selected or approved by the Administrator, the cost of which examination shall be paid for by the Company.

16. EFFECT ON OPTIONS OF DEATH WHILE AN EMPLOYEE OR DIRECTOR.

Except as otherwise provided in a Participant's Option Agreement:

(a) In the event of the death of a Participant while the Participant is an Employee or Director, such Option may be exercised by the Participant's Survivors to the extent that the Option has become exercisable but has not been exercised on the date of death;

(b) In the event rights to exercise the Option accrue periodically, a deceased Participant's Survivors may exercise any Option granted to such Participant to the extent of a pro rata portion through the date of death of any additional vesting rights that would have accrued on the next vesting date had the Participant not died. The proration shall be based upon the number of days accrued in the current vesting period prior to the Participant's date of death; and

(c) If the Participant's Survivors wish to exercise the Option, they must take all necessary steps to exercise the Option within one year after the date of death of such Participant, notwithstanding that the decedent might have been able to exercise the Option as to some or all of the Shares on a later date if he or she had not died and had continued to be an Employee or Director or, if earlier, within the originally prescribed term of the Option.

17.EFFECT ON STOCK GRANTS AND STOCK-BASED AWARDS OF TERMINATION OF SERVICE.

In the event of a termination of service (whether as an Employee or Director) with the Company or an Affiliate for any reason before the Participant has accepted a Stock Grant or a Stock-Based Award and paid the purchase price, if required, such grant shall terminate.

For purposes of this Paragraph 17 and Paragraph 18 below, a Participant to whom a Stock Grant or a Stock-Based Award has been issued under the Plan who is absent from work with the Company or with an Affiliate because of temporary disability (any disability other than a Disability as defined in Paragraph 1 hereof), or who is on leave of absence for any purpose, shall not, during the period of any such absence, be deemed, by virtue of such absence alone, to have terminated such Participant's employment or director status with the Company or with an Affiliate, except as the Administrator may otherwise expressly provide.

In addition, for purposes of this Paragraph 17 and Paragraph 18 below, any change of employment or other service within or among the Company and any Affiliates shall not be treated as a termination of employment or director status so long as the Participant continues to be an Employee or Director.

18.EFFECT ON STOCK GRANTS AND STOCK-BASED AWARDS OF TERMINATION OF SERVICE OTHER THAN FOR CAUSE, DEATH OR DISABILITY.

Except as otherwise provided in a Participant's Agreement, in the event of a termination of service for any reason (whether as an Employee or Director), other than termination for Cause, death or Disability for which there are special rules in Paragraphs 19, 20 and 21 below, before all forfeiture provisions or Company rights of repurchase shall have lapsed, then the Company shall have the right to cancel or repurchase that number of Shares subject to a Stock Grant or Stock-Based Award as to which the Company's forfeiture or repurchase rights have not lapsed.

19.EFFECT ON STOCK GRANTS AND STOCK-BASED AWARDS OF TERMINATION OF SERVICE FOR CAUSE.

Except as otherwise provided in a Participant's Agreement, the following rules apply if the Participant's service (whether as an Employee or Director) with the Company or an Affiliate is terminated for Cause:

(a) All Shares subject to any Stock Grant or Stock-Based Award that remain subject to forfeiture provisions or as to which the Company shall have a repurchase right shall be immediately forfeited to the Company as of the time the Participant is notified his or her service is terminated for Cause.

(b) Cause is not limited to events which have occurred prior to a Participant's termination of service, nor is it necessary that the Administrator's finding of Cause occur prior to termination. If the Administrator determines, subsequent to a Participant's termination of service, that either prior or subsequent to the Participant's termination the Participant engaged in conduct which would constitute Cause, then all Shares subject to any Stock Grant or Stock-Based Award that remained subject to forfeiture provisions or as to which the Company had a repurchase right on the date of termination shall be immediately forfeited to the Company.

20.EFFECT ON STOCK GRANTS AND STOCK-BASED AWARDS OF TERMINATION OF SERVICE FOR DISABILITY.

Except as otherwise provided in a Participant's Agreement, the following rules apply if a Participant ceases to be an Employee or Director by reason of Disability: to the extent the forfeiture provisions or the Company's rights of repurchase have not lapsed on the date of Disability, they shall be exercisable; provided, however, that in the event such forfeiture provisions or rights of repurchase lapse periodically, such provisions or rights shall lapse to the extent of a pro rata portion of the Shares subject to such Stock Grant or Stock-Based Award through the date of Disability as would have lapsed had the Participant not become Disabled. The proration shall be based upon the number of days accrued prior to the date of Disability.

The Administrator shall make the determination both as to whether Disability has occurred and the date of its occurrence (unless a procedure for such determination is set forth in another agreement between the Company and such Participant, in which case such procedure shall be used for such determination). If requested, the Participant shall be examined by a physician selected or approved by the Administrator, the cost of which examination shall be paid for by the Company.

