UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K/A
Amendment No. 1

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

Date of Report (Date of earliest event reported): **June 17, 2024**

Traws Pharma, Inc.
(Exact name of Registrant as specified in its charter)

Delaware	**001-36020**	**22-3627252**
(State or Other Jurisdiction of Incorporation or Organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

12 Penns Trail
Newtown, PA 18940
(267) 759-3680
(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Not Applicable
(Former name or former address, if changed since last report)

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

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

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

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

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $.01 per share	TRAW	The Nasdaq Stock Market LLC

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

Emerging growth company ☐

Explanatory Note

On April 4, 2024, Traws Pharma, Inc. (formerly known as Onconova Therapeutics, Inc. (“Onconova”) (the “Company”) filed a Current Report on Form 8-K (the “Original Form 8-K”) reporting that pursuant to an Agreement and Plan of Merger, dated April 1, 2024 (the “Merger Agreement”), by and among the Company, Traws Merger Sub I, Inc., a Delaware corporation (“First Merger Sub”), Traws Merger Sub II, LLC, a Delaware limited liability company (“Second Merger Sub”), and Trawsfynydd Therapeutics, Inc. (“Trawsfynydd”), First Merger Sub merged with and into Trawsfynydd, pursuant to which Trawsfynydd was the surviving corporation (the “First Merger”). Immediately following the First Merger, Trawsfynydd merged with and into Second Merger Sub, pursuant to which Second Merger Sub was the surviving entity and a wholly owned subsidiary of the Company (the “Second Merger” and together with the First Merger, the “Merger”).

This Current Report on Form 8-K/A, amends Item 9.01 of the Original Form 8-K to include the financial statements and unaudited pro forma financial information required by Items 9.01(a) and (b) of Form 8-K, respectively, which were not included in the Original Form 8-K pursuant to Items 9.01(a)(3) and (b)(2) of Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(a) Financial statements of businesses acquired.

The audited financial statements and accompanying notes of Trawsfynydd as of and for the years ended December 31, 2023 and 2022 are filed as Exhibit 99.1 to this Current Report on Form 8-K/A and incorporated herein by reference.

The unaudited financial statements and accompanying notes of Trawsfynydd as of and for the three months ended March 31, 2024 and 2023 are filed as Exhibit 99.2 to this Current Report on Form 8-K/A and incorporated herein by reference.

(b) Pro forma financial information.

The unaudited pro forma condensed combined balance sheet as of March 31, 2024, the unaudited pro forma condensed combined statement of operations for the three months ended March 31, 2024, the unaudited pro forma combined statement of operations for the year ended December 31, 2023, and the related notes of Traws Pharma, Inc. with respect to the transaction described above, are filed as Exhibit 99.3 to this Current Report on Form 8-K/A and incorporated herein by reference.

(d) Exhibits.

Exhibit No.	Exhibit
23.1	Consent of EisnerAmper LLP, the independent auditors of Trawsfynydd Therapeutics, Inc.
99.1	Audited financial statements of Trawsfynydd, as of December 31, 2023 and 2022 and for the years then ended.
99.2	Unaudited financial statements of Trawsfynydd, as of and for the three months ended March 31, 2024 and 2023.
99.3	Unaudited pro form condensed combined financial information of Traws Pharma, Inc. as of and for the three months ended March 31, 2024, and for the year ended December 31, 2023.
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL.

SIGNATURE

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 hereunto duly authorized.

Dated: June 17, 2024

TRAWS PHARMA, INC.

By: /s/ MARK GUERIN
Name: Mark Guerin
Title: Chief Financial Officer

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the following Registration Statements:

1. Registration Statement (Form S-8 No. 333-191161) pertaining to the Onconova Therapeutics, Inc. 2013 Equity Compensation Plan
2. Registration Statement (Form S-8 No. 333-194228) pertaining to the Onconova Therapeutics, Inc. 2013 Equity Compensation Plan
3. Registration Statement (Form S-8 No. 333-204210) pertaining to the Onconova Therapeutics, Inc. 2013 Equity Compensation Plan
4. Registration Statement (Form S-8 No. 333-210694) pertaining to the Onconova Therapeutics, Inc. 2013 Equity Compensation Plan
5. Registration Statement (Form S-8 No. 333-215575) pertaining to the Onconova Therapeutics, Inc. 2013 Equity Compensation Plan
6. Registration Statement (Form S-8 No. 333-222400) pertaining to the Onconova Therapeutics, Inc. 2013 Equity Compensation Plan
7. Registration Statement (Form S-8 No. 333-226199) pertaining to the Onconova Therapeutics, Inc. 2018 Omnibus Incentive Compensation Plan
8. Registration Statement (Form S-8 No. 333-233410) pertaining to the Onconova Therapeutics, Inc. 2018 Omnibus Incentive Compensation Plan
9. Registration Statement (Form S-8 No. 333-258336) pertaining to the Onconova Therapeutics, Inc. 2021 Omnibus Incentive Compensation Plan
10. Registration Statement (Form S-8 No. 333-268393) pertaining to the Onconova Therapeutics, Inc. 2021 Omnibus Incentive Compensation Plan, as Amended and Restated
11. Registration Statement (Form S-3 No. 333-230744) of Onconova Therapeutics, Inc.
12. Registration Statement (Form S-3 No. 333-273081) of Onconova Therapeutics, Inc.
13. Registration Statement (Form S-1 No. 333-211769) of Onconova Therapeutics, Inc.
14. Registration Statement (Form S-1 No. 333-222374) of Onconova Therapeutics, Inc.
15. Registration Statement (Form S-1 No. 333-224315) of Onconova Therapeutics, Inc.
16. Registration Statement (Form S-1 No. 333-234360) of Onconova Therapeutics, Inc.

of our report dated June 17, 2024, on our audits of the financial statements of Trawsfynydd Therapeutics, Inc. as of December 31, 2023 and 2022 and for each of the years then ended, which report is included in this Current Report on Form 8-K/A to be filed on or about June 17, 2024. Our report includes an explanatory paragraph about the existence of substantial doubt concerning Trawsfynydd Therapeutics, Inc.'s ability to continue as a going concern.

/s/ EisnerAmper LLP

EISNERAMPER LLP
Philadelphia, Pennsylvania
June 17, 2024

Trawsfynydd Therapeutics, Inc.
Financial Statements
As of and for the years ended December 31, 2023 and 2022

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Trawsfynydd Therapeutics, Inc.

Opinion on the Financial Statements

We have audited the accompanying balance sheets of Trawsfynydd Therapeutics, Inc. (the "Company") as of December 31, 2023 and 2022, and the related statements of operations, redeemable convertible preferred stock and stockholders' deficit, and cash flows for each of the years then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company has incurred recurring losses and negative cash flows since inception that raises substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ EisnerAmper LLP

We have served as the Company's auditor since 2024.

EISNERAMPER LLP
Philadelphia, Pennsylvania
June 17, 2024

Trawsfynydd Therapeutics, Inc.
Balance Sheets
As of December 31, 2023 and 2022

	As of December 31,	
	2023	**2022**
Assets		
Current assets:		
Cash	$ 794	$ 2,376,154
Prepaid research and development expenses	-	2,066,210
Total assets	$ 794	$ 4,442,364
Liabilities, Redeemable Convertible Preferred Stock, and Stockholders' Deficit		
Current liabilities:		
Accrued expenses and other current liabilities	$ 2,527,776	$ 5,651
Total current liabilities	2,527,776	5,651
SAFE liability	30,957,000	-
Total liabilities	33,484,776	5,651
Commitments and contingencies (Note 5)		
Redeemable convertible preferred stock: $0.0001 par value; 2,466,888 shares authorized, issued, and outstanding. Aggregate liquidation preference: $13,059,996	12,287,547	12,287,547
Stockholders' Deficit		
Common stock: $0.0001 par value; 10,000,000 shares authorized; and 200,000 shares issued and outstanding at December 31, 2023 and December 31, 2022, respectively	20	20
Additional paid-in capital	4,021,035	1
Accumulated deficit	(49,792,584)	(7,850,855)
Total stockholders' deficit	(45,771,529)	(7,850,834)
Total liabilities, redeemable convertible preferred stock, and stockholders' deficit	$ 794	$ 4,442,364

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

Trawsfynydd Therapeutics, Inc.
Statements of Operations
For the years ended December 31, 2023 and 2022

	Years Ended December 31,	
	2023	**2022**
Operating expenses:		
Research and development	$ 20,197,580	$ 8,582,790
General and administrative	4,036,149	25,233
Total operating expenses	24,233,729	8,608,023
Loss from operations	(24,233,729)	(8,608,023)
Other income (expense):		
Change in fair value of SAFE liability	(17,708,000)	-
Change in fair value of preferred stock tranche liabilities	-	758,019
Issuance costs related to preferred stock tranche liabilities	-	(831)
Total other expense, net	(17,708,000)	757,188
Net Loss	$ (41,941,729)	$ (7,850,835)

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

Trawsfynydd Therapeutics, Inc.
Statements of Redeemable Convertible Preferred Stock and Stockholders' Deficit
For the years ended December 31, 2023 and 2022

	Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount			
Balance at January 1, 2022	-	$ -	200,000	$ 20	$ -	$ (20)	$ -
Issuance of series seed redeemable convertible preferred stock, net of issuance costs	2,466,888	12,287,547	-	$ -	-	-	-
Stock-based compensation	-	-	-	$ -	1	-	1
Net loss	-	-	-	$ -	-	(7,850,835)	(7,850,835)
Balance at December 31, 2022	2,466,888	$ 12,287,547	200,000	$ 20	$ 1	$ (7,850,855)	$ (7,850,834)
Stock-based compensation	-	-	-	-	4,021,034	-	4,021,034
Net loss	-	-	-	-	-	(41,941,729)	(41,941,729)
Balance at December 31, 2023	2,466,888	$ 12,287,547	200,000	$ 20	$ 4,021,035	$ (49,792,584)	$ (45,771,529)

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

Trawsfynydd Therapeutics, Inc.
Statements of Cash Flows
For the years ended December 31, 2023 and 2022

	For the Year Ended December 31,	
	2023	**2022**
Cash flows from operating activities:		
Net loss	$ (41,941,729)	$ (7,850,835)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	4,021,034	1
Change in fair value of SAFE liability	17,708,000	-
Change in fair value of preferred stock tranche liabilities	-	(758,019)
Issuance costs related preferred stock tranche liabilities	-	831
Acquisition of license for research and development	13,249,000	-
Changes in operating assets and liabilities:		
Prepaid research and development expense	2,066,210	(2,066,210)
Accrued expenses and other current liabilities	2,522,125	5,651
Net cash used in operating activities	(2,375,360)	(10,668,581)
Cash flows from financing activities:		
Proceeds from issuance of series seed redeemable convertible preferred stock	-	10,654,972
Issuance costs of series seed reedemable convertible preferred stock and related tranche liabilities	-	(5,261)
Net cash provided by financing activities	-	10,649,711
Net decrease in cash	(2,375,360)	(18,870)
Cash, beginning of year	2,376,154	2,395,024
Cash, end of year	$ 794	$ 2,376,154
Supplemental non-cash financing activities:		
Change in other accrued liabilities related to proceeds received during the year ended December 31, 2021 for redeemable convertible preferred stock issued during the year ended December 31, 2022	$ -	$ 2,395,024

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

1 Organization and Description of Business

Trawsfynydd Therapeutics, Inc. (the "Company") is a privately-held biotechnology company developing antivirals for influenza, COVID and other infectious diseases. The Company was incorporated on December 13, 2021, pursuant to the laws of the State of Delaware.

Liquidity

The Company has a limited operating history and has incurred recurring losses and negative operating cash flows since inception. As of December 31, 2023, the Company had an accumulated deficit of $49.8 million. The Company has been primarily performing research and development activities, establishing and maintaining its intellectual property, and raising capital to support and expand its operations. These conditions raise substantial doubt about the Company's ability to continue as a going concern. The Company has funded its operations primarily through the sale of its series seed redeemable convertible preferred stock and the issuance of a simple agreement for future equity instrument ("SAFE instrument(s)") in exchange for the acquisition of a license to support its research and development activities. The Company anticipates incurring additional losses until such time, if ever, that it can generate significant sales of its product candidates currently in development. Additional financing will be needed by the Company to fund its operations and to commercially develop its product candidates. No assurance can be given that any such financing will be available when needed or that the Company's research and development efforts will be successful. If the Company is unable to obtain additional financing, the lack of liquidity could have a material adverse effect on the Company's future prospects.

