G1 Therapeutics Reports Second Quarter 2017 Financial Results and Recent Operational Highlights

August 9, 2017

Completed enrollment of Phase 2a small-cell lung cancer trial, with topline data expected in first quarter 2018

Closed initial public offering that raised $107.1 million in net proceeds

RESEARCH TRIANGLE PARK, N.C., Aug. 09, 2017 (GLOBE NEWSWIRE) -- G1 Therapeutics, Inc. (NASDAQ:GTHX), a clinical-stage oncology company, today reported financial results for the quarter ended June 30, 2017, and provided an update on its corporate activities and product pipeline.

"The second quarter of 2017 proved to be transformational for G1, as we made further progress with our oncology drug development programs and raised $107.1 million in net proceeds in our successful initial public offering," said Mark Velleca, MD, PhD, Chief Executive Officer of G1. "As we continue to execute on our clinical programs in the second half of 2017, we look forward to reporting topline data from the Phase 2a clinical trial of trilaciclib in first-line small-cell lung cancer in the first quarter of 2018, and preliminary Phase 1b data from our trial of G1T38 plus Faslodex® in ER+ breast cancer in the second quarter of 2018. I look forward to sharing updates on our clinical progress in the coming months."

Second Quarter 2017 and Subsequent Operational Highlights

- **Clinical/Regulatory:**
  - **Completed enrollment of the Phase 2a trial of trilaciclib in first-line SCLC:** Enrollment for the randomized, placebo-controlled, double-blind Phase 2a study of trilaciclib in first-line small-cell lung cancer (SCLC) was completed in May, with topline data expected in the first quarter of 2018. Enrollment for the Phase 2a trial of trilaciclib in second/third-line SCLC is being increased by approximately 30 patients in order to further evaluate both of the approved doses of topotecan; completion of enrollment is expected in the second quarter of 2018.
  - **Initiated a Phase 2 trial of trilaciclib plus Tecentriq®** : In May, G1 initiated a randomized, placebo-controlled Phase 2 study of Tecentriq and chemotherapy with or without trilaciclib as a first-line treatment for SCLC.
  - **Met with the FDA in an End-of-Phase 1 meeting:** In May, G1 met with the U.S. Food and Drug Administration (FDA) to obtain feedback on the preliminary data and overall development plans for trilaciclib.

- **Presentations/Publications:**
  - **Presented data on drug product candidates at ASCO and AACR**: In June, G1 presented Phase 1b data from the ongoing Phase 1b/2a study of trilaciclib as a first-line combination treatment in patients with extensive-stage SCLC at the American Society of Clinical Oncology (ASCO) Annual Meeting. G1 also presented preclinical data on trilaciclib, G1T38, and G1T48 at the American Association for Cancer Research (AACR) Annual Meeting in April.
  - **Published Phase 1 and preclinical data for trilaciclib:** In April, G1 published an article titled: "Transient CDK4/6 inhibition protects hematopoietic stem cells from chemotherapy-induced exhaustion" in *Science Translational Medicine*.

- **Financial:**
  - **Completed initial public offering**: In May, G1 closed an initial public offering of 7,781,564 shares of common stock at a public offering price of $15.00 per share, including 781,564 shares sold pursuant to the partial exercise of the underwriters' option to purchase additional shares. G1 received approximately $107.1 million in net proceeds, which included underwriting discounts and commissions, and estimated offering expenses.

- **Organizational:**
  - **Expanded senior management team:** In August, Terry Murdock joined G1 as Senior Vice President, Development Operations, to lead clinical operations, drug manufacturing, and project management. In April, Shannon Morris, MD, PhD, joined G1 as Vice President, Clinical Development, to lead the four ongoing Phase 2 trials of trilaciclib and its future development.
  - **Appointed Sir Andrew Witty to board of directors**: In July, Sir Andrew Witty, former Chief Executive Officer of GlaxoSmithKline plc, joined G1's board of directors.

Anticipated Upcoming Milestones

- Investigational New Drug (IND) application filing for G1T38, an oral CDK4/6 inhibitor, in non-small cell lung cancer (NSCLC) in the fourth quarter of 2017.
- IND filing for G1T48, an oral selective estrogen receptor degrader (SERD), in ER+, HER2- breast cancer in the fourth quarter of 2017.
- Topline data for the randomized, placebo-controlled, double-blind Phase 2a trial of chemotherapy with or without trilaciclib

in first-line SCLC in the first quarter of 2018.
- Preliminary Phase 1b data for G1T38 plus Faslodex in ER+ breast cancer in the second quarter of 2018.