21.EFFECT ON STOCK GRANTS AND STOCK-BASED AWARDS OF DEATH WHILE AN EMPLOYEE OR DIRECTOR.

Except as otherwise provided in a Participant's Agreement, the following rules apply in the event of the death of a Participant while the Participant is an Employee or Director: to the extent the forfeiture provisions or the Company's rights of repurchase have not lapsed on the date of death, they shall be exercisable; provided, however, that in the event such forfeiture provisions or rights of repurchase lapse periodically, such provisions or rights shall lapse to the extent of a pro rata portion of the Shares subject to such Stock Grant or Stock-Based Award through the date

of death as would have lapsed had the Participant not died. The proration shall be based upon the number of days accrued prior to the Participant's date of death.

22. PURCHASE FOR INVESTMENT.

Unless the offering and sale of the Shares shall have been effectively registered under the Securities Act, the Company shall be under no obligation to issue Shares under the Plan unless and until the following conditions have been fulfilled:

(a) The person who receives a Stock Right shall warrant to the Company, prior to the receipt of Shares, that such person is acquiring such Shares for his or her own account, for investment, and not with a view to, or for sale in connection with, the distribution of any such Shares, in which event the person acquiring such Shares shall be bound by the provisions of the following legend (or a legend in substantially similar form) which shall be endorsed upon the certificate evidencing the Shares issued pursuant to such exercise or such grant:

> "The shares represented by this certificate have been taken for investment and they may not be sold or otherwise transferred by any person, including a pledgee, unless (1) either (a) a Registration Statement with respect to such shares shall be effective under the Securities Act of 1933, as amended, or (b) the Company shall have received an opinion of counsel satisfactory to it that an exemption from registration under such Act is then available, and (2) there shall have been compliance with all applicable state securities laws."

(b) At the discretion of the Administrator, the Company shall have received an opinion of its counsel that the Shares may be issued in compliance with the Securities Act without registration thereunder.

23. DISSOLUTION OR LIQUIDATION OF THE COMPANY.

Upon the dissolution or liquidation of the Company, all Options granted under this Plan which as of such date shall not have been exercised and all Stock Grants and Stock-Based Awards which have not been accepted, to the extent required under the applicable Agreement, will terminate and become null and void; provided, however, that if the rights of a Participant or a Participant's Survivors have not otherwise terminated and expired, the Participant or the Participant's Survivors will have the right immediately prior to such dissolution or liquidation to exercise or accept any Stock Right to the extent that the Stock Right is exercisable or subject to acceptance as of the date immediately prior to such dissolution or liquidation. Upon the dissolution or liquidation of the Company, any outstanding Stock-Based Awards shall immediately terminate unless otherwise determined by the Administrator or specifically provided in the applicable Agreement.

24. ADJUSTMENTS.

Upon the occurrence of any of the following events, a Participant's rights with respect to any Stock Right granted to him or her hereunder shall be adjusted as hereinafter provided, unless otherwise specifically provided in a Participant's Agreement:

(a) Stock Dividends and Stock Splits. If (i) the shares of Common Stock shall be subdivided or combined into a greater or smaller number of shares or if the Company shall issue any shares of Common Stock as a stock dividend on its outstanding Common Stock, or (ii) additional shares or new or different shares or other securities of the Company or other non-cash assets are distributed with respect to such shares of Common Stock, each Stock Right and the number of shares of Common Stock deliverable thereunder shall be appropriately increased or decreased proportionately, and appropriate adjustments shall be made including, in the exercise or purchase price per share, to reflect such events. The number of Shares subject to the limitations in Paragraphs 3(a) shall also be proportionately adjusted upon the occurrence of such events.

(b) Corporate Transactions. If the Company is to be consolidated with or acquired by another entity in a merger, consolidation, sale of all or substantially all of the Company's assets or the acquisition of all of the outstanding voting stock of the Company in a single transaction or a series of related transactions by a single entity other than a transaction to merely change the state of incorporation (a "Corporate Transaction"), the Administrator or the board of directors of any entity assuming the obligations of the Company hereunder (the "Successor Board"), shall, as to outstanding Options, either (i) make appropriate provision for the continuation of such Options by substituting on an equitable basis for the Shares then subject to such Options either the consideration payable with respect to the outstanding shares of Common Stock in connection with the Corporate Transaction or securities of any successor or acquiring entity; or (ii) upon written notice to the Participants, provide that such Options must be exercised (either (A) to the extent then exercisable or, (B) at the discretion of the Administrator, any such Options being made partially or fully exercisable for purposes of this Subparagraph), within a specified number of days of the date of such notice, at the end of which period such Options which have not been exercised shall terminate; or (iii) terminate such Options in exchange for payment of an amount equal to the consideration payable upon consummation of such Corporate Transaction to a holder of the number of shares of Common Stock into which such Option would have been exercisable (either (A) to the extent then exercisable or, (B) at the discretion of the Administrator, any such Options being made partially or fully exercisable for purposes of this Subparagraph) less the aggregate exercise price thereof. For purposes of determining the payments to be made pursuant to subsection (iii) above, in the case of a Corporate Transaction the consideration for which, in whole or in part, is other than cash, the consideration other than cash shall be valued at the fair value thereof as determined in good faith by the Board of Directors.