The Company's financial statements have been prepared on the basis of the Company continuing as a going concern, which assumes the continuity of operations, the realization of assets and the settlement of liabilities and commitments as they come due in the normal course of business. As further described in Note 12, the Company completed a merger transaction, effective April 1, 2024, with Onconova Therapeutics, Inc., whereby Onconova acquired 100% of the Company's outstanding equity interests.

2 Significant accounting policies and basis of presentation

Basis of presentation

The financial statements have been prepared in accordance with United States generally accepted accounting principles (U.S. GAAP) and include the Company's accounts.

Use of estimates

The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expense during the reporting periods. The Company evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors and adjusts those estimates and assumptions when facts and circumstances dictate. Actual results could differ from those estimates. The most significant estimates relate to the accrual of research and development expenses, valuation of SAFE liability, valuation of preferred stock tranche liabilities, and valuation of stock option awards for share-based compensation.

Cash

Cash is comprised of cash deposits held with financial institutions.

Concentrations and risks and uncertainties

Concentration of credit risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist primarily of cash. Substantially all of the Company's cash deposits are maintained at one financial institution domiciled in the United States. Amounts on deposit with this financial institution may, from time to time, exceed the federally insured limit. The Company is exposed to credit risk in the event of default by the financial institution holding its cash to the extent recorded in the balance sheet. The Company has not experienced any losses on its deposits.

Business risks

The Company's future results of operations involve a number of other risks and uncertainties. Factors that could affect the Company's future operating results and cause actual results to vary materially from expectations include, but are not limited to, uncertainty of results of clinical trials and reaching milestones, uncertainty of regulatory approval of the Company's current and potential future product candidates, uncertainty of market acceptance of the Company's product candidates, competition from substitute products and larger companies, securing and protecting proprietary technology, strategic relationships and dependence on key individuals or sole-source suppliers.

The Company's product candidates require approvals from the U.S. Food and Drug Administration and comparable foreign regulatory agencies prior to commercial sales in their respective jurisdictions. There can be no assurance that any product candidates will receive the necessary approvals. If the Company was denied approval, approval was delayed, or the Company was unable to maintain approval for any product candidate, it could have a materially adverse impact on the Company.

Fair Value Measurements

Fair value is defined as the exchange price to sell an asset or transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. Fair value should be based on the assumptions market participants would use when pricing the asset or liability. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date.

Fair value measurements are classified and disclosed in one of the following three categories:

Level 1: Quoted unadjusted prices for identical instruments in active markets.

Level 2: Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-derived valuations in which all observable inputs and significant value drivers are observable in active markets.

Level 3: Model derived valuations in which one or more significant inputs or significant value drivers are unobservable, including assumptions developed by the Company.

There were no transfers between Levels 1, 2, or 3 of such instruments during the year ended December 31, 2023.

The carrying amounts of the Company's prepaid research and development expenses, and accrued expenses and other current liabilities approximate their fair values due to their short-term nature. See Note 4 for further information.

Research and development costs

Research and development costs consist primarily of cost of subcontractors and materials used for research and development activities, including nonclinical studies and professional services. The costs of services performed by others in connection with the research and development activities of the Company, including research and development conducted by others on behalf of the Company, is included in research and development costs and expensed as the contracted work is performed. The Company accrues for costs incurred as the services are being provided by monitoring the status of the project and the invoices received from its external service providers. Where contingent milestone payments are due to third parties under research and development arrangements or licence agreements, the milestone payment obligations are expensed when the milestone results are probable to be achieved. Research and development costs also include costs related to license payments related to acquiring intellectual property rights for the Company's research and development efforts.

Income taxes

The Company accounts for income taxes under the asset and liability method. Under this method, deferred tax assets and liabilities are determined based on differences between financial reporting and tax bases of assets and liabilities and are measured using enacted tax rates and laws that are expected to be in effect when the differences are expected to be recovered or settled. Realization of deferred tax assets is dependent upon future taxable income. A valuation allowance is recognized if it is more likely than not that some portion or all of a deferred tax asset will not be realized based on the weight of available evidence, including expected future earnings. As of December 31, 2023 and 2022, management believes it is more likely than not that no benefits will be derived from the Company's deferred tax assets.

The Company recognizes an uncertain tax position in its financial statements when it concludes that a tax position is more likely than not to be sustained upon examination based solely on its technical merits. Only after a tax position passes the first step of recognition will measurement be required. Under the measurement step, the tax benefit is measured as the largest amount of benefit that is more likely than not to be realized upon effective settlement. This is determined on a cumulative probability basis. The full impact of any change in recognition or measurement is reflected in the period in which such change occurs. As of December 31, 2023 and 2022, the Company has not recorded any uncertain tax positions.

The tax years from 2021 of the Company are open to examination by federal tax and state tax authorities. To the extent utilized in future years' tax returns, net operating loss carryforwards at December 31, 2023, will remain subject to examination until they are utilized. The Company has not been informed by any tax authorities for any jurisdiction that any of its tax years is under examination as of December 31, 2023.

The Company elected to record any interest or penalties related to income taxes as part of its income tax expense. There were no interest or penalties related to income taxes for the years ended December 31, 2023 or 2022.

Simple agreement for future equity liability

The simple agreement for future equity ("SAFE") instrument issued in January 2023 has the potential for cash settlement upon the occurrence of certain "liquidity events" (including a change of control or initial public offering) and "dissolution events" (including voluntary termination of operations, a general assignment for the benefit of the Company's creditors, or any other liquidation, dissolution or winding up of the Company (excluding a liquidity event) whether voluntary or involuntary). The instrument, at the election of the holder, can also be settled in shares of the Company's redeemable convertible preferred stock which are contingently redeemable upon a liquidation event that may obligate the Company to transfer assets at some point in the future. The SAFE instrument was determined to be liability classified on issuance and recorded at estimated fair value. The SAFE instrument is subject to remeasurement at each reporting date with changes in estimated fair value recognized in other income (expense) in the statements of operations until settlement or termination in cash or shares.

Redeemable convertible preferred stock

The Company records shares of its redeemable convertible preferred stock at their respective fair values on the dates of issuance, net of issuance costs and net of related preferred stock tranche liabilities. The Company classifies its preferred stock outside of total stockholders' deficit because, in the event of certain "liquidation events" (including a merger, acquisition or sale of all or substantially all of the Company's assets) that are not solely within the control of the Company, the shares would become redeemable at the option of the holders. The Company did not adjust the carrying values of the preferred stock to the deemed liquidation values of the shares since a liquidation event was not probable at any of the reporting dates. Subsequent adjustments to increase or decrease the carrying values to the liquidation values will be made only if and when it becomes probable that such liquidation event will occur.

Preferred stock tranche liabilities

The Company's obligation to issue additional shares of its series seed redeemable convertible preferred stock at a fixed price in future closings were determined to be separate freestanding instruments that are accounted for as liabilities on issuance. The preferred stock tranche liabilities are initially measured at fair value and are subject to remeasurement at each reporting date with changes in fair value recognized in other income (expense) in the statements of operations. The tranche liabilities were settled in subsequent closings of the Company's series seed redeemable convertible preferred stock in June and September 2022. Refer to Notes 4 and 7 for further discussion.

Share-based compensation

The Company measures its share-based awards, including grants to both employees and non-employees, based on their grant-date fair values. The Company's share-based awards currently include option awards to purchase common stock of the Company, which vest based on a service condition. The Company records compensation expense for these service-based awards beginning on the grant date over the requisite service period in which the awards are expected to vest on a straight-line basis, subject to a minimum expense amount based on the awards that have vested to date. The common stock issued to option holders upon the exercise of option awards are authorized and previously unissued common stock of the Company. Forfeitures are recognized as they occur.

The grant date fair value of employee and non-employee options is determined using the Black-Scholes option pricing model, which includes inputs such as the fair value of the Company's common stock, expected term, risk-free rate, expected stock price volatility over the expected term, and expected dividend yield. For all options granted, the Company calculated the expected term based on the simplified method. The Company has no publicly available stock information and therefore, the Company used the historical volatility of the stock price of similar publicly traded peer companies. The risk-free rate for periods within the contractual life of the option is based on the U.S. Treasury yield curve in effect at the time of the grant. The Company does not anticipate that dividends will be distributed in the near future.

The absence of an active market for the Company's common stock requires the Company's Board of Directors to determine the fair value of its common stock for purposes of granting options. The Company obtains third-party valuations to assist the Board of Directors in determining the fair value of the Company's common stock.

Recently adopted accounting pronouncements

In August 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standard Update ("ASU") No. 2020-06, Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40). This standard simplifies the accounting for convertible debt instruments and convertible preferred stock by removing the existing guidance in ASC 470-20 that requires entities to account for beneficial conversion features and cash conversion features in equity, separately from the host convertible debt or preferred stock. The Company adopted this standard as of January 1, 2022, which did not have material impact on its financial statements.

Recently issued accounting pronouncements

In December 2023, the FASB issued ASU 2023-09, Income Taxes: Improvements to Income Tax Disclosures, which requires enhanced annual disclosures regarding the rate reconciliation and income taxes paid information. This standard is effective for fiscal years beginning after December 15, 2024, and may be adopted on a prospective or retrospective basis, with early adoption permitted. The Company is currently evaluating the impact of this standard on its financial statements and related disclosures.

3 Other financial statement information

Accrued expenses and other current liabilities

Accrued expenses and other current liabilities consisted of the following:

	As of December 31,	
	2023	2022
Accrued research and development	$ 2,512,370	$ -
Other accrued liabilities	15,406	5,651
Total accrued expenses and other current liabilities	$ 2,527,776	$ 5,651

4 Fair value measurements

The SAFE liability and the preferred stock tranche liabilities are Level 3 financial instruments measured at fair value on a recurring basis.

SAFE liability

The following table provides a summary of changes in the estimated fair value of the SAFE liability:

	For the year ended December 31, 2023
Issuance of SAFE instrument	$ 13,249,000
Change in fair value	17,708,000
Balance at December 31, 2023	$ 30,957,000

The fair value of the SAFE liability was estimated using a Probability-Weighted Expected Return Method (PWERM) using the following inputs:

	January 20, 2023 (issuance date)	December 31, 2023
Fair value of underlying equity	$5.03	$13.19 - $15.17
Volatility	58% - 68%	71%
Discount rate	20%	18.50%
Expected term (in years)	0.95 - 1.36	0.25 - 0.5
Probability of equity financing	50%	20%
Probability of liquidity event	45%	70%
Probability of dissolution	5%	10%

See Notes 6 and 12 for further discussion of the SAFE liability.

Preferred stock tranche liabilities

The following table provides a summary of changes in the estimated fair value of the preferred stock tranche liabilities:

	For the year ended December 31, 2022
Issuance of preferred stock tranche liabilities	$ 758,019
Change in fair value	(758,019)
Balance at December 31, 2022	$ -

The preferred stock tranche liabilities were settled upon the issuance of series seed redeemable convertible preferred stock in the subsequent closings that occurred in June 2022 and September 2022. See Note 7 for further discussion.

The fair value of the preferred stock tranche liabilities at the issuance date was estimated using the Black-Scholes option pricing model using the following inputs:

	January 3, 2022 (issuance date)
Fair value of underlying equity	$4.46
Expected term (in years)	0.48 - 0.98
Volatility	90%
Risk-free interest rate	0.21% - 0.39%

The fair value of the preferred stock tranche liabilities at the settlement date was estimated based on the fair value of the series seed redeemable convertible preferred stock of $3.65 to $5.26 per share and proceeds received.