Second Quarter Financial Highlights

- **Cash Position**: Cash, cash equivalents, and short-term investments totaled $132.7 million as of June 30, 2017, compared to $47.3 million as of December 31, 2016.
- **Operating Expenses**: Operating expenses were $15.4 million for the second quarter of 2017, compared to $7.4 million for the second quarter of 2016. GAAP operating expenses include stock-based compensation expense of $0.8 million for the second quarter of 2017, compared to $0.3 million for the second quarter of 2016.
- **Research and Development Expenses**: Research and development (R&D) expenses for the second quarter of 2017 were $13.7 million, compared to $6.5 million for the second quarter of 2016. The increase in costs was largely due to an increase in the number of ongoing clinical studies and related costs, and an increase in drug manufacturing costs to support clinical programs.
- **General and Administrative Expenses**: General and administrative (G&A) expenses for the second quarter of 2017 were $1.7 million, compared to $1.0 million for the second quarter of 2016. The increase in costs was due to an increase in professional fees and an increase in personnel costs due to additional headcount.
- **Net Loss**: G1 reported a net loss of $15.2 million for the second quarter of 2017, compared to $7.4 million for the second quarter of 2016.
- **Shares Outstanding**: As of July 31, 2017, G1 reported 28.3 million shares outstanding. For the second quarter of 2017, the company had 14.2 million weighted average common shares outstanding, and 1.5 million weighted average common shares outstanding for the first quarter of 2017.
- **Financial Guidance**: G1 estimates that operating expenses will be in the range of $55-$60 million for 2017. For the second half of 2017, management estimates that average shares outstanding will be approximately 28.5 million, which does not include any financing activity that would result in the issuance of new shares.

About G1 Therapeutics, Inc.

G1 Therapeutics is a clinical-stage biopharmaceutical company focused on the discovery and development of novel therapeutics for the treatment of cancer. G1's two clinical assets, trilaciclib and G1T38, are CDK4/6 inhibitors, a validated and promising class of targets for anti-cancer therapeutics. Trilaciclib and G1T38 have broad therapeutic potential in many forms of cancer and may serve as the backbone of multiple combination regimens. In addition, G1 is advancing G1T48, a potential first/best-in-class oral selective estrogen receptor degrader, or SERD, which is targeted for the treatment of ER+ breast cancer.

G1 is based in Research Triangle Park, NC. For additional information about G1, please visit www.g1therapeutics.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "may," "will," "expect," "plan," "anticipate," "estimate," "intend," and similar expressions (as well as other words or expressions referencing future events, conditions, or circumstances) are intended to identify forward-looking statements. Forward-looking statements in this news release include, but are not limited to, the timing for the completion of enrollment and the results of clinical trials for trilaciclib and G1T38, the filing of INDs for studies of G1T38 and G1T48, and financial guidance, and are based on G1 Therapeutics' expectations and assumptions as of the date of this press release. Each of these forward-looking statements involves risks and uncertainties. Factors that may cause G1 Therapeutics' actual results to differ from those expressed or implied in the forward-looking statements in this press release are discussed in G1 Therapeutics' filings with the U.S. Securities and Exchange Commission, including the "Risk Factors" sections contained therein and include, but are not limited to, the inherent uncertainties associated with developing new products or technologies and operating as a development-stage company; G1's ability to complete clinical trials for, obtain approvals for, and commercialize any of its product candidates; G1's ability to recruit and enroll patients in our studies; competition in the industry in which we operate; and market conditions. Except as required by law, G1 Therapeutics assumes no obligation to update any forward-looking statements contained herein to reflect any change in expectations, even as new information becomes available.

G1 Therapeutics, Inc.

Balance Sheet Data

(in thousands)

	June 30, 2017 (unaudited)	December 31, 2016
Cash and cash equivalents	$ 132,675	$ 47,305
Working capital	$ 123,358	$ 42,276
Total assets	$ 134,101	$ 48,212
Accumulated deficit	$ (96,536)	$ (64,985)
Total stockholders' equity (deficit)	$ 123,691	$ (64,993)

G1 Therapeutics, Inc.

Condensed Consolidated Statements of Operations

(unaudited)

(in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	**2016**	**2017**	**2016**
Revenue	$ —	$ —	$ —	$ —
Operating expenses				
Research and development	13,667	6,454	24,752	10,326
General and administrative	1,712	975	3,006	3,050
Total operating expenses	15,379	7,429	27,758	13,376
Operating loss	(15,379)	(7,429)	(27,758)	(13,376)
Other income (expense)				
Other income	185	50	260	62
Change in fair value in warrant liability	—	—	(41)	(19)
Total other income, net	185	50	219	43
Net loss	$ (15,194)	$ (7,379)	$ (27,539)	$ (13,333)
Accretion of redeemable convertible preferred stock	(289)	(986)	(4,757)	(1,995)
Net loss attributable to common stockholders	$ (15,483)	$ (8,365)	$ (32,296)	$ (15,328)
Net loss per share attributable to common stockholders, basic and diluted	$ (1.09)	$ (5.63)	$ (4.09)	$ (10.34)
Weighted average common shares outstanding, basic and diluted	14,208,115	1,486,303	7,887,341	1,481,761

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