With respect to outstanding Stock Grants, the Administrator or the Successor Board, shall make appropriate provision for the continuation of such Stock Grants on the same terms and conditions by substituting on an equitable basis for the Shares then subject to such Stock Grants either the consideration payable with respect to the outstanding Shares of Common Stock in connection with the Corporate Transaction or securities of any successor or acquiring entity. In lieu of the foregoing, in connection with any Corporate Transaction, the Administrator may provide that, upon consummation of the Corporate Transaction, each outstanding Stock Grant shall be terminated in exchange for payment of an amount equal to the consideration payable upon consummation of such Corporate Transaction to a holder of the number of shares of Common Stock comprising such Stock Grant (to the extent such Stock Grant is no longer subject to any forfeiture or repurchase rights then in effect or, at the discretion of the Administrator, all forfeiture and repurchase rights being waived upon such Corporate Transaction).

In taking any of the actions permitted under this Paragraph 24(b), the Administrator shall not be obligated by the Plan to treat all Stock Rights, all Stock Rights held by a Participant, or all Stock Rights of the same type, identically.

(c) Recapitalization or Reorganization. In the event of a recapitalization or reorganization of the Company other than a Corporate Transaction pursuant to which securities of the Company or of another corporation are issued with respect to the outstanding shares of Common Stock, a Participant upon exercising an Option or accepting a Stock Grant after the recapitalization or reorganization shall be entitled to receive for the price paid upon such exercise or acceptance if any, the number of replacement securities which would have been received if such Option had been exercised or Stock Grant accepted prior to such recapitalization or reorganization.

(d) Adjustments to Stock-Based Awards. Upon the happening of any of the events described in Subparagraphs (a), (b) or (c) above, any outstanding Stock-Based Award shall be appropriately adjusted to reflect the events described in such Subparagraphs. The Administrator or the Successor Board shall determine the specific adjustments to be made under this Paragraph 24, including, but not limited to the effect of any Corporate Transaction and, subject to Paragraph 4, its determination shall be conclusive.

(e) Modification of Options. Notwithstanding the foregoing, any adjustments made pursuant to Subparagraph (a), (b) or (c) above with respect to Options shall be made only after the Administrator determines whether such adjustments would cause any adverse tax consequences for the holders of Options, including, but not limited to, pursuant to Section 409A of the Code. If the Administrator determines that such adjustments made with respect to Options would constitute a modification or other adverse tax consequence, it may refrain from making such adjustments, unless the holder of an Option specifically agrees in writing that such adjustment be made and such writing indicates that the holder has full knowledge of the consequences of such "modification" on his or her income tax treatment with respect to the Option.

25. ISSUANCES OF SECURITIES.

Except as expressly provided herein, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of shares subject to Stock Rights. Except as expressly provided herein, no adjustments shall be made for dividends paid in cash or in property (including without limitation, securities) of the Company prior to any issuance of Shares pursuant to a Stock Right.

26. FRACTIONAL SHARES.

No fractional shares shall be issued under the Plan and the person exercising a Stock Right shall receive from the Company cash in lieu of such fractional shares equal to the Fair Market Value thereof.

27. WITHHOLDING.

In the event that any federal, state, or local income taxes, employment taxes, Federal Insurance Contributions Act ("F.I.C.A.") withholdings or other amounts are required by applicable

law or governmental regulation to be withheld from the Participant's salary, wages or other remuneration in connection with the issuance of a Stock Right or Shares under the Plan or for any other reason required by law, the Company may withhold from the Participant's compensation, if any, or may require that the Participant advance in cash to the Company, or to any Affiliate of the Company which employs or employed the Participant, the statutory minimum amount of such withholdings unless a different withholding arrangement, including the use of shares of the Company's Common Stock or a promissory note, is authorized by the Administrator (and permitted by law). For purposes hereof, the fair market value of the shares withheld for purposes of payroll withholding shall be determined in the manner set forth under the definition of Fair Market Value provided in Paragraph 1 above, as of the most recent practicable date prior to the date of exercise. If the Fair Market Value of the shares withheld is less than the amount of payroll withholdings required, the Participant may be required to advance the difference in cash to the Company or the Affiliate employer. The Administrator in its discretion may condition the exercise of an Option for less than the then Fair Market Value on the Participant's payment of such additional withholding.