5 Commitment and contingencies

Guarantees and Indemnifications

In the normal course of business, the Company enters into agreements that contain a variety of representations and provide for general indemnification. The Company's exposure under these agreements is unknown because it involves claims that may be made against the Company in the future. The Company has entered into indemnification agreements with certain directors and officers that require the Company, among other things, to indemnify them against certain liabilities that may arise by reason of the status or service as directors or officers. To date, the Company has not paid any claims or been required to defend any action related to its indemnification obligations. As of December 31, 2023, the Company does not have any material indemnification claims that were probable or reasonably possible and consequently has not recorded related liabilities.

Contingencies

From time to time, the Company may become involved in legal proceedings arising in the ordinary course of business. The Company is not currently a party to any material legal proceedings.

6 Viriom License Agreement and SAFE instrument

On January 20, 2023, the Company and Viriom, Inc. ("Viriom") entered into a license agreement for the purchase of intellectual property under which the Company acquired an exclusive royalty-free, fully paid, sublicensable, worldwide license to patents that are specifically for the use in the development for the treatments of and methods to prevent viral diseases. In exchange for the license grant, the Company issued to Viriom a SAFE instrument for payment of the non-refundable license fee of $13,059,996. Because the acquired license from Viriom has no alternative future use, the license fee was recorded immediately through research and development expenses in the Company's statement of operations for the year ended December 31, 2023.

The SAFE instrument was issued on January 20, 2023 to Viriom as payment of the entire license fee. The SAFE instrument can be converted at any time by Viriom before expiration or termination of the instrument into 2,466,888 shares of the Company's series seed redeemable convertible preferred stock at a price per share of $5.294118, subject to adjustment in certain events.

If there is a liquidity event before the expiration or termination of the SAFE instrument, Viriom, at its option, will receive either (i) a cash payment equal to $13,059,996 or (ii) automatically receive 2,466,888 shares of the Company's common stock at a price per share of $5.294118, subject to adjustment in certain events. A liquidity event includes a change of control event or the closing of an initial public offering of the Company's common stock.

In the event of a voluntary or involuntary dissolution event of the Company before the expiration or termination of the SAFE instrument, Viriom will receive a cash payment equal to $13,059,996.

The SAFE instrument had a fair value of $13,249,000 on issuance, which was recorded as a liability in the balance sheet. Any changes in the fair value of the SAFE liability during the year ended December 31, 2023 were recorded in other income (expense) in the statement of operations. See Note 4 for further discussion on the SAFE liability and the related valuations.

7 Redeemable convertible preferred stock

In January 2022, the Company issued an aggregate of 906,668 shares of its series seed redeemable convertible preferred stock ("preferred stock) at a purchase price of $5.294118 per share in exchange for cash proceeds of $4,790,007, net of $10,000 in legal fees reimbursed by the Company to the investors.

Pursuant to the terms of the Series Seed Preferred Stock Purchase Agreement (the "Agreement"), the Company was obligated to sell additional shares of its preferred stock to the same investors at a cash purchase price of $5.294118 per share in two subsequent closings upon achievement of certain milestones. The first closing specified the sale and issuance of 566,666 shares of preferred stock on the achievement of the Target 1 milestone (the "First Tranche Closing"). The second closing specified the sale and issuance of 226,666 shares of preferred stock on the achievement of the Target 2 milestone (the "Second Tranche Closing"). The Company determined that its obligation to issue additional shares represent freestanding instruments, initially recorded at fair value, with fair value changes recorded in other income (expense) in the statement of operations. In June 2022, the Company completed the First Tranche Closing and issued 566,666 shares of its preferred stock in exchange for gross cash proceeds of $2,999,996, thereby settling the First Tranche Closing tranche liability. In September 2022, the Company completed the Second Tranche Closing and issued 226,666 shares of its preferred stock in exchange for gross cash proceeds of $1,199,997, thereby settling the Second Tranche Closing tranche liability. Immediately prior to the closing of the First and Second Tranche Closings, the Company remeasured the respective tranche liability to its then fair value and the tranche liability balance was reclassified to convertible preferred stock. See Note 4 for further discussion on the preferred stock tranche liabilities and the related valuations.

In September 2022, the Agreement was amended to authorize the issuance of an additional 766,888 shares of its preferred stock at a purchase price of $5.294118 per share in exchange for gross cash proceeds of $4,059,996. This closing occurred in September 2022.

Redeemable convertible preferred stock consisted of the following:

As of December 31, 2023 and 2022				
Series	**Shares authorized**	**Shares issued and outstanding**	**Aggregate liquidation preferrence**	**Carrying value**
Series Seed	2,466,888	2,466,888	$ 13,059,996	$ 12,287,547
	2,466,888	2,466,888	$ 13,059,996	$ 12,287,547

The following are the key terms of the preferred stock:

Dividends

The holders of shares of preferred stock are entitled to receive dividends, out of any assets legally available, prior and in preference to any declaration or payment of any dividend on the common stock, payable only if and when declared. Such dividends are non-cumulative.

After payment of such dividends, any additional dividends or distributions shall be distributed among all holders of common stock and preferred stock in proportion to the number of shares of common stock that would be held by each such holder of all shares of preferred stock were converted to common stock at the then effective conversion rate. No dividends have been declared to date.

Optional Conversion

Each share of preferred stock is convertible at the option of the holder at any time after the issuance date of such share into such number of shares of common stock as is determined by dividing the applicable original issue price by the applicable conversion price for such series. The initial conversion price per share for each series of preferred stock shall be the original issue price of $5.294118 per share. Adjustments to the conversion price, if any, occur if additional shares of common stock have been issued at a price less than the respective preferred stock.

Automatic Conversion

Each share of preferred stock will automatically convert into shares of common stock at the conversion rate at the time in effect for such series of preferred stock immediately upon either of (1) the closing of the Company’s sale of its common stock in an initial public offering pursuant to a registration statement on Form S-1 that results in at least $30.0 million of gross proceeds; or (2) the date, or the occurrence of an event, specified by vote or written consent or agreement of the holders of a majority of the then outstanding shares of preferred stock (voting together as a single class and not as separate series, and on an as-converted basis).

Liquidation Preference

In the event of any voluntary or involuntary liquidation, dissolution, or winding up of the Company, the holders of the preferred stock are entitled to receive out of the proceeds or assets of the Company available for distribution to its stockholders, prior and in preference to any distribution of the proceeds to the holders of common stock, a liquidation preference in the amount per share equal to the sum of the original issue price of $5.294118 per share, plus any declared but unpaid dividends on such share.

If the assets of the Company are insufficient to pay the holders of the preferred stock the full amount, the holders of the preferred stock will share ratably in any distribution of the assets available for distribution.

If preferential amounts are paid in full, the remaining assets of the Company are distributed among the holders of the preferred stock and common stock pro rata based on the number of shares held by each shareholder.

Voting rights

Each share of preferred stock has a number of votes equal to the number of shares of common stock into which it is convertible. Except as provided in the Company’s amended or restated articles of incorporation, the holders of preferred stock and the holders of common stock vote together as one single class.

The holders of preferred stock are entitled to elect two directors of the Company. The holders of preferred stock and common stock (voting together as a single class and on an as converted basis) are entitled to elect the two remaining directors.

Redemption

The preferred stock is not currently redeemable; however, it is redeemable at the option of the holders in the event of certain "liquidation events" (including a merger, acquisition or sale of all or substantially all of the Company's assets) that are not solely within the control of the Company.

8 Stockholders' deficit

The voting, dividend, and liquidation rights of the holders of the Company's common stock are subject to and qualified by the rights, powers, and preferences of the holders of the preferred stock set forth above. Each share of common stock entitles the holder to one vote, together with the holders of the preferred stock, on all matters submitted to the stockholders for a vote. The holders of common stock are entitled to receive dividends, if any, as declared by the Company's board of directors, subject to the preferential dividend rights of redeemable convertible preferred stock. As of December 31, 2023 and 2022, the Company's certificate of incorporation, as amended and restated, authorized the Company to issue 10,000,000 shares of common stock with a par value of $0.0001 per share. There are 200,000 shares of common stock issued and outstanding.

The following table summarizes the Company's shares of common stock reserved for issuance:

	As of December 31,	
	2023	2022
Conversion of redeemable convertible preferred stock	2,466,888	2,466,888
Options issued and outstanding under the 2021 plan	454,000	25,000

9 Income taxes

There is no provision for income taxes for the years ended December 31, 2023 or 2022 because the Company has historically incurred operating losses and maintains a full valuation allowance against its deferred tax assets. The tax effects of temporary differences that gave rise to significant portions of the deferred tax assets and liabilities were as follows:

	December 31,	
	2023	2022
Deferred tax assets:		
Capitalized license expenses	$ 3,569,797	$ -
Capitalized research and development expenditures	3,417,697	2,153,053
Net operating loss carryforwards	1,036,806	239,963
Share-based compensation	1,120,783	-
Research and development tax credits	916,986	465,328
Accruals and other	8,902	6,303
Total deferred tax assets	10,070,971	2,864,647
Less: valuation allowance	(10,070,971)	(2,864,647)
Deferred tax asset, net of valuation allowance	$ -	$ -

Based upon the historical and anticipated future losses, management has determined that the deferred tax assets do not meet the more likely than not threshold for realizability. Accordingly, a full valuation allowance has been recorded against the Company's net deferred tax assets as of December 31, 2023 and December 31, 2022. The valuation allowance increased by $7.2 million and $2.9 million during the years ended December 31, 2023, and 2022, respectively. The valuation allowance balance for the year ended December 31, 2023, is $10.1 million.

A reconciliation of the federal income tax rate to the Company's effective tax rate is as follows:

	For the Year Ended December 31,	
	2023	2022
Rate Reconciliation		
Federal tax benefit at statutory rate	21.0%	21.0%
State tax, net of federal benefit	6.9	6.9
Permanent Differences	(11.8)	2.7
Research and development credits	1.1	5.9
Change in valuation allowance	(17.2)	(36.5)
Effective tax rate	0.0%	0.0%

At December 31, 2023, the Company has federal and state net operating loss ("NOL") carryforwards of approximately $3.7 million and $3.7 million, respectively, which are available to offset future taxable income. At December 31, 2023, the Company has federal research and development tax credits of approximately $0.9 million. The federal net operating loss carryforwards have no expiration, however state NOL carryforwards will begin to expire in 2042. The federal research and development tax credits will begin to expire in 2042.

Net operating loss and tax credit carryforwards are subject to review and possible adjustment by the Internal Revenue Service (the "IRS") and may become subject to an annual limitation in the event of certain cumulative changes in the ownership interest of significant shareholders over a three-year period in excess of 50% as defined under Sections 382 and 383 in the Internal Revenue Code, which could limit the amount of tax attributes that can be utilized annually to offset future taxable income or tax liabilities. The amount of the annual limitation is determined based on the Company's value immediately prior to the ownership change. Subsequent ownership changes may further affect the limitation in future years. The Company has not yet conducted a study to determine if any such limitation exists.

The Tax Cuts and Jobs Act ("TCJA") resulted in significant changes to the treatment of research and development R&D expenditures under Section 174. For tax years beginning after December 31, 2021, taxpayers are required to capitalize and amortize all R&D expenditures that are paid or incurred in connection with their trade or business. Specifically, costs for U.S.-based R&D activities must be amortized over five years and costs for foreign R&D activities must be amortized over 15 years, both using a midyear convention. During the year ended December 31, 2023, the Company capitalized $6.9 million of R&D expenses.

The Company files tax returns as prescribed by the tax laws of the jurisdictions in which it operates. In the normal course of business the Company is subject to examination by federal and state jurisdictions, where applicable. The tax years from 2021 of the Company are open to examination by federal tax and state tax authorities. To the extent utilized in future years' tax returns, net operating loss carryforwards at December 31, 2023, will remain subject to examination until they are utilized. The Company has not been informed by any tax authorities for any jurisdiction that any of its tax years is under examination of December 31, 2023.

10 Research and Development Arrangements and Related Party Transactions

Research and development arrangements

During January 2022, the Company entered into an agreement with Molsoft, Inc. ("Molsoft"), an unrelated party, pursuant to which Molsoft provides services related to research and development in the area virology. As of December 31, 2022, $520,000 was expensed as research and development cost in the statements of operations.

Research and development arrangements with related parties

During January 2022, the Company entered into a Master Research and Development Agreement with Viriom, Inc. ("Viriom"), pursuant to which Viriom provides service related to research and development in the area of virology. The Company also entered into the License Agreement with Viriom on January 20, 2023, as further discussed in Note 6. Dr. Iain Dukes, Chairman of the Company's board of directors, is a stockholder of Viriom and a member of its board of directors. During the years ended December 31, 2023 and 2022, $4.2 million and $6.6 million, respectively, was expensed as research and development cost in the statements of operations related to Viriom services. As of December 31, 2023 and 2022, the Company recorded $0 and $1.8 million, respectively, as prepaid research and development expense relating to Viriom services in the balance sheets.

During September 2022, the Company entered into a Master Research and Development Agreement with Expert Systems, Inc. ("Expert Systems"), pursuant to which Expert Systems provides consulting services and preclinical drug development services to the Company. Dr. Iain Dukes, Chairman of the Company's board of directors, is a stockholder of Expert Systems and a member of Expert Systems' board of directors. As of December 31, 2022, $240,000 was expensed as research and development cost in the statements of operations.

During September 2022, the Company entered into a Master Research and Development Agreement with ChemDiv, Inc. ("ChemDiv"), pursuant to which ChemDiv provides services related to preclinical drug discovery to the Company. Dr. Nikolay Savchuk, CEO of the Company, is a stockholder of ChemDiv and a member of its board of directors. During the years ended December 31, 2023 and 2022, $2.8 million and $1.3 million, respectively, was expensed as research and development cost in the statement of operations related to ChemDiv services. As of December 31, 2023 and 2022, the Company recorded $0 million and $0.3 million, respectively, as prepaid research and development expense, and $2.5 million and $0 million, respectively, as accrued expense relating to ChemDiv services in the balance sheets.

11 Share-based compensation

In December 2021, the Company adopted the Trawsfynydd Therapeutics, Inc. 2021 Stock Plan (the "2021 Plan"). The 2021 Plan allows the Company to issue options to certain employees, officers, directors, and consultants at any time as determined by the Board of Directors.

As of December 31, 2023, the maximum number of shares with respect to which options may be issued under the 2021 Plan were 454,000, which is reduced upon the issuance of shares related to the exercise of any outstanding options granted and is subject to adjustment in the event of a merger, reorganization, stock split, dividend, or other change in the Company's capitalization. As of December 31, 2023, there were no shares available to be issued under the 2021 Plan.

Option awards granted generally vest (i) in a series of 24 successive equal monthly installments measured from the Vesting Commencement Date, or (ii) based on a specific vesting schedule as agreed upon between the employee and the Company and generally expire 10 years after the grant date or vesting commencement date, as applicable. For the year ended December 31, 2023, 377,850 options granted vested immediately on the grant date which resulted in the immediate recognition of the total grant date fair value of such awards to share-based compensation expense.

Total share-based compensation expense is included in the Company's statement of operations as follows:

	For the years ended December 31,	
	2023	**2022**
General and administrative	$ 4,021,034	$ 1
Total	$ 4,021,034	$ 1

As of December 31, 2023, there was $0.3 million of total unrecognized share-based compensation costs related to the Company's option awards which is expected to be recognized over a weighted-average period of approximately 0.91 years. The weighted average grant date fair value of the options granted during the year ended December 31, 2023 was $9.97. There were no options granted during the year ended December 31, 2022.

The fair value of options granted to employees was estimated at the date of the grant using the Black-Scholes option pricing model, with the following assumptions:

	For the year ended December 31, 2023
Risk-free interest rate	1.4% - 4.7%
Expected term (in years)	5.1 - 5.5
Expected volatility	111.6% - 117.6%
Expected dividend yield	0%

A summary of option award activity under the 2021 Plan is presented below.

	Number of awards	Weighted average exercise price	Weighted average remaining contractual term (in years)
Outstanding at January 1, 2023	25,000	$ 0.0001	8.96
Granted	429,000	1.38	
Forfeited or expired	-	-	
Outstanding at December 31, 2023	454,000	1.30	9.88
Exercisable at December 31, 2023	426,294	$ 1.30	9.88

12 Subsequent events

The Company evaluated the potential impact of subsequent events on the financial statements through June 17, 2024, the date the financial statements were available to be issued.

Issuance of SAFE Instrument

On March 21, 2024, the Company issued a SAFE instrument to TPAV, LLC, a related party, and to a third-party investor for a total purchase amount of $1,000,000, or $500,000 for each investor. The SAFE instruments can be converted at any time before expiration or termination of the instrument into 188,888 shares, or 94,444 for each investor, of the Company’s series seed redeemable convertible preferred stock at a price per share of $5.294118, subject to adjustment in certain events.

If there is a liquidity event before the expiration or termination of the SAFE instruments, at the option of the investors, will receive either (i) a cash payment equal to their purchase amount or (ii) automatically receive 188,888 shares, or 94,444 for each investor, of the Company’s common stock at a price per share of $5.294118, subject to adjustment in certain events. A liquidity event includes a change of control event or the closing of an initial public offering of the Company’s common stock.

In the event of a voluntary or involuntary dissolution event of the Company before the expiration or termination of the SAFE instrument, the investors will receive a cash payment equal to their purchase amount.

Traws Pharma, Inc. Merger

On April 1, 2024, Onconova Therapeutics, Inc., a Delaware corporation ("Onconova"), acquired the Company, in accordance with the terms of an Agreement and Plan of Merger, dated April 1, 2024 (the "Merger Agreement"), by and among Onconova, Traws Merger Sub I, Inc., a Delaware corporation ("First Merger Sub"), Traws Merger Sub II, LLC, a Delaware limited liability company ("Second Merger Sub"), and the Company. Pursuant to the Merger Agreement, First Merger Sub merged with and into the Company, pursuant to which the Company was the surviving corporation (the "First Merger"). Immediately following the First Merger, the Company merged with and into Second Merger Sub, pursuant to which Second Merger Sub was the surviving entity and a wholly owned subsidiary of Onconova (the "Second Merger" and together with the First Merger, the "Merger"). The Merger is intended to qualify as a tax-free reorganization for U.S. federal income tax purposes.

Immediately prior to the merger, the SAFE liability was settled, whereby Viriom received 2,466,888 shares of the Company's common stock. Under the terms of the Merger Agreement, upon the consummation of the Merger on April 1, 2024 (the "Closing"), in exchange for the outstanding shares of capital stock of the Company immediately prior to the effective time of the First Merger, Onconova issued to the stockholders of the Company an aggregate of (A) 3,549,538 shares of common stock of Onconova, par value $0.01 per share (the "Common Stock") and (B) 10,359.0916 shares of Series C Preferred Stock (as defined and described below). Each share of Series C Preferred Stock is convertible into 10,000 shares of Common Stock, subject to certain conditions described below. In addition, Onconova assumed all of the Company stock options immediately outstanding prior to the First Merger, each becoming an option to purchase Common Stock subject to adjustment pursuant to the terms of the Merger Agreement (the "Assumed Options"). No portion of the Assumed Options will be exercisable unless and until the Meeting Proposals are approved by Onconova stockholders. Once exercisable, the Assumed Options will be exercisable for an aggregate of 9,138,611 shares of Common Stock. Following the effective time of the Second Merger, Onconova changed its name to "Traws Pharma, Inc."

Exhibit 99.2

Trawsfynydd Therapeutics, Inc.
Financial Statements
For the three months ended March 31, 2024 and 2023

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Trawsfynydd Therapeutics, Inc.
Condensed Balance Sheets
As of March 31, 2024 and December 31, 2023

	March 31, 2024 (unaudited)	December 31, 2023
Assets		
Current assets:		
Cash	$ 43,706	$ 794
Total assets	$ 43,706	$ 794
Liabilities, Redeemable Convertible Preferred Stock, and Stockholders' Deficit		
Current liabilities:		
Accrued expenses and other current liabilities	$ 4,964,577	$ 2,527,776
Total current liabilities	4,964,577	2,527,776
SAFE liability	48,069,545	30,957,000
Total liabilities	53,034,122	33,484,776
Commitments and contingencies (Note 5)		
Redeemable convertible preferred stock: $0.0001 par value; 2,466,888 shares authorized, issued, and outstanding. Aggregate liquidation preference: $13,059,996	12,287,547	12,287,547
Stockholders' Deficit		
Common stock: $0.0001 par value; 10,000,000 shares authorized; and 200,000 shares issued and outstanding at March 31, 2024 and December 31, 2023, respectively	20	20
Additional paid-in capital	4,084,826	4,021,035
Accumulated deficit	(69,362,809)	(49,792,584)
Total stockholders' deficit	(65,277,963)	(45,771,529)
Total liabilities, redeemable convertible preferred stock, and stockholders' deficit	$ 43,706	$ 794

The accompanying notes are an integral part of these (unaudited) financial statements.

Trawsfynydd Therapeutics, Inc.
Condensed Statements of Operations
For the three months ended March 31, 2024 and 2023
(unaudited)

	Three Months Ended March 31,	
	2024	**2023**
Operating expenses:		
Research and development	$ 3,336,801	$ 16,525,374
General and administrative	120,879	3,504
Total operating expenses	3,457,680	16,528,878
Loss from operations	(3,457,680)	(16,528,878)
Other income (expense):		
Change in fair value of SAFE liability	(13,693,672)	-
Loss on issuance of SAFE instrument	(2,418,873)	-
Total other expense, net	(16,112,545)	-
Net Loss	$ (19,570,225)	$ (16,528,878)

The accompanying notes are an integral part of these (unaudited) financial statements.

Trawsfynydd Therapeutics, Inc.
Condensed Statements of Redeemable Convertible Preferred Stock and Stockholders' Deficit
For the three months ended March 31, 2024 and 2023
(unaudited)

	Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount			
Balance at December 31, 2022	2,466,888	$ 12,287,547	200,000	$ 20	$ 1	$ (7,850,855)	$ (7,850,834)
Stock-based compensation	-	-	-	-	-	-	-
Net loss	-	-	-	-	-	(16,528,878)	(16,528,878)
Balance at March 31, 2023	2,466,888	$ 12,287,547	200,000	$ 20	$ 1	$ (24,379,733)	$ (24,379,712)

	Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount			
Balance at December 31, 2023	2,466,888	$ 12,287,547	200,000	$ 20	$ 4,021,035	$ (49,792,584)	$ (45,771,529)
Stock-based compensation	-	-	-	-	63,791	-	63,791
Net loss	-	-	-	-	-	(19,570,225)	(19,570,225)
Balance at March 31, 2024	2,466,888	$ 12,287,547	200,000	$ 20	$ 4,084,826	$ (69,362,809)	$ (65,277,963)

The accompanying notes are an integral part of these (unaudited) financial statements.

Trawsfynydd Therapeutics, Inc.
Condensed Statements of Cash Flows
For the three months ended March 31, 2024 and 2023
(unaudited)

	Three Months Ended March 31,	
	2024	**2023**
Cash flows from operating activities:		
Net loss	$ (19,570,225)	$ (16,528,878)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	63,791	-
Change in fair value of SAFE liability	13,693,672	-
Loss on issuance of SAFE instruments	2,418,873	-
Acquisition of license for research and development	-	13,249,000
Changes in operating assets and liabilities:		
Prepaid research and development expense	-	940,974
Accrued expenses and other current liabilities	2,436,801	335,400
Net cash used in operating activities	(957,088)	(2,003,504)
Cash flows from financing activities:		
Proceeds from issuance of SAFE instrument	1,000,000	-
Net cash provided by financing activities	1,000,000	-
Net increase (decrease) in cash	42,912	(2,003,504)
Cash, beginning of period	794	2,376,154
Cash, end of period	$ 43,706	$ 372,650

The accompanying notes are an integral part of these (unaudited) financial statements.

1 Organization and Description of Business

Trawsfynydd Therapeutics, Inc. (the “Company”) is a privately-held biotechnology company developing antivirals for influenza, COVID and other infectious diseases. The Company was incorporated on December 13, 2021, pursuant to the laws of the State of Delaware.

Liquidity

The Company has a limited operating history and has incurred recurring losses and negative operating cash flows since inception. As of March 31, 2024, the Company had an accumulated deficit of $69.4 million. The Company has been primarily performing research and development activities, establishing and maintaining its intellectual property, and raising capital to support and expand its operations. These conditions raise substantial doubt about the Company's ability to continue as a going concern. The Company has funded its operations primarily through the sale of its series seed redeemable convertible preferred stock and the issuance of a simple agreement for future equity instrument (“SAFE instrument(s)”) in exchange for the acquisition of a license to support its research and development activities. The Company anticipates incurring additional losses until such time, if ever, that it can generate significant sales of its product candidates currently in development. Additional financing will be needed by the Company to fund its operations and to commercially develop its product candidates. No assurance can be given that any such financing will be available when needed or that the Company’s research and development efforts will be successful. If the Company is unable to obtain additional financing, the lack of liquidity could have a material adverse effect on the Company’s future prospects.

The Company’s financial statements have been prepared on the basis of the Company continuing as a going concern, which assumes the continuity of operations, the realization of assets and the settlement of liabilities and commitments as they come due in the normal course of business. As further described in Note 11, the Company recently completed a merger transaction, effective April 1, 2024, with Onconova Therapeutics, Inc. (“Onconova”), whereby Onconova acquired 100% of the Company’s outstanding equity interests.

2 Significant accounting policies and basis of presentation

Basis of presentation

The accompanying interim condensed financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for interim financial statements and pursuant to the rules of the Securities and Exchange Commission (“SEC”). Accordingly, certain information and footnotes required by GAAP for complete financial statements have been omitted. It is the opinion of management that all adjustments considered necessary for a fair presentation have been included, and that all such adjustments are of a normal recurring nature. The results of operations for the three-month period ended March 31, 2024 are not necessarily indicative of the results to be expected for the full year or any other period. The unaudited condensed financial statements should be read in conjunction with the financial statements and related notes for the year ended December 31, 2023.

Use of estimates

The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expense during the reporting periods. The Company evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors and adjusts those estimates and assumptions when facts and circumstances dictate. Actual results could differ from those estimates. The most significant estimates relate to the accrual of research and development expenses, valuation of a SAFE instrument, valuation of preferred stock tranche liabilities, and valuation of stock option awards for share-based compensation.

Cash

Cash is comprised of cash deposits held with financial institutions.

Concentrations and risks and uncertainties

Concentration of credit risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist primarily of cash. Substantially all of the Company's cash deposits are maintained at one financial institution domiciled in the United States. Amounts on deposit with this financial institution may, from time to time, exceed the federally insured limit. The Company is exposed to credit risk in the event of default by the financial institution holding its cash to the extent recorded in the condensed balance sheet. The Company has not experienced any losses on its deposits.

Business risks

The Company's future results of operations involve a number of other risks and uncertainties. Factors that could affect the Company's future operating results and cause actual results to vary materially from expectations include, but are not limited to, uncertainty of results of clinical trials and reaching milestones, uncertainty of regulatory approval of the Company's current and potential future product candidates, uncertainty of market acceptance of the Company's product candidates, competition from substitute products and larger companies, securing and protecting proprietary technology, strategic relationships and dependence on key individuals or sole-source suppliers.

The Company's product candidates require approvals from the U.S. Food and Drug Administration and comparable foreign regulatory agencies prior to commercial sales in their respective jurisdictions. There can be no assurance that any product candidates will receive the necessary approvals. If the Company was denied approval, approval was delayed, or the Company was unable to maintain approval for any product candidate, it could have a materially adverse impact on the Company.

Fair Value Measurements

Fair value is defined as the exchange price to sell an asset or transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. Fair value should be based on the assumptions market participants would use when pricing the asset or liability. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date.

Fair value measurements are classified and disclosed in one of the following three categories:

Level 1: Quoted unadjusted prices for identical instruments in active markets.

Level 2: Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-derived valuations in which all observable inputs and significant value drivers are observable in active markets.

Level 3: Model derived valuations in which one or more significant inputs or significant value drivers are unobservable, including assumptions developed by the Company.

There were no transfers between Levels 1, 2, or 3 of such instruments during the three months ended March 31, 2024.
The carrying amounts of the Company's accrued expenses and other current liabilities approximate their fair values due to their short-term nature. See Note 4 for further information.

Research and development costs

Research and development costs consist primarily of the cost of subcontractors and materials used for research and development activities, including nonclinical studies and professional services, and licenses to intellectual property that have no alternative future use. The costs of services performed by others in connection with the research and development activities of the Company, including research and development conducted by others on behalf of the Company, is included in research and development costs and expensed as the contracted work is performed. The Company accrues for costs incurred as the services are being provided by monitoring the status of the project and the invoices received from its external service providers. Where contingent milestone payments are due to third parties under research and development arrangements or licence agreements, the milestone payment obligations are expensed when the milestone results are probable to be achieved. Research and development costs also include costs related to license payments related to acquiring intellectual property rights for the Company's research and development efforts.

Income taxes

There is no provision for income taxes for the three months ended March 31, 2024 or 2023 because the Company has historically incurred operating losses and maintains a full valuation allowance against its deferred tax assets.

The Company accounts for income taxes under the asset and liability method. Under this method, deferred tax assets and liabilities are determined based on differences between financial reporting and tax bases of assets and liabilities and are measured using enacted tax rates and laws that are expected to be in effect when the differences are expected to be recovered or settled. Realization of deferred tax assets is dependent upon future taxable income. A valuation allowance is recognized if it is more likely than not that some portion or all of a deferred tax asset will not be realized based on the weight of available evidence, including expected future earnings. As of March 31, 2024 and December 31, 2023, management believes it is more likely than not that no benefits will be derived from the Company's deferred tax assets.

The Company recognizes an uncertain tax position in its financial statements when it concludes that a tax position is more likely than not to be sustained upon examination based solely on its technical merits. Only after a tax position passes the first step of recognition will measurement be required. Under the measurement step, the tax benefit is measured as the largest amount of benefit that is more likely than not to be realized upon effective settlement. This is determined on a cumulative probability basis. The full impact of any change in recognition or measurement is reflected in the period in which such change occurs. As of March 31, 2024 and December 31, 2023, the Company has not recorded any uncertain tax positions. The Company elected to record any interest or penalties related to income taxes as part of its income tax expense. There were no interest or penalties related to income taxes for the three months ended March 31, 2024 or 2023.

The tax years from 2021 of the Company are open to examination by federal tax and state tax authorities. To the extent utilized in future years' tax returns, net operating loss carryforwards at March 31, 2024, will remain subject to examination until they are utilized. The Company has not been informed by any tax authorities for any jurisdiction that any of its tax years is under examination as of March 31, 2024.

Simple agreement for future equity ("SAFE") liability

The SAFE instruments issued in March 2024 and January 2023 have the potential for cash settlement upon the occurrence of certain "liquidity events" (including a change of control or initial public offering) and "dissolution events" (including voluntary termination of operations, a general assignment for the benefit of the Company's creditors, or any other liquidation, dissolution or winding up of the Company (excluding a liquidity event) whether voluntary or involuntary). The instruments, at the election of the holder, can also be settled in shares of the Company's redeemable convertible preferred stock which are contingently redeemable upon a liquidation event that may obligate the Company to transfer assets at some point in the future. The SAFE instruments were determined to be liability classified on issuance and recorded at estimated fair value. The SAFE instrument is subject to remeasurement at each reporting date with estimated changes in fair value recognized in other income (expense) in the statements of operations until settlement or termination in cash or shares.

Redeemable convertible preferred stock

The Company records shares of its redeemable convertible preferred stock at their respective fair values on the dates of issuance, net of issuance costs and net of related preferred stock tranche liabilities. The Company classifies its preferred stock outside of total stockholders' deficit because, in the event of certain "liquidation events" (including a merger, acquisition or sale of all or substantially all of the Company's assets) that are not solely within the control of the Company, the shares would become redeemable at the option of the holders. The Company did not adjust the carrying values of the preferred stock to the deemed liquidation values of the shares since a liquidation event was not probable at any of the reporting dates. Subsequent adjustments to increase or decrease the carrying values to the liquidation values will be made only if and when it becomes probable that such liquidation event will occur.

Share-based compensation

The Company measures its share-based awards, including grants to both employees and non-employees, based on their grant-date fair values. The Company's share-based awards currently include option awards to purchase common stock of the Company, which vest based on a service condition. The Company records compensation expense for these service-based awards beginning on the grant date over the requisite service period in which the awards are expected to vest on a straight-line basis, subject to a minimum expense amount based on the awards that have vested to date. The common stock issued to option holders upon the exercise of option awards are authorized and previously unissued common stock of the Company. Forfeitures are recognized as they occur.

The grant date fair value of employee and non-employee options is determined using the Black-Scholes option pricing model, which includes inputs such as the fair value of the Company's common stock, expected term, risk-free rate, expected stock price volatility over the expected term, and expected dividend yield. For all options granted, the Company calculated the expected term based on the simplified method. The Company has no publicly available stock information and therefore, the Company used the historical volatility of the stock price of similar publicly traded peer companies. The risk-free rate for periods within the contractual life of the option is based on the U.S. Treasury yield curve in effect at the time of the grant. The Company does not anticipate that dividends will be distributed in the near future.

The absence of an active market for the Company's common stock requires the Company's Board of Directors to determine the fair value of its common stock for purposes of granting options. The Company obtains third-party valuations to assist the Board of Directors in determining the fair value of the Company's common stock.

Recently issued accounting pronouncements

In December 2023, the Financial Accounting Standards Board issued Accounting Standard Update 2023-09, Income Taxes: Improvements to Income Tax Disclosures, which requires enhanced annual disclosures regarding the rate reconciliation and income taxes paid information. This standard is effective for fiscal years beginning after December 15, 2024, and may be adopted on a prospective or retrospective basis, with early adoption permitted. The Company is currently evaluating the impact of this standard on its financial statements and related disclosures.

3 Other financial statement information

Accrued expenses and other current liabilities

Accrued expenses and other current liabilities consisted of the following:

	As of	
	March 31, 2024	December 31, 2023
Accrued research and development	$ 4,949,171	$ 2,512,370
Other accrued liabilities	15,406	15,406
Total accrued expenses and other current liabilities	$ 4,964,577	$ 2,527,776

4 Fair value measurements

The SAFE liability is a Level 3 financial instrument measured at fair value on a recurring basis.

The following table provides a summary of changes in the estimated fair value of the SAFE liability:

	For the three months ended March 31, 2024
Balance at January 1, 2024	$ 30,957,000
Issuance of SAFE instruments	3,418,873
Change in fair value	13,693,672
Balance at March 31, 2024	$ 48,069,545

The fair value of the SAFE liability was estimated using the estimated fair value of the underlying equity of the Company discounted for a lack of marketability of 10.0%.

5 Commitment and contingencies

Guarantees and Indemnifications

In the normal course of business, the Company enters into agreements that contain a variety of representations and provide for general indemnification. The Company's exposure under these agreements is unknown because it involves claims that may be made against the Company in the future. The Company has entered into indemnification agreements with certain directors and officers that require the Company, among other things, to indemnify them against certain liabilities that may arise by reason of the status or service as directors or officers. To date, the Company has not paid any claims or been required to defend any action related to its indemnification obligations. As of March 31, 2024, the Company does not have any material indemnification claims that were probable or reasonably possible and consequently has not recorded related liabilities.

Contingencies

From time to time, the Company may become involved in legal proceedings arising in the ordinary course of business. The Company is not currently a party to any material legal proceedings.

6 Viriom License Agreement and SAFE instruments

2023 SAFE instrument

On January 20, 2023, the Company and Viriom, Inc. ("Viriom") entered into a license agreement for the purchase of intellectual property under which the Company acquired an exclusive royalty-free, fully paid up, sublicensable, worldwide license to patents that are specifically for the use in the development for the treatments of and methods to prevent viral diseases. In exchange for the license grant, the Company issued to Viriom a SAFE instrument for payment of the non-refundable license fee of $13,059,996. Because the acquired license from Viriom has no alternative future use, the license fee was recorded immediately through research and development expenses in the Company's statement of operations for the year ended December 31, 2023.

The SAFE instrument was issued on January 20, 2023 to Viriom as payment of the entire license fee. The SAFE instrument can be converted at any time by Viriom before expiration or termination of the instrument into 2,466,888 shares of the Company's series seed redeemable convertible preferred stock at a price per share of $5.294118, subject to adjustment in certain events.

If there is a liquidity event before the expiration or termination of the SAFE instrument, Viriom, at its option, will receive either (i) a cash payment equal to $13,059,996 or (ii) automatically receive from the Company 2,466,888 shares of the Company's common stock at a price per share of $5.294118, subject to adjustment in certain events. A liquidity event includes a change of control event or the closing of an initial public offering of the Company's common stock.

In the event of a voluntary or involuntary dissolution event of the Company before the expiration or termination of the SAFE instrument, Viriom will receive a cash payment equal to $13,059,996.

The SAFE instrument had a fair value of $13,249,000 on issuance, which was recorded as a liability in the condensed balance sheet. Any changes in the fair value of the SAFE liability during the three months ended March 31, 2024 and 2023 were recorded in other income (expense) in the condensed statement of operations.

2024 SAFE instruments

On March 21, 2024, the Company issued a SAFE to TPAV, LLC, a related party, and to a third-party investor for a total purchase amount of $1,000,000, or $500,000 for each investor. The SAFE instruments can be converted at any time before expiration or termination of the instrument into 188,888 shares, or 94,444 for each investor, of the Company's series seed redeemable convertible preferred stock at a price per share of $5.294118, subject to adjustment in certain events.

If there is a liquidity event before the expiration or termination of the SAFE instruments, at the option of the investors, they will receive either (i) a cash payment equal to their purchase amount or (ii) automatically receive 188,888 shares, or 94,444 for each investor, of the Company's common stock at a price per share of $5.294118, subject to adjustment in certain events. A liquidity event includes a change of control event or the closing of an initial public offering of the Company's common stock.

In the event of a voluntary or involuntary dissolution event of the Company before the expiration or termination of the SAFE instrument, the investors will receive a cash payment equal to their purchase amount.

The SAFE instrument had a fair value of $3.4 million on issuance, which was recorded as a liability in the condensed balance sheet and resulted in a loss on issuance of $2.4 million. There were no changes in the fair value of the SAFE liability from the date of issuance through March 31, 2024. See Note 4 for further discussion on the SAFE liability and the related valuations.

7 Redeemable convertible preferred stock

In January 2022, the Company issued an aggregate of 906,668 shares of its series seed redeemable convertible preferred stock (“preferred stock) at a purchase price of $5.294118 per share in exchange for cash proceeds of $4,790,007, net of $10,000 in legal fees reimbursed by the Company to the investors.

Pursuant to the terms of the Series Seed Preferred Stock Purchase Agreement (the “Agreement”), the Company was obligated to sell additional shares of its preferred stock to the same investors at a cash purchase price of $5.294118 per share in two subsequent closings upon achievement of certain milestones. The first closing specified the sale and issuance of 566,666 shares of preferred stock on the achievement of the Target 1 milestone (the “First Tranche Closing”). The second closing specified the sale and issuance of 226,666 shares of preferred stock on the achievement of the Target 2 milestone (the “Second Tranche Closing”). The Company determined that its obligation to issue additional shares represent freestanding instruments, initially recorded at fair value, with fair value changes recorded in other income (expense) in the statement of operations. In June 2022, the Company completed the First Tranche Closing and issued 566,666 shares of its preferred stock in exchange for gross cash proceeds of $2,999,996, thereby settling the First Tranche Closing tranche liability. In September 2022, the Company completed the Second Tranche Closing and issued 226,666 shares of its preferred stock in exchange for gross cash proceeds of $1,199,997, thereby settling the Second Tranche Closing tranche liability. Immediately prior to the closing of the First and Second Tranche Closings, the Company remeasured the respective tranche liability to its then fair value and the tranche liability balance was reclassified to convertible preferred stock. See Note 4 for further discussion on the preferred stock tranche liabilities and the related valuations.

In September 2022, the Agreement was amended to authorize the issuance of an additional 766,888 shares of its preferred stock at a purchase price of $5.294118 per share in exchange for gross cash proceeds of $4,059,996. This closing occurred in September 2022.

Redeemable convertible preferred stock consisted of the following:

As of March 31, 2024 and December 31, 2023

Series	Shares authorized	Shares issued and outstanding	Aggregate liquidation preferrence	Carrying value
Series Seed	2,466,888	2,466,888	$ 13,059,996	$ 12,287,547
	2,466,888	2,466,888	$ 13,059,996	$ 12,287,547

The following are the key terms of the preferred stock:

Dividends

The holders of shares of preferred stock are entitled to receive dividends, out of any assets legally available, prior and in preference to any declaration or payment of any dividend on the common stock, payable only if and when declared. Such dividends are non-cumulative.

After payment of such dividends, any additional dividends or distributions shall be distributed among all holders of common stock and preferred stock in proportion to the number of shares of common stock that would be held by each such holder of all shares of preferred stock were converted to common stock at the then effective conversion rate. No dividends have been declared to date.

Optional Conversion

Each share of preferred stock is convertible at the option of the holder at any time after the issuance date of such share into such number of shares of common stock as is determined by dividing the applicable original issue price by the applicable conversion price for such series. The initial conversion price per share for each series of preferred stock shall be the original issue price of $5.294118 per share. Adjustments to the conversion price, if any, occur if additional shares of common stock have been issued at a price less than the respective preferred stock.

Automatic Conversion

Each share of preferred stock will automatically convert into shares of common stock at the conversion rate at the time in effect for such series of preferred stock immediately upon either of (1) the closing of the Company's sale of its common stock in an initial public offering pursuant to a registration statement on Form S-1 that results in at least $30.0 million of gross proceeds; or (2) the date, or the occurrence of an event, specified by vote or written consent or agreement of the holders of a majority of the then outstanding shares of preferred stock (voting together as a single class and not as separate series, and on an as-converted basis).

Liquidation Preference

In the event of any voluntary or involuntary liquidation, dissolution, or winding up of the Company, the holders of the preferred stock are entitled to receive out of the proceeds or assets of the Company available for distribution to its stockholders, prior and in preference to any distribution of the proceeds to the holders of common stock, a liquidation preference in the amount per share equal to the sum of the original issue price of $5.294118 per share, plus any declared but unpaid dividends on such share.

If the assets of the Company are insufficient to pay the holders of the preferred stock the full amount, the holders of the preferred stock will share ratably in any distribution of the assets available for distribution.

If preferential amounts are paid in full, the remaining assets of the Company are distributed among the holders of the preferred stock and common stock pro rata based on the number of shares held by each shareholder.

Voting rights

Each share of preferred stock has a number of votes equal to the number of shares of common stock into which it is convertible. Except as provided in the Company's amended or restated articles of incorporation, the holders of preferred stock and the holders of common stock vote together as one single class.

The holders of preferred stock are entitled to elect two directors of the Company. The holders of preferred stock and common stock (voting together as a single class and on an as converted basis) are entitled to elect the two remaining directors.

Redemption

The preferred stock is not redeemable at the option of the holder.

8 Stockholders' deficit

The voting, dividend, and liquidation rights of the holders of the Company's common stock are subject to and qualified by the rights, powers, and preferences of the holders of the preferred stock set forth above. Each share of common stock entitles the holder to one vote, together with the holders of the preferred stock, on all matters submitted to the stockholders for a vote. The holders of common stock are entitled to receive dividends, if any, as declared by the Company's board of directors, subject to the preferential dividend rights of redeemable convertible preferred stock. As of March 31, 2024 and December 31, 2023, the Company's certificate of incorporation, as amended and restated, authorized the Company to issue 10,000,000 shares of common stock with a par value of $0.0001 per share. There are 200,000 shares of common stock issued and outstanding.

The following table summarizes the Company's shares of common stock reserved for issuance:

	As of	
	March 31, 2024	**December 31, 2023**
Conversion of redeemable convertible series seed preferred stock	2,466,888	2,466,888
Options issued and outstanding under the 2021 plan	454,000	454,000

9 Research and Development Arrangements and Related Party Transactions

Research and development arrangements with related parties

During January 2022, the Company entered into a Master Research and Development Agreement with Viriom, Inc. ("Viriom"), pursuant to which Viriom provides service related to research and development in the area of virology. The Company also entered into the License Agreement with Viriom on January 20, 2023, as further discussed in Note 6. Dr. Iain Dukes, Chairman of the Company's board of directors, is a stockholder of Viriom and a member of its board of directors. During the three months ended March 31, 2024 and 2023, $0.0 million and $2.7 million, respectively, was expensed as research and development cost in the condensed statements of operations related to Viriom services.

During September 2022, the Company entered into a Master Research and Development Agreement with ChemDiv, Inc. ("ChemDiv"), pursuant to which ChemDiv provides services related to preclinical drug discovery to the Company. Dr. Nikolay Savchuk, CEO of the Company, is a stockholder of ChemDiv and a member of its board of directors. During the three months ended March 31, 2024 and 2023, $3.3 million and $0.6 million, respectively, was expensed as research and development cost in the condensed statements of operations related to ChemDiv services. As of March 31, 2024 and December 31, 2023, the Company recorded $4.9 million and $2.5 million, respectively, as accrued expense relating to ChemDiv services in the condensed balance sheets.

10 Share-based compensation

In December 2021, the Company adopted the Trawsfynydd Therapeutics, Inc. 2021 Stock Plan (the “2021 Plan”). The 2021 Plan allows the Company to issue options to certain employees, officers, directors, and consultants at any time as determined by the Board of Directors.

As of March 31, 2024, the maximum number of shares with respect to which options may be issued under the 2021 Plan were 454,000, which is reduced upon the issuance of shares related to the exercise of any outstanding options granted and is subject to adjustment in the event of a merger, reorganization, stock split, dividend, or other change in the Company’s capitalization. As of March 31, 2024, there were no shares available to be issued under the 2021 Plan.

Option awards granted generally vest (i) in a series of 24 successive equal monthly installments measured from the Vesting Commencement Date, (ii) based on a specific vesting schedule as agreed upon between the employee and the Company and generally expire 10 years after the grant date or vesting commencement date, as applicable.

Total share-based compensation expense is included in the Company’s condensed statements of operations as follows:

	For the three months ended March 31,	
	2024	2023
General and administrative	$ 63,791	$ 0
Total	$ 63,791	$ 0

As of March 31, 2024, there was $0.2 million of total unrecognized share-based compensation costs related to the Company’s option awards which is expected to be recognized over a weighted-average period of approximately 0.75 years.

There were no stock options granted during the three months ended March 31, 2024. A summary of option award activity under the 2021 Plan is presented below.

	Number of awards	Weighted average exercise price	Weighted average remaining contractual term (in years)
Outstanding at January 1, 2024	454,000	$ 1.30	9.88
Granted	-	-	
Forfeited or expired	-	-	
Outstanding at March 31, 2024	454,000	1.30	9.63
Exercisable at March 31, 2024	432,688	$ 1.28	9.63

11 Subsequent events

The Company evaluated the potential impact of subsequent events on the financial statements through June 17, 2024, the date the financial statements were available to be issued.

Traws Pharma, Inc. Merger

On April 1, 2024, Onconova Therapeutics, Inc., a Delaware corporation ("Onconova"), acquired the Company, in accordance with the terms of an Agreement and Plan of Merger, dated April 1, 2024 (the "Merger Agreement"), by and among Onconova, Traws Merger Sub I, Inc., a Delaware corporation ("First Merger Sub"), Traws Merger Sub II, LLC, a Delaware limited liability company ("Second Merger Sub"), and the Company. Pursuant to the Merger Agreement, First Merger Sub merged with and into the Company, pursuant to which the Company was the surviving corporation (the "First Merger"). Immediately following the First Merger, the Company merged with and into Second Merger Sub, pursuant to which Second Merger Sub was the surviving entity and a wholly owned subsidiary of Onconova (the "Second Merger" and together with the First Merger, the "Merger"). The Merger is intended to qualify as a tax-free reorganization for U.S. federal income tax purposes.

Immediately prior to the merger, the SAFE liability was settled, whereby Viriom received 2,466,888 shares of the Company's common stock. Under the terms of the Merger Agreement, upon the consummation of the Merger on April 1, 2024 (the "Closing"), in exchange for the outstanding shares of capital stock of the Company immediately prior to the effective time of the First Merger, Onconova issued to the stockholders of the Company an aggregate of (A) 3,549,538 shares of common stock of Onconova, par value $0.01 per share (the "Common Stock") and (B) 10,359.0916 shares of Series C Preferred Stock (as defined and described below). Each share of Series C Preferred Stock is convertible into 10,000 shares of Common Stock, subject to certain conditions described below. In addition, Onconova assumed all of the Company stock options immediately outstanding prior to the First Merger, each becoming an option to purchase Common Stock subject to adjustment pursuant to the terms of the Merger Agreement (the "Assumed Options"). No portion of the Assumed Options will be exercisable unless and until the Meeting Proposals are approved by Onconova stockholders. Once exercisable, the Assumed Options will be exercisable for an aggregate of 9,138,611 shares of Common Stock. Following the effective time of the Second Merger, the Onconova changed its name to "Traws Pharma, Inc."

Exhibit 99.3

TRAWS PHARMA, INC.
UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

On April 1, 2024, Onconova Therapeutics, Inc., a Delaware corporation (the "Company"), acquired Trawsfynydd Therapeutics, Inc., a Delaware corporation ("Trawsfynydd"), in accordance with the terms of an Agreement and Plan of Merger, dated April 1, 2024 (the "Merger Agreement"), by and among the Company, Traws Merger Sub I, Inc., a Delaware corporation ("First Merger Sub"), Traws Merger Sub II, LLC, a Delaware limited liability company ("Second Merger Sub"), and Trawsfynydd. Pursuant to the Merger Agreement, First Merger Sub merged with and into Trawsfynydd, pursuant to which Trawsfynydd was the surviving corporation (the "First Merger"). Immediately following the First Merger, Trawsfynydd merged with and into Second Merger Sub, pursuant to which Second Merger Sub was the surviving entity and a wholly-owned subsidiary of the Company (the "Second Merger" and together with the First Merger, the "Merger"). The Merger is intended to qualify as a tax-free reorganization for U.S. federal income tax purposes.

Under the terms of the Merger Agreement, upon the consummation of the Merger on April 1, 2024, in exchange for the outstanding shares of capital stock of Trawsfynydd immediately prior to the effective time of the First Merger, the Company issued to the stockholders of Trawsfynydd an aggregate of (A) 3,549,538 shares of common stock of the Company, par value $0.01 per share (the "Common Stock") and (B) 10,359.916 shares of Series C Preferred Stock. In addition, the Company assumed all Trawsfynydd stock options immediately outstanding prior to the First Merger, each becoming an option to purchase Common Stock subject to adjustment pursuant to the terms of the Merger Agreement (the "Assumed Options"). No portion of the Assumed Options will be exercisable unless and until approved by the Company's stockholders. Once exercisable, the Assumed Options will be exercisable for an aggregate of 9,138,611 shares of Common Stock. Following the effective time of the Second Merger, the Company's changed its name to "Traws Pharma, Inc."

Tungsten Partners LLC ("Tungsten") acted as financial advisor to the Company in connection with the Merger. As partial compensation for services rendered by Tungsten, the Company issued to Tungsten and its affiliates and designees an aggregate of 168,601 shares of Common Stock and 535.4651 shares of Series C Preferred Stock.

On April 1, 2024, the Company entered into a Securities Purchase Agreement (the "Securities Purchase Agreement") with TPAV, LLC, an affiliate of Torrey Pines, and OrbiMed Private Investments VIII, LP, an affiliate of OrbiMed Advisors. Pursuant to the Securities Purchase Agreement, the Company agreed to issue and sell an aggregate of (i) 496,935 shares of Common Stock and (ii) 1,578.2120 shares of Series C Preferred Stock for an aggregate purchase price of approximately $14.7 million (collectively, the "Financing"). The closing of the Financing occurred concurrently with the closing of the Merger on April 1, 2024.

Each share of Series C Preferred Stock is automatically convertible into 10,000 shares of Common Stock, subject to shareholder approval and beneficial ownership limitations.

The unaudited pro forma condensed combined financial information is provided for illustrative purposes only, does not necessarily reflect what the actual consolidated results of operations and financial position would have been had the acquisition occurred on the dates assumed and may not be useful in predicting the future consolidated results of operations or financial position.

The unaudited pro forma condensed combined financial information is based on the assumptions and adjustments that are described in the accompanying notes. Accordingly, the pro forma adjustments are preliminary, subject to further revision as additional information becomes available and additional analyses are performed and have been made solely for the purpose of providing unaudited pro forma condensed combined financial information. Differences between the preliminary accounting and estimates reflected in the unaudited pro forma condensed combined financial information and the final accounting and estimates may occur as a result of changes in initial assumptions and related accounting, and the amount of cash used in the Company's operations, and other changes in the Company's assets and liabilities, which are expected to be completed after the closing of the Merger, may occur and these differences could have a material impact on the accompanying unaudited pro forma condensed combined financial information and the combined Company's future results of operations and financial position.

The unaudited pro forma condensed combined financial information does not give effect to the potential impact of current financial conditions, regulatory matters, operating efficiencies or other savings or expenses that may be associated with the integration of the two companies and does not purport to represent the actual results of operations that the Company and Trawsfynydd would have achieved had the companies been combined during the periods presented and is not intended to project the future results of operations that the combined company may achieve after the Merger. The unaudited pro forma combined financial information does not reflect any potential cost savings that may be realized as a result of the Merger and also does not reflect any restructuring or integration-related costs to achieve those potential cost savings.

Accounting rules require evaluation of certain assumptions, estimates, or determination of financial statement classifications. During preparation of the unaudited pro forma condensed combined financial information, management has performed a preliminary analysis and is not aware of any material differences, and accordingly, this unaudited pro forma condensed combined financial information assumes no material differences in accounting policies of the two companies. Following the Merger, management will conduct a final review of the Company's accounting policies in order to determine if differences in accounting policies require adjustment or reclassification of Trawsfynydd's results of operations or reclassification of assets or liabilities to conform to the Company's accounting policies and classifications. As a result of this review, management may identify differences that, when conformed, could have a material impact on these unaudited pro forma condensed combined financial statements.

The following unaudited pro forma condensed combined financial information has been prepared in accordance with Article 11 of Regulation S-X under the Securities Act of 1933, as amended (Securities Act) and presents the combined historical consolidated financial position and consolidated results of operations of the Company and the historical combined financial position and results of operations of Trawsfynydd, adjusted to give effect to (i) the Merger and Financing and (ii) the pro forma effects of certain assumptions and adjustments described in "Notes to the Unaudited Pro Forma Condensed Combined Financial Information" below.

The following unaudited pro forma combined financial information is presented to illustrate the estimated effects of the Merger and Financing, based on the historical financial statements and accounting records of the Company and Trawsfynydd after giving effect to the Merger and Financing and the related pro forma adjustments as described in the notes included below.

The unaudited pro forma combined statements of operations for the three months ended March 31, 2024 and for the year ended December 31, 2023 combine the historical statements of operations of the Company and Trawsfynydd, giving effect to the Merger and Financing as if they had occurred on January 1, 2023. The unaudited pro forma condensed combined balance sheet data assumes that the Merger and Financing took place on March 31, 2024, and combines the historical balance sheets of the Company and Trawsfynydd as of such date.

The unaudited pro forma condensed combined financial information, including the notes thereto, should be read in conjunction with the separate historical financial statements of the Company and Trawsfynydd, and their respective management's discussion and analysis of financial condition and results of operations included elsewhere in this Current Report on Form 8-K/A.

The following unaudited pro forma condensed combined financial information and related notes are based on and should be read in conjunction with the following:

(i) The accompanying notes to the unaudited pro forma condensed combined financial statements.

(ii) The interim unaudited financial statements of the Company and the related notes included in its Quarterly Report on Form 10-Q as of and for the three months ended March 31, 2024;

(iii) The historical audited financial statements of the Company and the related notes included in its Annual Report on Form 10-K as of and for the year ended December 31, 2023;

(iv) The historical unaudited interim financial statements of Trawsfynydd and the related notes as of and for the three months ended March 31, 2024; and The historical audited financial statements of Trawsfynydd and the related notes as of and for the year ended December 31, 2023;

(v) The Current Report on Form 8-K/A of the Company to which these unaudited pro forma condensed combined financial statements are attached as an exhibit.

UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET
AS OF MARCH 31, 2024

	Historical Onconova Therapeutics, Inc.	Historical Trawsfynydd Therapeutics, Inc.	Transaction Accounting Adjustments	Note References	Pro Forma Combined Traws Pharma, Inc.
Assets					
Current assets:					
Cash and cash equivalents	$ 16,390,000	$ 43,706	$ 12,209,820	**A**	$ 28,643,526
Receivables	18,000	-	-		18,000
Prepaid expenses and other current assets	1,745,000	-	-		1,745,000
Total current assets	18,153,000	43,706	12,209,820		30,406,526
Property and equipment, net	18,000				18,000
In-process research and development	-	-	-		-
Other non-current assets	1,000	-			1,000
Total assets	$ 18,172,000	$ 43,706	$ 12,209,820		$ 30,425,526
Liabilities and stockholders' equity					
Current liabilities:					
Accounts payable	$ 6,568,000	$ -	$ -		$ 6,568,000
Accrued expenses and other current liabilities	2,628,000	4,964,577	-		7,592,577
Deferred revenue	226,000	-	-		226,000
Total current liabilities	9,422,000	4,964,577	-		14,386,577
Deferred revenue, non-current	2,735,000	-	-		2,735,000
SAFE liability	-	48,069,545	(48,069,545)	**B**	-
Total liabilities	12,157,000	53,034,122	(48,069,545)		17,121,577
Commitments and contingencies					
Redeemable convertible preferred stock	-	12,287,547	99,961,277	**C**	112,248,824
Stockholders' equity:					
Common stock	211,000	20	42,131	**D**	253,151
Additional paid in capital	493,448,000	4,084,826	7,173,580	**D**	504,706,406
Accumulated deficit	(487,614,000)	(69,362,809)	(46,897,623)	**D**	(603,874,432)
Accumulated other comprehensive loss	(30,000)	-	-		(30,000)
Total stockholders' equity	6,015,000	(65,277,963)	(39,681,912)		(98,944,875)
Total redeemable convertible preferred stock, liabilities and stockholders' equity	$ 18,172,000	$ 43,706	$ 12,209,820		$ 30,425,526

See accompanying notes to Unaudited Pro Forma Condensed Combined Financial Statements

UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2024

	Historical Onconova Therapeutics, Inc.	Historical Trawsfynydd Therapeutics, Inc.	Transaction Accounting Adjustments	Note References	Pro Forma Combined Traws Pharma, Inc.
Revenue	$ 56,000	$ -	$ -		$ 56,000
Operating expenses:					
General and administrative	3,356,000	3,336,801	6,871,641	**E, H**	13,564,442
Research and development	1,912,000	120,879	-		2,032,879
Total operating expenses	5,268,000	3,457,680	6,871,641		15,597,321
Loss from operations	(5,212,000)	(3,457,680)	(6,871,641)		(15,541,321)
Other income, net	229,000	(16,112,545)	16,112,545	**F**	229,000
Net loss	(4,983,000)	(19,570,225)	9,240,904		(15,312,321)
Net loss per share, basic and diluted	$ (0.24)				$ (0.61)
Basic and diluted weighted average shares outstanding	21,043,458		4,215,074	**G**	25,258,532

See accompanying notes to Unaudited Pro Forma Condensed Combined Financial Statements

UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Historical Onconova Therapeutics, Inc.	Historical Trawsfynydd Therapeutics, Inc.	Transaction Accounting Adjustments	Note References	Pro Forma Combined Traws Pharma, Inc.
Revenue	$ 226,000	$ -	$ -		$ 226,000
Operating expenses:					
General and administrative	9,094,000	20,197,580	7,819,704	**E, H**	37,111,284
Research and development	11,430,000	4,036,149	-		15,466,149
Total operating expenses	20,524,000	24,233,729	7,819,704		52,577,433
Loss from operations	(20,298,000)	(24,233,729)	(7,819,704)		(52,351,433)
Other income, net	1,350,000	(17,708,000)	17,708,000	**F**	1,350,000
Net loss	(18,948,000)	(41,941,729)	9,888,296		(51,001,433)
Net loss per share, basic and diluted	$ (0.90)				$ (2.02)
Basic and diluted weighted average shares outstanding	20,988,863		4,215,074	**G**	25,203,937

See accompanying notes to Unaudited Pro Forma Condensed Combined Financial Statements

TRAWS PHARMA, INC.

NOTES TO UNAUDITED PRO FORMA CONDENSEDCOMBINED FINANCIAL STATEMENTS

Note 1. Basis of presentation

Description of the Transactions

On April 1, 2024, the Company acquired Trawsfynydd through the Merger. Upon the consummation of the Merger, in exchange for the outstanding shares of capital stock of Trawsfynydd immediately prior to the effective time Merger, the Company issued to the stockholders of Trawsfynydd an aggregate of (A) 3,549,538 shares of common stock of the Company, par value $0.01 per share (the "Common Stock") and (B) 10,359.916 shares of Series C Preferred Stock. In addition, the Company assumed all Trawsfynydd stock options immediately outstanding prior to the First Merger, each becoming an option to purchase Common Stock subject to adjustment pursuant to the terms of the Merger Agreement (the "Assumed Options"). No portion of the Assumed Options will be exercisable unless and until approved by the Company's stockholders. Once exercisable, the Assumed Options will be exercisable for an aggregate of 9,138,611 shares of Common Stock.

Tungsten Partners LLC ("Tungsten") acted as financial advisor to the Company in connection with the Merger. As partial compensation for services rendered by Tungsten, the Company issued to Tungsten and its affiliates and designees an aggregate of 168,601 shares of Common Stock and 535.46510 shares of Series C Preferred Stock.

On April 1, 2024, the Company entered into a Securities Purchase Agreement (the "Securities Purchase Agreement") with TPAV, LLC, an affiliate of Torrey Pines, and OrbiMed Private Investments VIII, LP, an affiliate of OrbiMed Advisors. Pursuant to the Securities Purchase Agreement, the Company agreed to issue and sell an aggregate of (i) 496,935 shares of Common Stock and (ii) 1,578.2120 shares of Series C Preferred Stock for an aggregate purchase price of approximately $14.7 million (collectively, the "Financing"). The closing of the Financing occurred concurrently with the closing of the Merger on April 1, 2024.

Each share of Series C Preferred Stock is automatically convertible into 10,000 shares of Common Stock, subject to shareholder approval and beneficial ownership limitations.

Pursuant to the Merger Agreement, the Company has agreed to hold a stockholders' meeting to submit the following matters to its stockholders for their consideration: (i) the approval of the conversion of shares of Series C Preferred Stock into shares of Common Stock in accordance with the rules of the Nasdaq Stock Market LLC and (ii) if deemed necessary or appropriate by the Company or as otherwise required by applicable law or contract, the approval of an amendment to the Company's certificate of incorporation, as amended (the "Charter"), to authorize sufficient shares of Common Stock for the conversion of Series C Preferred Stock issued pursuant to the Merger.

Basis of Presentation

The unaudited pro forma condensed combined financial information was preliminarily prepared with the Merger being accounted for as an asset acquisition by the Company of Trawsfynydd. Upon completion of the Merger and Financing, the Company will obtain control of Trawsfynydd's assets consisting primarily of cash and in-process research and development ("IPR&D").

In accordance with U.S. GAAP, the Company must first assess whether an integrated set of assets and activities should be accounted for as an acquisition of a business or an asset acquisition. The assets acquired did not include any processes, such as an organized workforce. Therefore, the Company will account for the acquisition of Trawsfynydd as an asset acquisition.

Under the asset acquisition method of accounting, the assets acquired and liabilities assumed are recognized and measured at fair value and no goodwill is recorded or recognized. Acquired IPR&D that has no future alternative use is expensed at the time of acquisition.

The unaudited pro forma condensed combined financial statements have been prepared based on the Company's and Trawsfynydd's historical financial information, giving effect to the acquisition and related adjustments described in these notes to show how the acquisition might have affected the historical financial statements if it had been completed on January 1, 2023 for the purposes of the unaudited pro forma condensed combined statements of operations, and as of March 31, 2024, for purposes of the unaudited pro forma condensed combined balance sheet.

The pro forma adjustments reflecting the consummation of the Merger are based on certain currently available information and certain assumptions and methodologies that the Company believes are reasonable under the circumstances. The pro forma adjustments, which are described in the accompanying notes, may be revised as additional information becomes available and is evaluated. Therefore, it is likely that the actual adjustments will differ from the pro forma adjustments, and it is possible the difference may be material. The Company believes that its assumptions and methodologies provide a reasonable basis for presenting all of the significant effects of the Merger based on information available to management at this time and that the pro forma adjustments give appropriate effect to those assumptions and are properly applied in the unaudited pro forma condensed combined financial information.

The unaudited pro forma condensed combined financial information does not give effect to the potential impact of current financial conditions, regulatory matters, anticipated synergies, operating efficiencies, tax savings, or other savings or expenses that may be associated with the integration of the two companies and does not purport to represent the actual results of operations that the Company and Trawsfynydd would have achieved had the companies been combined during the periods presented and is not intended to project the future results of operations that the combined company may achieve after the Merger.

Note 2. Estimated consideration and preliminary purchase price allocation

The estimated fair value of the consideration transferred of $111.4 million, inclusive of the estimated Company transaction costs incurred in connection with the asset acquisition, $6.8 million of which are expected to be incurred subsequent to March 31, 2024 is summarized as follows:

Common stock	$ 3,549,538
Series C Preferred Stock	93,231,824
Assumed Options	7,085,483
Company transaction costs	7,472,716
Total consideration transferred	$ 111,339,561

The following table summarizes the allocation of the estimated fair value of the consideration transferred to the net assets acquired and is based on the Trawsfynydd balance sheet as of March 31, 2024:

Assets acquired:	
Cash and cash equivalents	$ 43,706
Total assets acquired	43,706
Liabilities assumed:	
Accrued expenses and other current liabilities	4,964,577
Total liabilities assumed	4,964,577
Net assets acquired	$ (4,920,871)
In process research and development	116,260,432
Total consideration transferred	$ 111,339,561

The above allocation of the purchase price is based upon certain preliminary valuations and other analyses that have not been completed as of the date of this filing. Any changes in the estimated fair values of the net assets recorded for this asset acquisition upon the finalization of more detailed analyses of the facts and circumstances that existed at the date of the Merger will change the allocation of the purchase price. As such, the purchase price allocations for the acquisition are preliminary estimates, which are subject to change.

Note 3. Transaction accounting adjustments

Adjustments included in the column under the heading “Transaction Accounting Adjustments” are primarily based on information contained within the Merger Agreement. Further analysis will be performed after the completion of the Merger to confirm these estimates or make adjustments in the final purchase price allocation, as necessary. The transaction adjustments included in the unaudited pro forma condensed combined financial statements are as follows:

A. Reflects the net proceeds from the Financing and the payment of transaction costs associated with the asset acquisition of Trawsfynydd.

Proceeds from Financing, net of fees	$ 14,698,935
Payment of cash transaction costs	(2,489,115)
Pro forma adjustment	$ 12,209,820

B. Reflects the elimination of Trawsfynydd’s Simple Agreement for Future Equity (“SAFE”) liability which was settled as part of the Merger.

C. Reflects the recording of the (i) elimination of Trawsfynydd historical redeemable convertible preferred stock balance, (ii) issuance of 10,359.916 of the Company's shares of Series C Preferred Stock to Trawsfynydd stockholders, (iii) issuance of 1,578 of the Company's shares of Series C Preferred Stock as a result of the Financing which resulted in cash proceeds of $14.2 million, and (iv) issuance of 535 of the Company's shares of Series C Preferred Stock to Tungsten that are reflected as transaction costs related to the Merger:

	Series C Preferred Stock		
	Shares	Amount	Total
Elimination of Trawsfynydd's historical redeemable convertible preferred stock	(2,466,888)	$ (12,287,547)	$ (12,287,547)
Issuance of Series C Preferred Stock to Trawsfynydd's stockholders	10,359	93,231,824	93,231,824
Issuance of Series C Preferred Stock related to the Financing	1,578	14,202,000	14,202,000
Issuance of Series C Preferred Stock to Tungsten	535	4,815,000	4,815,000
Pro forma adjustment	(2,454,416)	$ 99,961,277	$ 99,961,277

D. Reflects the recording of the (i) elimination of Trawsfynydd historical equity balances, (ii) issuance of 3,549,538 of the Company's Common Stock to Trawsfynydd stockholders, (iii) exchange of Trawsfynydd stock options for the Company's replacement stock options (i.e., the Assumed Options), (iv) issuance of 496,935 shares of Common Stock as a result of the Financing which resulted in cash proceeds of $0.5 million, (v) issuance of 168,601 shares of Common Stock to Tungsten that are reflected as transaction costs related to the Merger, and (vi) the immediate expensing of acquired Trawsfynydd IPR&D as it has no future alternative use:

	Common Stock					
	Shares	Amount	Additional paid-in-capital	Accumulated other comprehensive loss	Accumulated deficit	Total
Elimination of Trawsfynydd's historical equity balances as of March 31, 2024	(200,000)	$ (20)	$ (4,084,826)	$ -	$ 69,362,809	$ 65,277,963
Issuance of Common Stock to Trawsfynydd's stockholders	3,549,538	35,495	3,514,043	-	-	3,549,538
Exchange of Trawsfynydd stock options for stock options of the Company	-	-	7,085,483	-	-	7,085,483
Issuance of Common Stock related to the Financing	496,935	4,969	491,966	-	-	496,935
Issuance of Common Stock to Tungsten	168,601	1,686	166,915	-	-	168,601
Expensing of acquired IPR&D	-	-	-	-	(116,260,432)	(116,260,432)
Pro forma adjustment	4,015,074	$ 42,131	$ 7,173,580	$ -	$ (46,897,623)	$ (39,681,912)

E. Represents the recognition of $6.8 million of the Company's estimated transaction costs to be incurred subsequent to March 31, 2024. The transaction costs are expensed as incurred as substantially all of the value acquired is within the Trawsfynydd IPR&D asset that has no alternative future use. These transaction costs will not affect the Company's statement of operations beyond 12 months after the Merger.

F. Reflects the elimination of the loss on change in fair value related to Trawsfynydd's Safe liability which was settled as part of the Merger.

G. The pro forma combined basic and diluted loss per share have been adjusted to reflect the pro forma net loss for the three months ended March 31, 2024 and the pro forma net loss attributable to common stockholders for the year ended December 31, 2023. In addition, the number of shares used in calculating the pro forma combined basic and diluted loss per share has been adjusted assuming that the estimated total number of shares of common stock of the combined company that will be issued in connection with the Merger and Financing have been outstanding for the entirety of all periods presented. The following table sets forth the calculation of the pro forma adjustment to the weighted-average number of common shares outstanding — basic and diluted.

Issuance of Common Stock as a result of the Merger	3,718,139
Issuance of Common Stock as a result of the Financing	496,935
Pro forma adjustment	4,215,074

H. Reflects the $86,747 of stock-based compensation cost recognized as a result of the post combination service portion of the Assumed Options.