28. TERMINATION OF THE PLAN.

The Plan will terminate on February 23, 2031. The Plan may be terminated at an earlier date by vote of the shareholders or the Board of Directors of the Company; provided, however, that any such earlier termination shall not affect any Agreements executed prior to the effective date of such termination. Termination of the Plan shall not affect any Stock Rights theretofore granted.

29. AMENDMENT OF THE PLAN AND AGREEMENTS.

The Plan may be amended by the Administrator. Any modification or amendment of the Plan shall not, without the consent of a Participant, adversely affect his or her rights under a Stock Right previously granted to him or her. With the consent of the Participant affected, the Administrator may amend outstanding Agreements in a manner which may be adverse to the Participant but which is not inconsistent with the Plan. In the discretion of the Administrator, outstanding Agreements may be amended by the Administrator in a manner which is not adverse to the Participant. Nothing in this Paragraph 29 shall limit the Administrator's authority to take any action permitted pursuant to Paragraph 24.

30. EMPLOYMENT OR OTHER RELATIONSHIP.

Nothing in this Plan or any Agreement shall be deemed to prevent the Company or an Affiliate from terminating the employment or director status of a Participant, nor to prevent a Participant from terminating his or her own employment or director status or to give any Participant a right to be retained in employment or other service by the Company or any Affiliate for any period of time.

31. SECTION 409A.

If a Participant is a "specified employee" as defined in Section 409A of the Code (and as applied according to procedures of the Company and its Affiliates) as of his separation from service, to the extent any payment under this Plan or pursuant to the grant of a Stock-Based Award

constitutes deferred compensation (after taking into account any applicable exemptions from Section 409A of the Code), and to the extent required by Section 409A of the Code, no payments due under this Plan or pursuant to a Stock-Based Award may be made until the earlier of: (i) the first day of the seventh month following the Participant's separation from service, or (ii) the Participant's date of death; provided, however, that any payments delayed during this six-month period shall be paid in the aggregate in a lump sum, without interest, on the first day of the seventh month following the Participant's separation from service.

The Administrator shall administer the Plan with a view toward ensuring that Stock Rights under the Plan that are subject to Section 409A of the Code comply with the requirements thereof and that Options under the Plan be exempt from the requirements of Section 409A of the Code, but neither the Administrator nor any member of the Board, nor the Company nor any of its Affiliates, nor any other person acting hereunder on behalf of the Company, the Administrator or the Board shall be liable to a Participant or any Survivor by reason of the acceleration of any income, or the imposition of any additional tax or penalty, with respect to a Stock Right, whether by reason of a failure to satisfy the requirements of Section 409A of the Code or otherwise.

32. INDEMNITY.

Neither the Board nor the Administrator, nor any members of either, nor any employees of the Company or any parent, subsidiary, or other Affiliate, shall be liable for any act, omission, interpretation, construction or determination made in good faith in connection with their responsibilities with respect to this Plan, and the Company hereby agrees to indemnify the members of the Board, the members of the Committee, and the employees of the Company and its parent or subsidiaries in respect of any claim, loss, damage, or expense (including reasonable counsel fees) arising from any such act, omission, interpretation, construction or determination to the full extent permitted by law.

33. CLAWBACK.

Notwithstanding anything to the contrary contained in this Plan, the Company may recover from a Participant any compensation received from any Stock Right (whether or not settled) or cause a Participant to forfeit any Stock Right (whether or not vested) in the event that the Company's Clawback Policy then in effect is triggered.

34. GOVERNING LAW.

This Plan shall be construed and enforced in accordance with the law of the State of Delaware.

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, John E. Bailey, Jr, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of G1 Therapeutics, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

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

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

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

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

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

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

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

Date: May 4, 2022

By: /s/ John E. Bailey, Jr.

John E. Bailey, Jr.
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jennifer K. Moses, certify that:

1. I have reviewed this Quarterly Report on 10-Q of G1 Therapeutics, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

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

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

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

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

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

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

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

Date: May 4, 2022

By: /s/ Jennifer K. Moses

Jennifer K. Moses
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

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

In connection with the Quarterly Report of G1 Therapeutics, Inc. (the "Company") on Form 10-Q for the period ending March 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of his knowledge:

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

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

Date: May 4, 2022

By: /s/ John E. Bailey, Jr.
John E. Bailey, Jr.
President and Chief Executive Officer
(Principal Executive Officer)

This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of G1 Therapeutics, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing.

Exhibit 32.2

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

In connection with the Quarterly Report of G1 Therapeutics, Inc. (the "Company") on Form 10-Q for the period ending March 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of her knowledge:

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

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

Date: May 4, 2022

By: /s/ Jennifer K. Moses
Jennifer K. Moses
Chief Financial Officer
(Principal Financial Officer)

This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of G1 Therapeutics, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing.