UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2024

Or

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

Commission file number: 001-36020

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

Delaware (State or other jurisdiction of incorporation or organization)	**22-3627252** (I.R.S. Employer Identification No.)
12 Penns Trail, Newtown, PA (Address of principal executive offices)	**18940** (Zip Code)

Registrant's telephone number, including area code: **(267) 759-3680**

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

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

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

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

The number of outstanding shares of the registrant's Common Stock, par value $0.01 per share, as of May 1, 2024 was 25,301,009.

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

TRAWS PHARMA, INC.

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FOR THE QUARTER ENDED MARCH 31, 2024

PART I — FINANCIAL INFORMATION

Item 1. Financial Statements

Traws Pharma, Inc.
Condensed Consolidated Balance Sheets

	March 31, 2024	December 31, 2023
Assets	(unaudited)	
Current assets:		
Cash and cash equivalents	$ 16,390,000	$ 20,821,000
Receivables	18,000	18,000
Prepaid expenses and other current assets	1,745,000	1,821,000
Total current assets	18,153,000	22,660,000
Property and equipment, net	18,000	22,000
Other non-current assets	1,000	1,000
Total assets	$ 18,172,000	$ 22,683,000
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 6,568,000	$ 5,619,000
Accrued expenses and other current liabilities	2,628,000	3,375,000
Deferred revenue	226,000	226,000
Total current liabilities	9,422,000	9,220,000
Deferred revenue, non-current	2,735,000	2,791,000
Total liabilities	12,157,000	12,011,000
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, $0.01 par value, 5,000,000 shares authorized, none issued and outstanding at March 31, 2024 and December 31, 2023	—	—
Common stock, $0.01 par value, 125,000,000 shares authorized, 21,085,935 and 21,003,409 shares issued and outstanding at March 31, 2024 and December 31, 2023, respectively	211,000	210,000
Additional paid in capital	493,448,000	493,116,000
Accumulated deficit	(487,614,000)	(482,631,000)
Accumulated other comprehensive loss	(30,000)	(23,000)
Total stockholders' equity	6,015,000	10,672,000
Total liabilities and stockholders' equity	$ 18,172,000	$ 22,683,000

See accompanying notes to condensed consolidated financial statements.

Traws Pharma, Inc.
Condensed Consolidated Statements of Operations (unaudited)

	Three Months Ended March 31,	
	2024	2023
Revenue	$ 56,000	$ 56,000
Operating expenses:		
General and administrative	3,356,000	2,113,000
Research and development	1,912,000	4,080,000
Total operating expenses	5,268,000	6,193,000
Loss from operations	(5,212,000)	(6,137,000)
Other income, net	229,000	362,000
Net loss	$ (4,983,000)	$ (5,775,000)
Net loss per share, basic and diluted	$ (0.24)	$ (0.28)
Basic and diluted weighted average shares outstanding	21,043,458	20,960,171

See accompanying notes to condensed consolidated financial statements.

Traws Pharma, Inc.
Condensed Consolidated Statements of Comprehensive Loss (unaudited)

	Three Months Ended March 31,	
	2024	2023
Net loss	$ (4,983,000)	$ (5,775,000)
Other comprehensive (loss) income, net of tax:		
Foreign currency translation adjustments, net	(7,000)	6,000
Other comprehensive (loss) income, net of tax	(7,000)	6,000
Comprehensive loss	$ (4,990,000)	$ (5,769,000)

See accompanying notes to condensed consolidated financial statements.

Traws Pharma, Inc.
Consolidated Statement of Stockholders' Equity (Deficit) (unaudited)

	Three Month Periods Ended March 31, 2024 and 2023					
	Common Stock		Additional Paid in Capital	Accumulated deficit	Accumulated other comprehensive (loss) income	Total
	Shares	Amount				
Balance at December 31, 2023	21,003,409	$ 210,000	$ 493,116,000	$ (482,631,000)	$ (23,000)	$ 10,672,000
Net loss	—	—	—	(4,983,000)	—	(4,983,000)
Other comprehensive loss	—	—	—	—	(7,000)	(7,000)
Stock-based compensation	—	—	333,000	—	—	333,000
Shares issued for vested restricted stock units	82,526	1,000	(1,000)	—	—	—
Balance at March 31, 2024	21,085,935	$ 211,000	$ 493,448,000	$ (487,614,000)	$ (30,000)	$ 6,015,000
Balance at December 31, 2022	20,925,992	$ 209,000	$ 491,816,000	$ (463,683,000)	$ (33,000)	$ 28,309,000
Net loss	—	—	—	(5,775,000)	—	(5,775,000)
Other comprehensive loss	—	—	—	—	6,000	6,000
Exercise of stock options	—	—	—	—	—	—
Stock-based compensation	—	—	336,000	—	—	336,000
Shares issued for vested restricted stock units	43,567	1,000	(1,000)	—	—	—
Balance at March 31, 2023	20,969,559	$ 210,000	$ 492,151,000	$ (469,458,000)	$ (27,000)	$ 22,876,000

See accompanying notes to condensed consolidated financial statements.

Traws Pharma, Inc.
Condensed Consolidated Statements of Cash Flows (unaudited)

	Three Months Ended March 31,	
	2024	2023
Operating activities:		
Net loss	$ (4,983,000)	$ (5,775,000)
Adjustment to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	4,000	3,000
Stock compensation expense	333,000	336,000
Changes in assets and liabilities:		
Receivables	—	12,000
Prepaid expenses and other current assets	76,000	(241,000)
Accounts payable	949,000	1,036,000
Accrued expenses and other current liabilities	(747,000)	142,000
Deferred revenue	(56,000)	(56,000)
Net cash used in operating activities	(4,424,000)	(4,543,000)
Effect of foreign currency translation on cash	(7,000)	6,000
Net decrease in cash and cash equivalents	(4,431,000)	(4,537,000)
Cash and cash equivalents at beginning of period	20,821,000	38,757,000
Cash and cash equivalents at end of period	$ 16,390,000	$ 34,220,000

See accompanying notes to condensed consolidated financial statements.

Traws Pharma, Inc.
Notes to Condensed Consolidated Financial Statements
(Unaudited)

1. Nature of Business

The Company

Traws Pharma, Inc. (“Traws Pharma”), formerly known as Onconova Therapeutics, Inc. (the “Company”), was incorporated in the State of Delaware on December 22, 1998 and commenced operations on January 1, 1999. The Company's headquarters are located in Newtown, Pennsylvania. On April 1, 2024, the Company acquired Trawsfynydd Therapeutics, Inc., a Delaware corporation (“Trawsfynydd”), and the name change to Traws Pharma was effected (See Note 9 – Subsequent Events in these Notes to Condensed Consolidated Financial Statements). Traws Pharma is a clinical stage biopharmaceutical company aiming to address unmet medical needs in respiratory viral diseases and cancer. The viral respiratory disease program includes an oral inhibitor drug candidate of the SARS-CoV-2 Mpro (3CL protease) and an oral antiviral drug candidate for influenza. In the cancer program, Traws Pharma is developing the novel, proprietary multi-kinase CDK2/4/6 inhibitor narazaciclib for refractory endometrial cancer and potentially for other cancers.

Liquidity

The Company has incurred recurring operating losses since inception. For the three months ended March 31, 2024, the Company incurred a net loss of $4,983,000 and as of March 31, 2024 the Company had generated an accumulated deficit of $487,614,000. Traws Pharma anticipates that operating losses will continue for the foreseeable future due to, among other things, costs related to research, development of its product candidates and its preclinical programs, strategic alliances and its administrative organization. At March 31, 2024, the Company had cash and cash equivalents of $16,390,000. On April 1, 2024, the Company received $14,000,000 in a private placement of securities described in detail in Note 9 – Subsequent Events in these Notes to Condensed Consolidated Financial Statements. Based on current projections, Traws Pharma does not have sufficient cash and cash equivalents to support its operations for at least the 12 months following the date that these financial statements are issued. These conditions raise substantial doubt about Traws Pharma’s ability to continue as a going concern through the one-year period after the date that the financial statements are issued. Due to the inherent uncertainty involved in making estimates and the risks associated with the research, development, and commercialization of biotechnology products, Traws Pharma may have based this estimate on assumptions that may prove to be wrong, and Traws Pharma's operating plan may change as a result of many factors currently unknown to Traws Pharma.

Traws Pharma will require substantial additional financing to fund its ongoing clinical trials and operations, and to continue to execute its strategy. To alleviate the conditions that raise substantial doubt about Traws Pharma’s ability to continue as a going concern, management plans to explore various dilutive and non-dilutive sources of funding, including equity financings, strategic alliances, business development and other sources. The future success of Traws Pharma is dependent upon its ability to obtain additional funding. There can be no assurance, however, that Traws Pharma will be successful in obtaining such funding in sufficient amounts, on terms acceptable to Traws Pharma, or at all. The failure to obtain sufficient capital on acceptable terms when needed would have a material adverse effect on Traws Pharma’s business, results of operations and financial condition. Accordingly, management has concluded that substantial doubt exists with respect to Traws Pharma's ability to continue as a going concern within one year after the date that these financial statements are issued.

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business, and do not include any adjustments relating to recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should Traws Pharma be unable to continue as a going concern.

Traws Pharma, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(Unaudited)

2. Summary of Significant Accounting Policies

Basis of Presentation

The condensed consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States ("GAAP") for interim financial information. Certain information and footnotes normally included in financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). The financial statements include the consolidated accounts of the Company and its wholly-owned subsidiary, Onconova Europe GmbH, as of March 31, 2024. All significant intercompany transactions have been eliminated. The acquisition of Trawsfynydd occurred on April 1, 2024, and therefore the accompanying condensed consolidated balance sheet as of March 31, 2024 and the condensed consolidated statements of operations and comprehensive loss, stockholders' equity (deficit), and cash flows for the three months ended March 31, 2024 do not include the accounts of Trawsfynydd (See Note 9 – Subsequent Events in these Notes to Condensed Consolidated Financial Statements).

Unaudited Interim Financial Information

The accompanying condensed consolidated balance sheet as of March 31, 2024, the condensed consolidated statements of operations and comprehensive loss for the three months ended March 31, 2024 and 2023, the consolidated statements of stockholders' equity (deficit) for the three months ended March 31, 2024 and 2023 and the condensed consolidated statements of cash flows for the three months ended March 31, 2024 and 2023 are unaudited. The interim unaudited condensed consolidated financial statements have been prepared on the same basis as the annual audited consolidated financial statements and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary for the fair statement of the Company's financial position as of March 31, 2024, the results of its operations for the three months ended March 31, 2024 and 2023, and its cash flows for the three months ended March 31, 2024 and 2023. The financial data and other information disclosed in these notes related to the three months ended March 31, 2024 and 2023 are unaudited. The results for the three months ended March 31, 2024 are not necessarily indicative of results to be expected for the year ending December 31, 2024, any other interim periods, or any future year or period. These unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the notes thereto for the year ended December 31, 2023 included in the Company's annual report on Form 10-K filed with the SEC on April 1, 2024.

Segment Information

Operating segments are defined as components of an enterprise about which separate discrete information is available for evaluation by the chief operating decision maker, or decision-making group, in deciding how to allocate resources and in assessing performance. The Company views its operations and manages its business in one segment, which is the identification and development of oncology therapeutics.

Concentrations of Credit Risk and Off-Balance Sheet Risk

Financial instruments that potentially subject the Company to concentrations of credit risk are primarily cash and cash equivalents. The Company maintains a portion of its cash and cash equivalent balances in the form of money market accounts with financial institutions that management believes are creditworthy. The Company has no financial instruments with off-balance sheet risk of loss.

At March 31, 2024 the Company had $16,042,000 of its cash and cash equivalents in a Morgan Stanley Institutional Liquidity Fund. The fund is a AAA rated money market fund that invests in a portfolio of liquid, high-quality debt securities issued by the U.S. government. The fund resides in a custodial account held by U.S. Bank for which SVB Asset Management is the advisor.

Traws Pharma, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(Unaudited)

Significant Accounting Policies

The Company's significant accounting policies are disclosed in the audited consolidated financial statements for the year ended December 31, 2023 included in the Company's annual report on Form 10-K filed with the SEC on April 1, 2024. There have been no changes to the Company's significant accounting policies as of and for the three months ended March 31, 2024.

Fair Value Measurements

At both March 31, 2024 and December 31, 2023, the Company had no financial assets and liabilities measured at fair value on a recurring basis. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

The Company utilizes a valuation hierarchy for disclosure of the inputs to the valuations used to measure fair value. This hierarchy prioritizes the inputs into three broad levels as follows. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the financial instrument. Level 3 inputs are unobservable inputs based on the Company's own assumptions used to measure assets and liabilities at fair value. A financial asset or liability's classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement.

The carrying amounts reported in the accompanying consolidated financial statements for cash and cash equivalents, accounts payable, and accrued liabilities approximate their respective fair values because of the short-term nature of these accounts.

3. Revenue

The Company's revenue during the three months ended March 31, 2024 and 2023 was from its license and collaboration agreement with SymBio.

	Three Months Ended March 31,	
	2024	2023
Symbio		
Upfront license fee recognition over time	$ 56,000	$ 56,000

Deferred revenue is as follows:

	Symbio Upfront Payment
Deferred balance at December 31, 2023	$ 3,017,000
Recognition to revenue	(56,000)
Deferred balance at March 31, 2024	$ 2,961,000

Traws Pharma, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(Unaudited)

4. Net Loss Per Share of Common Stock

The following potentially dilutive securities outstanding at March 31, 2024 and 2023 have been excluded from the computation of diluted weighted average shares outstanding, as they would be antidilutive (reflects the number of common shares as if the dilutive securities had been converted to common stock):

	March 31,	
	2024	2023
Warrants	307,716	344,990
Stock options	2,292,543	1,856,722
	2,600,259	2,201,712

5. Warrants

Common Stock warrants are accounted for in accordance with applicable accounting guidance provided in ASC Topic 815, *Derivatives and Hedging - Contracts in Entity's Own Equity* (ASC Topic 815), as either derivative liabilities or as equity instruments depending on the specific terms of the warrant agreement.

Warrants outstanding and warrant activity (reflects the number of common shares as if the warrants were converted to common stock) for the three months ended March 31, 2024 is as follows:

Description	Classification	Exercise Price	Expiration Date	Balance December 31, 2023	Warrants Issued	Warrants Exercised	Warrants Expired	Balance March 31, 2024
Non-tradable pre-funded warrants	Equity	$ 2.25	none	3,522	—	—	—	3,522
Non-tradable pre-funded warrants	Equity	$ 2.25	none	4,974	—	—	—	4,974
Non-tradable warrants	Equity	$ 3.00	November 2024	244,500	—	—	—	244,500
Non-tradable warrants	Equity	$ 6.54375	December 2024	16,953	—	—	—	16,953
Non-tradable warrants	Equity	$ 6.75450	December 2024	46,263	—	—	—	46,263
				316,212	—	—	—	316,212

6. Balance Sheet Detail

Prepaid expenses and other current assets:

	March 31, 2024	December 31, 2023
Research and development	$ 1,009,000	$ 1,060,000
Manufacturing	180,000	186,000
Insurance	293,000	174,000
Other	263,000	401,000
	$ 1,745,000	$ 1,821,000

Property and equipment:

	March 31, 2024	December 31, 2023
Property and equipment	$ 84,000	$ 84,000
Accumulated depreciation	(66,000)	(62,000)
	$ 18,000	$ 22,000

Traws Pharma, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(Unaudited)

Accrued expenses and other current liabilities:

	March 31, 2024	December 31, 2023
Research and development	$ 2,158,000	$ 2,196,000
Employee compensation	457,000	1,002,000
Professional fees	13,000	177,000
	$ 2,628,000	$ 3,375,000

7. Stock-Based Compensation

The 2018 Omnibus Incentive Compensation Plan (the "2018 Plan") was unanimously approved by the Company's Board of Directors on May 24, 2018 and was approved by the Company's stockholders on June 27, 2018.

Under the 2018 Plan, the Company may grant incentive stock options, non-qualified stock options, stock awards, stock units, stock appreciation rights and other stock-based awards to employees, non-employee directors and consultants, and advisors. The maximum aggregate number of shares of the Company's common stock that may be issued under the 2018 Plan is 26,823.

The 2018 Plan was amended and restated following unanimous approval of the Company's Board of Directors on April 24, 2019 and was approved by the Company's stockholders on June 17, 2019. The amended 2018 Plan (the "Amended Plan") allowed for an additional 39,300 shares of the Company's common stock that may be issued under the Amended Plan with respect to awards made on and after June 17, 2019.

The 2021 Incentive Compensation Plan (the "2021 Plan") was unanimously approved by the Company's stockholders on July 30, 2021. Upon stockholders' approval of the 2021 Plan, no further awards will be made under the amended 2018 Plan. Under the 2021 Plan, the Company may grant incentive stock options, non-qualified stock options, stock awards, stock units, stock appreciation rights and other stock-based awards to employees, non-employee directors and consultants, and advisors.

The 2021 Plan was amended and restated following unanimous approval of the Company's Board of Directors on May 23, 2022 and was approved by the Company's stockholders on August 18, 2022. The amended 2021 Plan (the "Amended 2021 Plan") allowed for an additional 2,000,000 shares of the Company's common stock that may be issued with respect to awards made on and after August 18, 2022. At March 31, 2024, there were 930,283 shares available for future issuance.

Stock-based compensation expense includes stock options granted to employees and non-employees and has been reported in the Company's statements of operations and comprehensive loss in either research and development expenses or general and administrative expenses depending on the function performed by the optionee. No net tax benefits related to the stock-based compensation costs have been recognized since the Company's inception. The Company recognized stock-based compensation expense related to stock options and restricted stock units as follows for the three months ended March 31, 2024 and 2023:

	Three Months Ended March 31,	
	2024	2023
General and administrative	$ 182,000	$ 169,000
Research and development	151,000	167,000
	$ 333,000	$ 336,000

Traws Pharma, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(Unaudited)

A summary of stock option activity for the three months ended March 31, 2024 is as follows:

	Options Outstanding			
	Number of Shares	Weighted-Average Exercise Price	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Balance, December 31, 2023	2,311,011	$ 3.04	8.53	$ 20,814
Granted	—	$ —	—	—
Exercised	—	$ —	—	$ —
Forfeitures/adjustments	(18,468)	$ 19.14	—	
Balance, March 31, 2024	2,292,543	$ 2.91	8.35	$ 214,421
Exercisable at March 31, 2024	1,115,154	$ 4.86	7.63	$ 54,498

The Company accounts for all stock-based payments made to employees, non-employees and directors using an option pricing model for estimating fair value. Accordingly, stock-based compensation expense is measured based on the estimated fair value of the awards on the date of grant, net of forfeitures. Compensation expense is recognized for the portion that is ultimately expected to vest over the period during which the recipient renders the required services to the Company using the straight-line single option method.

The Company uses the Black-Scholes option-pricing model to estimate the fair value of stock options at the grant date. The Black-Scholes model requires the Company to make certain estimates and assumptions, assumptions related to the expected price volatility of the Common Stock, the period during which the options will be outstanding, the rate of return on risk-free investments and the expected dividend yield for the Company's stock.

As of March 31, 2024, there was $755,000 of unrecognized compensation expense related to the unvested stock options which is expected to be recognized over a weighted-average period of approximately 1.22 years.

The weighted-average assumptions underlying the Black-Scholes calculation of grant date fair value of stock options include the following:

	Three months ended March 31,	
	2024	2023
Risk-free interest rate	— %	3.63 %
Expected volatility	— %	121.00 %
Expected term	— years	5.85 years
Expected dividend yield	— %	0 %
Weighted average grant date fair value	$ —	$ 0.64

The weighted-average valuation assumptions were determined as follows:

- Risk-free interest rate: The Company based the risk-free interest rate on the interest rate payable on U.S. Treasury securities in effect at the time of grant for a period that is commensurate with the assumed expected option term.
- Expected term of options: Due to its lack of sufficient historical data, the Company estimates the expected life of its employee stock options using the "simplified" method, as prescribed in Staff Accounting Bulletin (SAB) No. 107, whereby the expected life equals the arithmetic average of the vesting term and the original contractual term of the option.

Traws Pharma, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(Unaudited)

- Expected stock price volatility: Expected volatility is based on the historical volatility of the Company's Common Stock.
- Expected annual dividend yield: The Company has never paid, and does not expect to pay, dividends in the foreseeable future. Accordingly, the Company assumed an expected dividend yield of 0.0%.

On August 2, 2021, the compensation committee of the board of directors approved restricted stock unit grants to the Company's employees (2021 RSU). An aggregate of 104,700 service-based RSUs were issued at a grant date fair value of $5.19. The 2021 RSU awards will be settled in stock, vest 33% on each of the first and second anniversary of the date of grant, and vest 34% on the third anniversary of the date of grant. The 2021 RSU awards were granted under the 2021 Plan.

On February 7, 2022, the compensation committee of the board of directors approved restricted stock unit grants to the Company's employees (2022 RSU). An aggregate of 148,343 service-based RSUs were issued at a grant date fair value of $1.82. The 2022 RSU awards will be settled in stock, vest 33% on each of the first and second anniversary of the date of grant, and vest 34% on the third anniversary of the date of grant. The 2022 RSU awards were granted under the 2021 Plan.

On June 10, 2022, the compensation committee of the board of directors approved restricted stock unit grants to certain of the Company's employees (2022 RSU2). An aggregate of 24,200 service-based RSUs were issued at a grant date fair value of $1.33. The 2022 RSU2 awards will be settled in stock, vest 33% on each of the first and second anniversary of the date of grant, and vest 34% on the third anniversary of the date of grant.

On March 13, 2023, the compensation committee of the Board of Directors approved restricted stock unit grants to the Companies employees (2023 RSU). An aggregate of 169,217 service-based RSUs were issued at a grant date fair value of $0.73. The 2023 RSU awards will be settled in stock, vest 33% on each of the first and second anniversary of the date of grant, and vest 34% on the third anniversary of the date of grant.

A summary of RSU activity for the three months ended March 31, 2024 is as follows:

	2021 RSU	2022 RSU	2022 RSU2	2023 RSU
Outstanding and unvested January 1, 2024	25,787	74,476	11,000	135,883
Granted	-	-	-	-
Vested	-	(37,236)	-	(45,290)
Forfeited/Cancelled	-	-	-	-
Outstanding and unvested March 31, 2024	25,787	37,240	11,000	90,593

At March 31, 2024, the unrecognized compensation cost related to unvested service-based RSUs was $176,000, which will be recognized over the remaining service period of 1.09 years.

Grants of PSUs and SARs

During 2020 and 2021, the compensation committee of the Board of Directors and the board approved a cash bonus program of cash-settled stock appreciation right (SAR) awards to the Company's employees and non-employee directors, and cash-settled performance stock unit (PSU) awards to the Company's employees. These awards were granted outside of the 2018 Plan and the 2021 Plan. As the Company's stock price has decreased since these awards, their impact on the results of operations and balance sheet of the Company are not material during 2024 or 2023.

Traws Pharma, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(Unaudited)

8. Research Agreements

The Company has entered into various licensing and right-to-sublicense agreements with educational institutions for the exclusive use of patents and patent applications, as well as any patents that may develop from research being conducted by such educational institutions in the field of anticancer therapy, genes and proteins. Results from this research have been licensed to the Company pursuant to these agreements. Under one of these agreements with Temple University ("Temple"), the Company is required to make annual maintenance payments to Temple and royalty payments based upon a percentage of sales generated from any products covered by the licensed patents, with minimum specified royalty payments. As no sales had been generated through March 31, 2024 under the licensed patents, the Company has not incurred any royalty expenses related to this agreement. In addition, the Company is required to pay Temple a percentage of any sublicensing fees received by the Company.

9. Subsequent Events

Merger

On April 1, 2024, the Company acquired 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 (the "Closing"), 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) 10,359.0916 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, 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 the Meeting Proposals (as defined below) are approved by the Company's stockholders. Once exercisable, the Assumed Options will be exercisable for an aggregate of 454,000 shares of Common Stock. Following the effective time of the Second Merger, the Company changed its name to "Traws Pharma, Inc."

Pursuant to the Merger Agreement, the Company 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 (the "Conversion Proposal") 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 Agreement (the "Share Increase Proposal" and together with the Conversion Proposal, the "Meeting Proposals"). In connection with these matters, the Company agreed to file a proxy statement on Schedule 14A with the SEC.

The Board of Directors of the Company (the "Board") approved the Merger Agreement and the related transactions, and the consummation of the Merger was not subject to approval of Company stockholders.

Traws Pharma, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(Unaudited)

Contingent Value Rights Agreement

Concurrently with the Closing of the Merger, the Company entered into a contingent value rights agreement (the "CVR Agreement") with a rights agent (the "Rights Agent"), pursuant to which each holder of Common Stock as of the applicable record date (April 15, 2024), including those holders receiving shares of Common Stock in connection with the Merger, is entitled to one contractual contingent value right (each, a "CVR"), subject to and in accordance with the terms and conditions of the CVR Agreement, for each share of Common Stock held by such holder as of the applicable record time.

When issued, each contingent value right will entitle the holder (the "Holder") thereof to distributions of the following, pro-rated on a per-CVR basis, during the CVR Term (as defined in the CVR Agreement):

- 43.7% of the Net Proceeds (as defined in the CVR Agreement) received by Traws Pharma in a given calendar quarter in the event of the sale, license, transfer or disposition of rights to Traws Pharma's two leading cancer drug candidates, Narazaciclib and Rigosertib (including any such sale or disposition of equity securities in any subsidiary established by Traws Pharma to hold any right, title or interest in or to Rigosertib or Narazaciclib); or
- 6.24% of any Net Sales (as defined in the CVR Agreement) for Traws Pharma's two leading cancer drug candidates, Narazaciclib and Rigosertib, by Traws Pharma or any of its affiliates in a given calendar quarter.

The distributions in respect of the CVRs will be made on a quarterly basis, and will be subject to a number of deductions, subject to certain exceptions or limitations, including but not limited to for certain taxes and certain out-of-pocket expenses incurred by Traws Pharma.

Under the CVR Agreement, the Rights Agent has, and Holders of at least 30% of the CVRs then-outstanding have, certain rights to audit and enforcement on behalf of all Holders of the CVRs.

Private Placement and Securities Purchase Agreement

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 (the "Investors"). Pursuant to the Securities Purchase Agreement, the Company issued and sold an aggregate of (i) 496,935 shares of Common Stock and (ii) 1,578.2120 shares of Series C Preferred Stock (the "PIPE Securities") for an aggregate purchase price of approximately $14,000,000 (collectively, the "Financing"). Each share of Series C Preferred Stock is convertible into 10,000 shares of Common Stock upon stockholder approval. The powers, preferences, rights, qualifications, limitations and restrictions applicable to the Series C Preferred Stock are set forth in the Certificate of Designation. If Traws Pharma's stockholders do not approve the conversion of the Series C Preferred Stock within six months after the initial issuance of the Series C Preferred Stock, then the holders of Series C Preferred Stock will be entitled to elect to have their shares of Series C Preferred Stock redeemed for cash at a price per share equal to the last reported closing trading price of the common stock at such time on an as-converted to common stock basis, as further described in the Certificate of Designation relating to the Series C Preferred Stock. The closing of the Financing occurred concurrently with the closing of the Merger on April 1, 2024 (the "Financing Closing Date").

Registration Rights Agreement

On April 1, 2024, in connection with the Securities Purchase Agreement, the Company entered into a Registration Rights Agreement (the "Registration Rights Agreement") with the holders of Common Stock and Series C Preferred Stock signatory thereto. Pursuant to the Registration Rights Agreement, Traws Pharma is required to prepare and file a resale registration statement with the SEC within 90 calendar days following the Financing Closing Date (the "Filing Deadline"), with respect to the shares of Common Stock underlying the PIPE Securities and the Common Stock and Series C Preferred Stock issued to the signatories to the Registration Rights Agreement in the Merger. Traws Pharma

Traws Pharma, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(Unaudited)

will use its commercially reasonable efforts to cause such registration statement to be declared effective by the SEC within 30 calendar days of the Filing Deadline (or within 60 calendar days if the SEC reviews the registration statement).

Transaction Costs

In connection with the planned Merger, the Company incurred transaction costs of approximately $1,700,000 during the three months ended March 31, 2024 that are included as general and administrative expenses in the statement of operations for the three months ended March 31, 2024.

Tungsten Partners LLC ("Tungsten") acted as financial advisor to the Company in connection with the Merger. As 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 and paid approximately $1.0 million of cash in April 2024. All of the compensation to Tungsten was contingent on the closing of the Merger and therefore will be expensed in the second quarter of 2024.

Additional costs will continue to be incurred as Traws Pharma seeks to satisfy the obligations under the Merger Agreement, Stock Purchase Agreement and related agreements.

Employment and Severance Agreements

In accordance with the Merger Agreement, three directors were appointed to the Board of Directors of the Company and there were several changes to management, each effective as of the Closing.

On April 8, 2024, Traws Pharma terminated 11 of its 17 employees, some of whom have been retained as consultants. The associated severance costs which are estimated at approximately $1,000,000 will be expensed in the second quarter of 2024 and paid according to Traws Pharma's regular payroll schedule.

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

The following Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with interim unaudited condensed consolidated financial statements contained in Part I, Item 1 of this quarterly report, and the audited consolidated financial statements and notes thereto for the year ended December 31, 2023 and the related Management's Discussion and Analysis of Financial Condition and Results of Operations, both of which are contained in our annual report on Form 10-K filed with the SEC on April 1, 2024. As used in this report, unless the context suggests otherwise, the "Company" refers to Onconova Therapeutics, Inc. as of March 31, 2024 and its consolidated subsidiaries. As used in this report, unless the context suggests otherwise, "we," "us," "our," "Traws" or "Traws Pharma" refer to the Company after the effective time of the Merger.

Cautionary Note Regarding Forward-Looking Statements

This quarterly report on Form 10-Q includes forward-looking statements. We may, in some cases, use terms such as "believes," "estimates," "anticipates," "expects," "plans," "intends," "may," "could," "might," "will," "should," "approximately" or other words that convey uncertainty of future events or outcomes to identify these forward-looking statements. Forward-looking statements appear in a number of places throughout this report and include statements regarding our intentions, beliefs, projections, outlook, analyses or current expectations concerning, among other things, our ongoing and planned preclinical development and clinical trials, the timing of and our ability to make regulatory filings and obtain and maintain regulatory approvals for our product candidates, protection of our intellectual property portfolio, the degree of clinical utility of our products, particularly in specific patient populations, our ability to develop commercial and manufacturing functions, expectations regarding clinical trial data, our results of operations, cash needs, financial condition, liquidity, collaborations, partnerships, prospects, growth and strategies, the industry in which we operate and the trends that may affect the industry or us.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events, competitive dynamics and industry change, and depend on the economic circumstances that may or may not occur in the future or may occur on longer or shorter timelines than anticipated. Although we believe that we have a reasonable basis for each forward-looking statement contained in this report, we caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate may differ materially from the forward-looking statements contained in this report. In addition, even if our results of operations, financial condition and liquidity, and events in the industry in which we operate are consistent with the forward-looking statements contained in this report, they may not be predictive of results or developments in future periods.

Actual results could differ materially from our forward-looking statements due to a number of factors, including risks related to:

- any future payouts under the contingent value right, or CVR, issued to our holders of record as of the close of business on April 15, 2024;
- any expected or unexpected transaction costs or expenses resulting from the Merger;
- problems that may arise in successfully integrating the business of Trawsfynydd, which may result in us not operating as effectively and efficiently as expected;
- our ability to achieve the expected benefits or opportunities and related timing with respect to the Merger (as defined below) or to monetize any of our legacy assets;
- our need for additional financing for our clinical-stage programs, continued product development and other operations, and our ability to obtain sufficient funds on acceptable terms when needed, and our plans and future needs to scale back operations if adequate financing is not obtained;
- our ability to continue as a going concern;

- our estimates regarding expenses, future revenues, capital requirements and needs for additional financing;
- the success and timing of our preclinical studies and clinical trials, including site initiation and patient enrollment, and regulatory approval of protocols for future clinical trials;
- our ability to enter into, maintain and perform collaboration agreements with other pharmaceutical companies, for funding and commercialization of our clinical product candidates or preclinical compounds, and our ability to achieve certain milestones under those agreements;
- the difficulties in obtaining and maintaining regulatory approval of our product candidates, and the labeling under any approval we may obtain;
- our plans and ability to develop, manufacture and commercialize our product candidates;
- our failure to recruit or retain key scientific or management personnel or to retain our executive officers;
- the size and growth of the potential markets for our product candidates and our ability to serve those markets;
- regulatory developments in the United States and foreign countries;
- the rate and degree of market acceptance of any of our product candidates;
- obtaining and maintaining intellectual property protection for our product candidates and our proprietary technology;
- the successful development of our commercialization capabilities, including sales and marketing capabilities;
- recently enacted and future legislation and regulation regarding the healthcare system;
- the success of competing therapies and products that are or become available;
- our ability to maintain the listing of our securities on a national securities exchange;
- the potential for third party disputes and litigation; and
- the performance of third parties, including contract research organizations ("CROs") and third-party manufacturers.

Any forward-looking statements that we make in this report speak only as of the date of such statement, and we undertake no obligation to update such statements to reflect events or circumstances after the date of this report or to reflect the occurrence of unanticipated events. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data.

You should also read carefully the factors described in the "Risk Factors" in this quarterly report on Form 10-Q and our most recent annual report on Form 10-K filed with the SEC on April 1, 2024, to better understand significant risks and uncertainties inherent in our business and underlying any forward-looking statements. As a result of these factors, actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements in this report and you should not place undue reliance on any forward-looking statements.

Overview

The Company's net losses were $5.0 million and $5.8 million for the three months ended March 31, 2024 and 2023, respectively. As of March 31, 2024, The Company had an accumulated deficit of $487.6 million. We expect to incur significant expenses and operating losses for the foreseeable future as we continue the development of, and seek regulatory approval for, our product candidates, even if milestones under our license and collaboration agreements may be met.

As of March 31, 2024, the Company had $16.4 million in cash and cash equivalents. On April 1, 2024, in connection with the Merger described below, the Company entered into a Securities Purchase Agreement for the sale of common and preferred stock to TPAV, LLC, an affiliate of Torrey Pines, and OrbiMed Private Investments VIII, LP, an affiliate of OrbiMed Advisors and raised gross proceeds of $14 million. Based on current projections, we do not have sufficient cash and cash equivalents as of the date of this report to support our operations for at least the 12 months following the date that these financial statements are issued. Accordingly, substantial doubt exists with respect to our ability to continue as a going concern within one year after the date that these financial statements are issued.

We are exploring various sources of funding for development and applying for regulatory approval of our research compounds as well as for our ongoing operations. If we raise additional funds through strategic collaborations and alliances or licensing arrangements with third parties, which may include existing collaboration partners, we may have to relinquish valuable rights to our technologies or product candidates or grant licenses on terms that are not favorable to us. There can be no assurance, however, that we will be successful in obtaining such financing in sufficient amounts, on terms acceptable to us, or at all. In addition, there can be no assurance that we will obtain approvals necessary to market our product candidates or achieve profitability or sustainable, positive cash flow. If we are unable to successfully raise sufficient additional capital, through future financings or through strategic and collaborative arrangements, we will not have sufficient cash to fund our ongoing trials and operations.

We are a clinical-stage biopharmaceutical company aiming to address unmet medical needs in respiratory viral diseases and cancer. Following the closing of the Merger described below in which we acquired Trawsfynydd Therapeutics, Inc. on April 1, 2024, we plan to advance the development of four clinical programs:

- We plan to develop viroxavir (TRX100), which we acquired as part of the Merger and is a cap-dependent endonuclease inhibitor intended to inhibit influenza virus replication including A and B virus strains. Viroxavir has completed a first Phase 1 study that generally demonstrated positive safety and tolerability data in healthy volunteers. The study also provided pharmacokinetics and pharmacodynamics (PK/PD) data to support the potential use of a single oral dose administration for either treatment or prophylaxis. We intend to conduct a Phase 1 dose extension to evaluate one additional, higher dose of Viroxavir prior to the initiation of Phase 2 studies in the second half of 2024.

- We plan to develop Travatrelvir (TRX01), which we acquired as part of the Merger and is an Mpro protease inhibitor intended for the treatment of COVID19. We believe Travatrelvir may be active against the original, delta, and omicron variants of SARS-CoV-2, and may be more potent than nirmatrelvir (Pfizer's Mpro inhibitor). Preclinical studies indicated that Travatrevlir does not require co-administration with a human cytochrome P450 (CYP) inhibitor such as ritonavir, and, is therefore expected to avoid drug-on-drug interactions, potentially permitting wider use. Studies will evaluate a once-daily 10 day treatment regimen, to reduce the likelihood of viral rebound.

- We plan to continue to develop narazaciclib, our CDK4-plus inhibitor intended to treat solid tumors and, in combination with letrozole, as a second- or third-line therapy for breast and potentially other cancers. Narazaciclib is a CDK4 -plus inhibitor, which may address unmet medical needs, especially for patients that have failed first-line therapy. Preclinical results indicate that narazaciclib is active in numerous tumor types, inhibiting CSF1R and ARK 5/NUAK1. Preclinical studies also showed reduced neutropenia with narazaciclib, as compared to palbociclib and that narazaciclib inhibits

growth of palbociclib resistant cancer cells. We currently are conductng a Phase 1 dose escalation and dose finding study to determine the maximum tolerated dose, the recommended dose for phase 2 trials, product safety and tolerability, and the product pharmacokinetic and pharmacodynamic profile.

- Rigosertib is our PLK1 inhibitor that is in investigator-initiated clinical trials for epidermolysis bullosa-associated squamous cell carcinoma, a rare disease. As reported at the October 2023 European Academy of Dermatology and Venereology 2023 Conference, in an investigator initiated open-label, single arm safety and efficacy study of four patients with recessive dystrophic epidermolysis bullosa associated advanced/metastatic squamous cell carcinoma, two patients achieved complete cutaneous response of 12 months or more, one patient experienced metastatic disease progression, and one patient remained on study. Responding patients included one patient who achieved both cutaneous and histological remission of 16 months. The patient's rigosertib dose was reduced following the report of a grade 2 adverse event (irritative cystitis), which led to symptomatic relief. The other responding patient achieved a complete cutaneous remission and completed the protocol-specified 12-months of therapy.

Merger

On April 1, 2024, 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 (the "Closing"), 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) 10,359.0916 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, 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 the Meeting Proposals (as defined below) are approved by our stockholders. Once exercisable, the Assumed Options will be exercisable for an aggregate of 454,000 shares of Common Stock. Following the effective time of the Second Merger, the Company changed its name to "Traws Pharma, Inc."

Pursuant to the Merger Agreement, the Company 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 (the "Conversion Proposal") 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 Agreement (the "Share Increase Proposal" and together with the Conversion Proposal, the "Meeting Proposals"). In connection with these matters, the Company agreed to file a proxy statement on Schedule 14A with the Securities and Exchange Commission (the "SEC").

The Board of Directors of the Company (the "Board") approved the Merger Agreement and the related transactions, and the consummation of the Merger was not subject to approval of Company stockholders.

In accordance with the Merger Agreement, each of Werner Cautreels, Iain Dukes, and Nikolay Savchuk were appointed to the Board of Directors of the Company effective as of the Closing. In accordance with the Merger Agreement, Werner Cautreels was appointed as Chief Executive Officer of the Company, Iain Dukes was appointed as Executive Chairman of the Company, and Nikolay Savchuk was appointed as Chief Operating Officer of the Company effective as of the Closing.

Support Agreements

In connection with the execution of the Merger Agreement, the Company and Trawsfynydd entered into stockholder support agreements (the "Company Stockholder Support Agreements") with certain of the Company's stockholders (solely in their capacity as stockholders of the Company). Pursuant to the Support Agreements, among other things, each of the Company stockholder parties thereto agreed to vote or cause to be voted all of the shares of Common Stock owned by such stockholder in favor of the Meeting Proposals.

In connection with the execution of the Merger Agreement, the Company and Trawsfynydd entered into stockholder support agreements (the "Trawsfynydd Stockholder Support Agreements") with all of Trawsfynydd's stockholders (solely in their capacity as stockholders of the Company). Pursuant to the Trawsfynydd Stockholder Support Agreements, among other things, each of the Trawsfynydd stockholders agreed to the terms and conditions of the Merger Agreement, to waive any dissenters rights and to release claims such stockholder may have against the Company and Trawsfynydd.

Lock-up Agreements

Concurrently and in connection with the execution of the Merger Agreement, certain Trawsfynydd stockholders as of immediately prior to the Closing, and certain directors, officers, and stockholders of the Company as of immediately prior to the Closing entered into lock-up agreements with the Company and Trawsfynydd, pursuant to which each such stockholder agreed to be subject to a 180-day lockup on the sale or transfer of shares of the Company held by each such stockholder at the Closing, including those shares of Common Stock and Series C Preferred Stock (including the shares of Common Stock into which such Series C Preferred Stock is convertible) received by each such stockholder in the Merger (the "Lock-up Agreements").

Contingent Value Rights Agreement

Concurrently with the Closing of the Merger, the Company entered into a contingent value rights agreement (the "CVR Agreement") with a rights agent (the "Rights Agent"), pursuant to which each holder of Common Stock as of the applicable record date (April 15, 2024), including those holders receiving shares of Common Stock in connection with the Merger, is entitled to one contractual contingent value right (each, a "CVR"), subject to and in accordance with the terms and conditions of the CVR Agreement, for each share of Common Stock held by such holder as of the applicable record time (5:00 p.m. ET on April 15, 2024).

When issued, each contingent value right will entitle the holder (the "Holder") thereof to distributions of the following, pro-rated on a per-CVR basis, during the CVR Term (as defined in the CVR Agreement):

- 43.7% of the Net Proceeds (as defined in the CVR Agreement) received by us in a given calendar quarter in the event of the sale, license, transfer or disposition of rights to our two leading cancer drug candidates, Narazaciclib and Rigosertib (including any such sale or disposition of equity securities in any subsidiary established by us to hold any right, title or interest in or to Rigosertib or Narazaciclib); or
- 6.24% of any Net Sales (as defined in the CVR Agreement) for our two leading cancer drug candidates, Narazaciclib and Rigosertib, by us or any of our affiliates in a given calendar quarter.

The distributions in respect of the CVRs will be made on a quarterly basis, and will be subject to a number of deductions, subject to certain exceptions or limitations, including but not limited to for certain taxes and certain out-of-pocket expenses incurred by us.

Under the CVR Agreement, the Rights Agent has, and Holders of at least 30% of the CVRs then-outstanding have, certain rights to audit and enforcement on behalf of all Holders of the CVRs.

Private Placement and Securities Purchase Agreement

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 (the "Investors"). Pursuant to the Securities Purchase Agreement, the Company issued and sold an aggregate of (i) 496,935 shares of Common Stock and (ii) 1,578.2120 shares of Series C Preferred Stock (the "PIPE Securities") for an aggregate purchase price of approximately $14 million (collectively, the "Financing"). Each share of Series C Preferred Stock is convertible into 10,000 shares of Common Stock, as described below. The powers, preferences, rights, qualifications, limitations and restrictions applicable to the Series C Preferred Stock are set forth in the Certificate of Designation (as defined and described below). The closing of the Financing occurred concurrently with the closing of the Merger on April 1, 2024 (the "Financing Closing Date").

Registration Rights Agreement

On April 1, 2024, in connection with the Securities Purchase Agreement, the Company entered into a Registration Rights Agreement (the "Registration Rights Agreement") with the holders of Common Stock and Series C Preferred Stock signatory thereto. Pursuant to the Registration Rights Agreement, we are required to prepare and file a resale registration statement with the SEC within 90 calendar days following the Financing Closing Date (the "Filing Deadline"), with respect to the shares of Common Stock underlying the PIPE Securities and the Common Stock and Series C Preferred Stock issued to the signatories to the Registration Rights Agreement in the Merger. We will use our commercially reasonable efforts to cause such registration statement to be declared effective by the SEC within 30 calendar days of the Filing Deadline (or within 60 calendar days if the SEC reviews the registration statement).

Certificate of Designation

On April 1, 2024, the Company filed a Certificate of Designation of Preferences, Rights and Limitations of the Series C Non-Voting Convertible Preferred Stock (the "Certificate of Designation") with the Secretary of State of the State of Delaware in connection with the Merger. The Certificate of Designation provides for the designation of shares of the Company's Series C Non-Voting Convertible Preferred Stock, par value $0.01 per share (the "Series C Preferred Stock"). Holders of Series C Preferred Stock are entitled to receive dividends on shares of Series C Preferred Stock equal to, on an as-if-converted-to-Common-Stock basis, and in the same form as dividends actually paid on shares of the Common Stock.

Except as otherwise required by law, the Series C Preferred Stock does not have voting rights. However, as long as any shares of Series C Preferred Stock are outstanding, we will not, without the affirmative vote of the holders of a majority of the then-outstanding shares of the Series C Preferred Stock, (i) alter or change adversely the powers, preferences or rights given to the Series C Preferred Stock or alter or amend the Certificate of Designation, amend or repeal any provision of, or add any provision to, the Charter or our bylaws, or file any articles of amendment, certificate of designations, preferences, limitations and relative rights of any series of preferred stock, in each case if any such action would adversely alter or change the preferences, rights, privileges or powers of, or restrictions provided for the benefit of the Series C Preferred Stock, regardless of whether any of the foregoing actions shall be by means of amendment to the Charter or by merger, consolidation, recapitalization, reclassification, conversion or otherwise, (ii) issue further shares of Series C Preferred Stock, (iii) prior to the earlier of stockholder approval of the Conversion or the six-month anniversary of the Closing, consummate either: (A) any Fundamental Transaction (as in the Certificate of Designation) or (B) any stock sale to, or any merger, consolidation or other business combination with or into, another entity in which our stockholders immediately before such transaction do not hold at least a majority of the capital stock immediately after such transaction, or (iv) enter into any agreement with respect to any of the foregoing.

The Series C Preferred Stock does not have a preference upon any liquidation, dissolution or winding-up of Traws Pharma. Following stockholder approval of the Conversion Proposal, each share of Series C Preferred Stock will automatically convert into 10,000 shares of Common Stock, subject to certain limitations, including that a holder of Series C Preferred Stock is prohibited from converting shares of Series C Preferred Stock into shares of Common Stock if, as a result of such conversion, such holder, together with its affiliates, would beneficially own more than a specified percentage (to be established by the holder between 4.9% and 19.9%) of the total number of shares of Common Stock

issued and outstanding immediately after giving effect to such conversion. The Series C Preferred Stock is redeemable for cash at the option of the holder thereof at any time following the date that is six months after the initial issuance of the Series C Preferred Stock or following any failure to deliver shares of Common Stock in accordance with the terms of the Series C Preferred Stock, at a price per share equal to the then-current fair value of the Series C Preferred Stock on an as-converted basis, as described in the Certificate of Designation.

Certificate of Amendment

On April 2, 2024, the Company changed its name to Traws Pharma, Inc. pursuant to a certificate of amendment to its Tenth Amended and Restated Certificate of Incorporation filed with the Secretary of State of the State of Delaware (the "Name Change"). Pursuant to the Delaware General Corporation Law, a stockholder vote was not necessary to effectuate the Name Change and it does not affect the rights of the Company's stockholders. In addition, effective at the open of market trading on April 3, 2024, our Common Stock ceased trading under the ticker symbol "ONTX" and began trading on the Nasdaq Stock Market under the ticker symbol "TRAW".

Transaction Costs

In connection with the planned Merger, the Company incurred transaction costs of approximately $1,700,000 during the three months ended March 31, 2024 that are included as general and administrative expenses in the statement of operations for the three months ended March 31, 2024.

Tungsten Partners LLC ("Tungsten") acted as financial advisor to the Company in connection with the Merger. As 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 535.4650 shares of Series C Preferred Stock and paid approximately $1.0 million of cash in April 2024. All of the compensation to Tungsten was contingent on the closing of the Merger and therefore will be expensed in the second quarter of 2024.

Additional costs will continue to be incurred as Traws Pharma seeks to satisfy the obligations under the Merger Agreement, Stock Purchase Agreement and related agreements.

Employment and Severance Agreements

In accordance with the Merger Agreement, three directors were appointed to the Board of Directors of the Company and there were several changes to management, each effective as of the Closing.

On April 8, 2024, the Company terminated 11 of its 17 employees, some of whom have been retained as consultants. Severance costs which are estimated at approximately $1.0 million will be expensed in the second quarter of 2024 and paid according to the Company's regular payroll schedule.

The foregoing summaries of the Merger Agreement, Company Stockholder Support Agreements, Trawsfynydd Stockholder Support Agreements, Lock-Up Agreements, CVR Agreement, Certificate of Designation, Certificate of Amendment, Securities Purchase Agreement, Registration Rights Agreement, Employment Agreement of Werner Cautreels and Form of Offer Letter are not complete and are qualified in their entirety by reference to the full texts of the each, copies of which are incorporated by reference as Exhibits 2.1 (including the exhibits thereto), 3.1, 3.2, 10.1, 10.2, 10.3 and 10.4 to this Quarterly Report on Form 10-Q.

Critical Accounting Policies and Estimates

This management's discussion and analysis of our financial condition and results of operations is based on our interim unaudited consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities in our consolidated financial statements. On an ongoing basis, we evaluate our estimates and judgments, including those related to accrued expenses, revenue recognition, deferred revenue and stock-based compensation. We base our estimates on historical experience, known trends and events and various other factors that we believe to be reasonable under the

circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. As of March 31, 2024, there have been no significant changes in the Company's critical accounting policies and estimates as discussed in the Company's annual report on Form 10-K filed with the SEC on April 1, 2024.

Results of Operations

Comparison of the Three Months Ended March 31, 2024 and 2023

	Three Months Ended March 31,		
	2024	2023	Change
Revenue	$ 56,000	$ 56,000	$ —
Operating expenses:			
General and administrative	3,356,000	2,113,000	(1,243,000)
Research and development	1,912,000	4,080,000	2,168,000
Total operating expenses	5,268,000	6,193,000	925,000
Loss from operations	(5,212,000)	(6,137,000)	925,000
Other income, net	229,000	362,000	(133,000)
Net loss	$ (4,983,000)	$ (5,775,000)	$ 792,000

Revenues

Revenues for the three months ended March 31, 2024 were consistent with the three months ended March 31, 2023, and were due to the recognition of deferred revenue from our collaboration with SymBio.

General and administrative expenses

General and administrative expenses increased $1.2 million, or 59%, to $3.4 million for the three months ended March 31, 2024 from $2.1 million for the three months ended March 31, 2023. This increase was caused by $1.6 million higher legal and professional fees related to the Trawsfynydd acquisition in April 2024. This increase was partially offset by decreases of $0.1 million due to lower bonus accrual and $0.3 million in lower insurance, meetings, and public company expenses in the 2024 period.

The details of the Company's general and administrative expenses are:

	Three Months Ended March 31,	
	2024	2023
Professional & consulting fees	$ 2,078,000	$ 499,000
Stock based compensation	182,000	167,000
Personnel related	772,000	909,000
Public company costs	225,000	282,000
Insurance & other	99,000	256,000
	$ 3,356,000	$ 2,113,000

Research and development expenses

Research and development expenses decreased by $2.2 million, or 53%, to $1.9 million for the three months ended March 31, 2024 from $4.1 million for the three months ended March 31, 2023. This decrease was caused primarily by a $1.4 million decrease in manufacturing costs related to the timing of narazaciclib drug substance and drug product manufacturing and a decrease of $0.7 million in clinical development and consulting and $0.1 million lower personnel expenses due to lower bonus accrual in the 2024 period.

The details of the Company's research and development expenses are:

	Three Months Ended March 31,	
	2024	2023
Preclinical & clinical development	$ 709,000	$ 1,317,000
Personnel related	673,000	738,000
Manufacturing, formulation & development	59,000	1,475,000
Stock based compensation	151,000	169,000
Consulting fees	320,000	381,000
	$ 1,912,000	$ 4,080,000

Other income, net

Other income, net, was income of $0.2 million for the three months ended March 31, 2024 compared to $0.4 million for the three months ended March 31, 2023. The change was caused by lower interest income in the 2024 period due to lower cash balances.

Liquidity and Capital Resources

Since inception, the Company has incurred net losses and experienced negative cash flows from our operations. The Company incurred net losses of $5.0 million and $5.8 million for the three months ended March 31, 2024 and 2023, respectively. The Company's operating activities used $4.4 million and $4.5 million of net cash during the three months ended March 31, 2024 and 2023, respectively. At March 31, 2024, the Company had an accumulated deficit of $487.6 million, working capital of $8.7 million, and cash and cash equivalents of $16.4 million. On April 1, 2024, in connection with the Merger described above, the Company entered into a Securities Purchase Agreement for the sale of common and preferred stock to TPAV, LLC, an affiliate of Torrey Pines, and OrbiMed Private Investments VIII, LP, an affiliate of OrbiMed Advisors and raised gross proceeds of $14 million. Based on current projections, and including the proceeds received in the private placement, we do not have sufficient cash and cash equivalents as of the date of this report to support our operations for at least the 12 months following the date that these financial statements are issued. Accordingly, substantial doubt exists with respect to our ability to continue as a going concern within one year after the date that these financial statements are issued. Due to the inherent uncertainty involved in making estimates and the risks associated with the research, development, and commercialization of biotechnology products, we may have based this estimate on assumptions that may prove to be wrong, and our operating plan may change as a result of many factors currently unknown to us.

We will require substantial additional financing to fund our ongoing clinical trials and operations, and to continue to execute our strategy. To alleviate the conditions that raise substantial doubt about our ability to continue as a going concern, we plan to explore various dilutive and non-dilutive sources of funding, including equity financings, strategic alliances, business development and other sources. The future success of the Company is dependent upon our ability to obtain additional funding. There can be no assurance, however, that we will be successful in obtaining such funding in sufficient amounts, on terms acceptable to us, or at all. The failure to obtain sufficient capital on acceptable terms when needed would have a material adverse effect on our business, results of operations and financial condition. Accordingly, we have concluded that substantial doubt exists with respect to our ability to continue as a going concern within one year after the date that these financial statements are issued.

In addition, our future capital requirements will depend on many factors, including, without limitation, the timing for the stockholder approval of the conversion of our Series C Preferred Stock into Common Stock and the amount of any associated redemptions if the stockholder approval is not obtained. The Certificate of Designation of Preferences, Rights and Limitations of the Series C Non-Voting Convertible Preferred Stock (the "Certificate of Designation"), contains a provision granting each holder of the Series C Preferred Stock the option to require us to redeem the Series C Preferred Stock for cash at any time following the date that is six months after the initial issuance of the Series C Preferred Stock or following any failure to deliver shares of Common Stock in accordance with the terms of the Series C Preferred Stock, at a price per share equal to the then-current fair value of the Series C Preferred Stock on an as-converted basis. The "fair value" of shares for this purpose would be the last reported closing sale price

of TRAW common stock as of a specific day depending on the circumstances of the redemption, as described more fully in the Certificate of Designation. We could be required to use a significant amount of our cash resources on hand to satisfy this redemption obligation, particularly if holders of Series C Preferred Stock exercise their redemption right with respect to a significant number of shares of Series C Preferred Stock or at a time when the trading price of our common stock is elevated. Further, in the event that we do not have sufficient cash on hand to satisfy our redemption obligations, we may need to raise additional capital to satisfy these potential obligations. Any redemption payments could materially limit the amount of cash we have available to fund our operations.

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business, and do not include any adjustments relating to recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should we be unable to continue as a going concern.

Cash Flows

The following table summarizes the Company's cash flows for the three months ended March 31, 2024 and 2023:

	Three Months Ended March 31,	
	2024	2023
Net cash (used in) provided by:		
Operating activities	$ (4,424,000)	$ (4,543,000)
Investing activities	—	—
Financing activities	—	—
Effect of foreign currency translation	(7,000)	6,000
Net decrease in cash and cash equivalents	$ (4,431,000)	$ (4,537,000)

Net cash used in operating activities

Net cash used in operating activities was $4.4 million for the three months ended March 31, 2024 and consisted primarily of a net loss of $5.0 million, including $0.3 million of noncash stock-based compensation and depreciation expense. Changes in operating assets and liabilities resulted in a net increase in cash of $0.2 million. Significant changes in operating assets and liabilities included an increase in accounts payable of $0.9 million and a decrease in accrued liabilities of $0.8 million due to timing of invoices and payments to our vendors, a decrease in prepaid expenses and other current assets of $0.1 million, and a decrease in deferred revenue of $0.1 million due to recognition of the unamortized portion of the upfront payment under our collaboration agreement with SymBio.

Net cash used in operating activities was $4.5 million for the three months ended March 31, 2023 and consisted primarily of a net loss of $5.8 million, including $0.3 million of noncash stock-based compensation expense. Changes in operating assets and liabilities resulted in a net increase in cash of $0.9 million. Significant changes in operating assets and liabilities included an increase in prepaid expenses and other current assets of $0.2 million, an increase in accounts payable of $1.0 million and an increase in accrued liabilities of $0.2 million due to timing of invoices and payments to our vendors, and a decrease in deferred revenue of $0.1 million due to recognition of the unamortized portion of the upfront payment under our collaboration agreement with SymBio.

Material Cash Requirements

We have not achieved profitability since our inception, and we expect to continue to incur net losses for the foreseeable future. We expect net cash expended in 2024 to be higher than 2023 due to the advancement of our clinical trials for narazaciclib and our new clinical-stage anti-viral compounds acquired in the Merger, as well as the significant transaction-related costs and acquired liabilities associated with the Merger. We enter into contracts in the normal course of business with third-party contract organizations for clinical trials, preclinical studies, manufacturing and other services and products for operating purposes. These contracts generally provide for termination following a certain period after notice and therefore we believe that, currently, our non-cancelable obligations under these agreements are

not material. We believe that our cash and cash equivalents will be sufficient to fund our ongoing trials and operations into the fourth quarter of 2024; therefore, based on current projections, we do not have sufficient cash and cash equivalents to support our operations for at least the 12 months following the date that these financial statements are issued. These conditions raise substantial doubt about our ability to continue as a going concern through the one-year period after the date that the financial statements are issued.

We are exploring various sources of funding for continued development of our product candidates, as well as our ongoing operations. We expect to incur significant expenses and operating losses for the foreseeable future as we continue the development and clinical trials of, and seek regulatory approval for, our product candidates. If we obtain regulatory approval for any of our product candidates, we expect to incur significant NDA preparation and commercialization expenses. We do not currently have an organization for the sales, marketing, and distribution of pharmaceutical products. We may rely on licensing and co-promotion agreements with strategic or collaborative partners for the commercialization of our products in the United States and other territories. If we choose to build a commercial infrastructure to support marketing in the United States for any of our product candidates that achieve regulatory approval, such commercial infrastructure could be expected to include a targeted oncology sales force supported by sales management, internal sales support, an internal marketing group and distribution support. To develop the appropriate commercial infrastructure internally, we would have to invest financial and management resources, some of which would have to be deployed prior to having any certainty about marketing approval. Furthermore, we have and expect to continue to incur additional costs associated with operating as a public company and to satisfy the obligations under the Merger Agreement, Stock Purchase Agreement and related agreements.

For additional risks, please see “Risk Factors” in Part II of this report and previously disclosed in our annual report on Form 10-K filed with the SEC on April 1, 2024.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

As a smaller reporting company, the Company is not required to provide the information otherwise required by this Item.

Item 4. Controls and Procedures

Managements’ Evaluation of our Disclosure Controls and Procedures

Our management, with the participation of our principal executive and principal financial officers, evaluated the effectiveness of our disclosure controls and procedures as of March 31, 2024. The term “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company’s management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. Based on the evaluation of our disclosure controls and procedures as of March 31, 2024, our principal executive and principal financial officers concluded that, as of such date, our disclosure controls and procedures were effective.

Changes in Internal Control Over Financial Reporting

Our management, with the participation of our principal executive and principal financial officers, evaluated any changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during our most recently completed fiscal quarter. Based on that evaluation, our principal executive and principal financial officers concluded that no change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the fiscal quarter ended March 31, 2024 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

We are not party to any pending material legal proceedings and are not aware of any such proceedings contemplated by governmental authorities.

Item 1A. Risk Factors

In addition to the following risk factors, you should carefully consider the risk factors discussed in Part I, "Item 1A. Risk Factors" in our annual report on Form 10-K filed with the SEC on April 1, 2024 which could materially affect our business, financial condition or future results. The following risk factors and the risks described in our annual report on Form 10-K filed with the SEC on April 1, 2024 are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and/or operating results.

Risk Related to Our Business and Industry

The oncology and virology product candidates under development by Traws Pharma will be subject to the same risks with respect to the Company's business and industry, dependence on third parties, product development, regulatory compliance, and, if approved, product commercialization as those described in the annual report on Form 10-K filed with the SEC on April 1, 2024.

As a result of the combination of Onconova Therapeutics and Trawsfynydd Therapeutics, the newly formed Traws Pharma has a diversified product pipeline consisting of both virology and oncology development programs. Specifically, we are developing TRX01 (ratutrelvir) for COVID19, TRX100 (tivoxavir marboxil) for Wseasonal or pandemic influence, Narazaciclib for solid tumors, Narazaciclib combined with Letrozole for second/third line low grade endometrioid endometrial cancer, and Rigosertib for epidermolysis bullosa-associated squamous cell carcinoma. These product candidates and our activities associated with them will be subject to the same risks as those that were previously described in the Onconova Therapeutics 10-K. It is also possible that some of these risks may be greater with respect to the virology products based on FDA's prior experience with products intended for influenza and COVID19. Notably, in recent years FDA has published guidance on the development of products for both influenza and COVID19 treatment.

Clinical and non-clinical development is expensive, time-consuming, and uncertain as to the outcome. A failure of one or more preclinical tests or clinical trials can occur at any stage of testing, and encouraging results in preclinical testing and earlier clinical studies do not ensure that later clinical trials will generate adequate data to demonstrate the efficacy and safety of an investigational drug. There is also no guaranty that we will be able to commence or successfully and timely complete clinical studies. Even if our clinical development programs are successful, we may not be able to successfully commercialize any product and if we or our third-party contractors, including clinical sites, preclinical laboratories, contract research organizations, manufacturers and suppliers, and other vendors are not able to follow the applicable regulatory requirements, meet the applicable contractual requirements, and comply with the applicable study plans and product requirements, we may face enforcement actions, may not be able to commence studies or may be delayed in commencing studies, may not receive marketing approval, or may need to repeat studies, any of which would materially harm our business.

Risk Factors Relating to the Merger

There is no guarantee that the Merger will increase stockholder value.

In April 2024, we merged with Trawsfynydd. We cannot guarantee that implementing the Merger and related transactions will not impair stockholder value or otherwise adversely affect our business. The Merger poses significant integration challenges between our businesses and management teams which could result in management and business disruptions, any of which could harm our results of operation, business prospects, and impair the value of the Merger to our stockholders.

Pursuant to the terms of the Merger Agreement, we are required to recommend that our stockholders approve the conversion of all outstanding shares of our Series C Preferred Stock into shares of our common stock. We cannot guarantee that our stockholders will approve this matter, and if they fail to do so we may be required to settle such shares in cash and our operations may be materially harmed.

Under the terms of the Merger Agreement, we agreed to call and hold a meeting of our stockholders to obtain the requisite approvals for the conversion of all outstanding shares of Series C Preferred Stock to be issued in the Merger and Financing into shares of our common stock, as required by the Nasdaq Stock Market LLC listing rules, and, if such approval is not obtained at that meeting, to seek to obtain such approvals at an annual or special stockholders meeting to be held at least every six months thereafter until such approval is obtained, which would be time consuming and costly. Additionally, if our stockholders do not approve the conversion of our Series C Preferred Stock within six months after the initial issuance of the Series C Preferred Stock, then the holders of our Series C Preferred Stock will be entitled to elect to have their shares of Series C Preferred Stock redeemed for cash at a price per share equal to the last reported closing trading price of the common stock at such time on an as-converted to common stock basis (each share of Series C Preferred Stock is convertible into 10,000 shares of Common Stock), as further described in our Certificate of Designation relating to the Series C Preferred Stock. If we are forced to cash settle a significant amount of the Series C Preferred Stock, it would materially affect our results of operations.

Stockholders may not realize a benefit from the Merger commensurate with the ownership dilution they will experience in connection with the Merger, including the issuance of our common stock upon conversion of all outstanding shares of Series C Preferred Stock to be issued in the Merger and Financing.

If we are unable to realize the full strategic and financial benefits currently anticipated from the Merger, stockholders will have experienced substantial dilution of their ownership interests without receiving any commensurate benefit, or only receiving part of the commensurate benefit to the extent we are able to realize only part of the strategic and financial benefits currently anticipated from the Merger.

The failure to successfully integrate the businesses of Onconova and Trawsfynydd in the expected timeframe would adversely affect Traws Pharma's future results.

Our ability to successfully integrate the operations of Onconova and Trawsfynydd will depend, in part, on our ability to realize the anticipated benefits from the Merger. If we are not able to achieve these objectives within the anticipated time frame, or at all, the anticipated benefits of the Merger may not be realized fully, or at all, or may take longer to realize than expected, and the value of our common shares may be adversely affected. In addition, the integration of the Company's and Trawsfynydd's respective businesses will be a time-consuming and expensive process. Proper planning and effective and timely implementation will be critical to avoid any significant disruption to Traws Pharma's operations. It is possible that the integration process could result in the loss of key employees, the disruption of its ongoing business or the identification of inconsistencies in standards, controls, procedures and policies that adversely affect its ability to maintain relationships with customers, suppliers, distributors, creditors, lessors, clinical trial investigators or managers or to achieve the anticipated benefits of the Merger. Delays encountered in the integration process could have a material adverse effect on Traws Pharma's revenues, expenses, operating results and financial condition, including the value of its common shares.

The termination of employees undertaken to extend our cash runway and focus more of our capital resources on our prioritized research and development programs might not achieve our intended outcome.

In April 2024, we terminated 11 of our 17 employees in order to conserve cash, after payment of severance benefits, for continued development of our product candidates. The terminations may result in unintended consequences and costs, such as the loss of institutional knowledge and expertise, attrition beyond the intended number of employees, decreased morale among our remaining employees and consultants, increased reliance on third parties and the risk that we may not achieve the anticipated benefits of the terminations. In addition, while positions have been eliminated, certain functions necessary to our operations remain, and we might not successfully distribute the duties and obligations

of our terminated employees among our remaining employees and consultants. The reduction in workforce could also make it difficult for us to pursue, or prevent us from pursuing, new opportunities and initiatives due to insufficient personnel, or require us to incur additional and unanticipated costs to hire new personnel to pursue such opportunities or initiatives. If we are unable to realize the anticipated benefits from the terminations, or if we experience significant adverse consequences therefrom, our business, financial condition and results of operations may be materially adversely affected.

Our future results will suffer if we do not effectively manage its expanded operations.

As a result of the Merger, we will become a more diversified company and our business will become more complex. There can be no assurance that we will effectively manage the increased complexity without experiencing operating inefficiencies or control deficiencies. Significant management time and effort is required to effectively manage our increased complexity and our failure to successfully do so could have a material adverse effect on our business, financial condition, results of operations and growth prospects. In addition, as a result of the Merger, our financial statements and results of operations for periods prior to April 1, 2024 may not provide meaningful guidance to form an assessment of the prospects or potential success of our future business operations.

We expect to incur substantial expenses related to the integration of Trawsfynydd.

We have incurred, and expect to continue to incur, substantial expenses in connection with the Merger and the integration of Trawsfynydd. There are a large number of processes, policies, procedures, operations, technologies and systems that must be integrated, including purchasing, accounting and finance, billing, payroll, research and development, marketing and benefits. Both the Company and Trawsfynydd have incurred significant transaction expenses in connection with the drafting and negotiation of the Merger Agreement, the Stock Purchase Agreement and the related ancillary agreements and significant severance expenses in connection with the reduction of employees in April. While we have assumed that a certain level of expenses will be incurred, there are many factors beyond our control that could affect the total amount or the timing of the integration expenses. Moreover, many of the expenses that will be incurred are, by their nature, difficult to estimate accurately. These integration expenses likely will result in our taking significant charges against earnings following the completion of the Merger, and the amount and timing of such charges are uncertain at present.

Risks Related to Ownership of Our Common Stock

We may not comply with the Nasdaq continued listing requirements. If we are unable to comply with the continued listing requirements of the Nasdaq Capital Market, our Common Stock could be delisted, which could affect our common stock's market price and liquidity and reduce our ability to raise capital.

We are required to meet certain qualitative and financial tests to maintain the listing of our securities on the Nasdaq Capital Market (Nasdaq). As of May 15, 2024, we were not in compliance with the Nasdaq continued listing requirements related to minimum bid price.

On September 25, 2023, we received a letter from Nasdaq indicating that we failed to comply with the minimum bid price requirement of Nasdaq Listing Rule 5550(a)(2), which requires that companies listed on Nasdaq maintain a minimum closing bid price of at least $1.00 per share.

Under Nasdaq Listing Rule 5810(c)(3)(A), we had a 180 calendar day grace period, or until March 25, 2024, to regain compliance by meeting the continued listing standard. The continued listing standard will be met if the Company’s common stock has a minimum closing bid price of at least $1.00 per share for a minimum of ten consecutive business days during the 180-calendar day grace period.

We did not regain compliance with the minimum bid price requirement by March 25, 2024. On March 27, 2024, we received a letter from Nasdaq granting the Company a second 180 calendar day period to regain compliance under

Nasdaq Listing Rule 5810(c)(3)(A), or until September 23, 2024. Their determination to grant the second compliance period was based on our meeting the continued listing requirement for market value of publicly held shares and all other initial listing standards for The Nasdaq Capital Market, except for the minimum bid price requirement, and our notification to Nasdaq of its intention to cure the minimum bid price deficiency during the second compliance period, by effecting a reverse stock split, if necessary.

If we do not regain compliance by September 25, 2024, Nasdaq will provide notice that the Company's common stock will be delisted. At that time, we may appeal the Nasdaq staff's determination to a Nasdaq Hearings Panel.

We intend to monitor the closing bid price of the Company's common stock and continue to consider our available options to resolve the noncompliance with the minimum bid price requirement.

There can be no assurance that we will be able to regain compliance with the minimum bid price requirement or will otherwise be in compliance with other Nasdaq listing criteria.

If we are unable to maintain compliance with the continued listing requirements of Nasdaq, our common stock could be delisted, making it could be more difficult to buy or sell our securities and to obtain accurate quotations, and the price of our securities could suffer a material decline. Delisting could also impair our ability to raise capital.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Not applicable.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

During the three months ended March 31, 2024, none of our directors or officers adopted, modified, or terminated any contract, instruction, or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) (a "Rule 10b5-1 trading arrangement") or any "non-Rule 10b5-1 trading arrangement" (as defined in Item 408(c) of Regulation S-K).

Item 6. Exhibits

EXHIBIT INDEX

Exhibit Number		Description
2.1		Agreement and Plan of Merger, dated April 1, 2024, by and among the Onconova Therapeutics, Inc., Traws Merger Sub I, Inc., Traws Merger Sub II, LLC, and Trawsfynydd Therapeutics, Inc. (*Incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on April 4, 2024*).
3.1		Certificate of Designation of Series C Non-Voting Convertible Preferred Stock of Onconova Therapeutics, Inc., dated April 1, 2024 (*Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on April 4, 2024*).
3.2		Certificate of Amendment to Tenth Amended and Restated Certificate of Incorporation of Onconova Therapeutics, Inc., as amended, dated April 2, 2024 (*Incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed on April 4, 2024*).
10.1	+	Securities Purchase Agreement, dated April 1, 2024, by and among the Onconova Therapeutics, Inc., OrbiMed and TorreyPines (*Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on April 4, 2024*).
10.2		Registration Rights Agreement, dated April 1, 2024, by and among the Onconova Therapeutics, Inc., OrbiMed and TorreyPines (*Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on April 4, 2024*).
10.3		Employment Agreement, dated April 1, 2024, by and between Onconova Therapeutics, Inc. and Werner Cautreels (*Incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed on April 4, 2024*).
10.4		Form of Offer Letter (*Incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K filed on April 4, 2024*).
10.5	*+	Employment Agreement, dated April 12, 2024, by and between Traws Pharma, Inc. and Victor Mandla Moyo, MBChB.
31.1	*	Rule 13a-14(a)/15d-14(a) Certifications of Principal Executive Officer
31.2	*	Rule 13a-14(a)/15d-14(a) Certifications of Principal Financial Officer
32.1	**	Section 1350 Certifications of Principal Executive Officer
32.2	**	Section 1350 Certifications of Principal Financial Officer
101.INS		XBRL Instance – The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH		XBRL Taxonomy Extension Schema Document
101.CAL		XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF		XBRL Taxonomy Extension Definition Linkbase Document
101.LAB		XBRL Taxonomy Extension Labels Linkbase Document
101.PRE		XBRL Taxonomy Extension Presentation Linkbase Document
104		Cover Page Interactive Data File -The cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document

* Filed herewith
** Furnished herewith
+ Certain annexes, schedules and exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The registrant agrees to furnish supplementally a copy of any omitted attachment to the SEC on a confidential basis upon request.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TRAWS PHARMA, INC.

Dated: May 15, 2024

/s/ WERNER CAUTREELS, PH.D.
Werner Cautreels, Ph.D.
Chief Executive Officer
(*Principal Executive Officer*)

Dated: May 15, 2024

/s/ MARK GUERIN
Mark Guerin
Chief Financial Officer
(*Principal Financial Officer*)

Exhibit 10.5

TRAWS PHARMA, INC.

EMPLOYMENT AGREEMENT

This Employment Agreement (the "***Agreement***") between Traws Pharma, Inc., a Delaware corporation (the "***Company***") and Victor Mandla Moyo, MBChB. ("***Employee***") is effective as of the date of the Employee's commencement of employment with the Company, which is expected to be no later than April 12, 2024 (the "***Effective Date***").

WHEREAS, the Company desires to employ Employee and Employee desires to be so employed by the Company upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual promises and undertakings herein contained, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Duration of Agreement. This Agreement is effective on the date set forth above and has no specific expiration date. Unless terminated or amended in writing by the parties, this Agreement will govern Employee's continued employment by the Company until that employment ceases in accordance with Section 4 hereof.

2. Duties.

(a) Position. Subject to all the terms and conditions hereof, the Company shall employ Employee, and Employee shall serve the Company as Chief Medical Officer - Oncology. Employee shall report directly to the Chief Executive Officer of the Company.

(b) Best Efforts. As Employee's position is a full-time position, Employee agrees to devote Employee's full-time effort, attention, and energies, from such location to be mutually agreed upon between Employee and the Chief Executive Officer, to this position and to the promotion of the business and interests of the Company. Employee will not render any professional services or engage in any activity which might be competitive with, adverse to the best interest of, or create the appearance of a conflict of interest with the Company. Employee agrees to abide by the policies, rules and regulations of the Company as they may be amended from time to time. Employee may not engage in outside employment, consulting or board or committee service without first obtaining prior express permission of the Company's Chief Executive Officer and Chief Financial Officer, acting together. The foregoing shall not be construed as preventing Employee from (i) serving on civic, educational, philanthropic or charitable boards or committees, or, with the prior written consent of the Company's Chief Executive Officer and Chief Financial Officer, acting together in their sole discretion, on corporate boards, and (ii) managing personal investments, so long as such activities are permitted under the Company's code of conduct and employment policies and do not violate the provisions of Sections 5, 6 or 7 of this Agreement. Employee may continue to serve on the boards and in the advisory roles listed on Appendix A, which have been approved by the Chief Executive Officer and the Chief Financial Officer of the Company.

3. Compensation and Other Benefits.

(a) Salary. For all services rendered by Employee under this Agreement, the Company agrees to pay Employee at an initial annualized rate of four hundred fifty thousand, dollars

($450,000), as may be adjusted from time to time (the "***Base Salary***"), in bi-weekly installments in accordance with the Company's normal payroll cycle, less customary and legally required withholdings.

(b) Annual Bonus. Employee shall be eligible to receive an annual bonus (the "***Bonus***") based on the performance of Employee and the Company. The determination of such performance and the amount of the Bonus, if any, shall be at the sole discretion of the Compensation Committee of the Board of Directors of the Company (the "***Committee***") but shall not exceed forty percent (40%) of Employee's Base Salary (the "***Target Bonus***"). In the event that Employee has earned a Bonus for a particular year, such Bonus shall be paid to Employee in the form of cash, stock options, shares of the Company's stock, or a combination thereof, at the Committee's discretion no later than sixty (60) days following the end of such year.

(c) Stock Option. Employee's previously granted Nonqualified Stock Option to purchase 125,000 shares of Company common stock (the "***Option***") granted under the Company's 2021 Incentive Compensation Plan, as amended (the "***Plan***") will continue to vest in accordance with its terms. The exercise of the Option shall be subject to the provisions of the applicable option agreement and the Plan. Employee may be eligible for additional awards under the Plan or its successor, as determined by the Committee in its sole discretion.

(d) Employee Benefits. During the term of this Agreement, Employee shall be entitled to participate in any employee benefit plans or programs of the Company that are made generally available from time to time by the Company to similarly situated employees, including, but not limited to, health insurance, a flexible spending account and 401(k) participation.

(e) Vacation and Holidays. The Employee shall be entitled each year to four (4) weeks of vacation, and to those holidays observed by the Company. Vacation shall be taken by the Employee at such time or times as are mutually convenient to the Employee and the Company.

(f) Reimbursement of Expenses. The Company shall reimburse the Employee for all reasonable expenses incurred by Employee in connection with Employee's employment hereunder, *provided*, *however*, that such expenses were incurred in conformance with the policies of the Company, as established from time to time, and that Employee submits detailed vouchers and other records reasonably required by the Company in support of the amount and nature of such expense.

(g) Taxes and Withholding. All compensation payable and other benefits provided under this Agreement shall be subject to customary and legally required withholding for income, F.I.C.A., and other employment taxes.

4. Termination of Employment.

(a) Death of Employee. If Employee dies during the term of this Agreement, this Agreement shall terminate immediately and the Company shall pay to Employee's then-current spouse, if such spouse survives Employee, or if not, to Employee's estate, the balance of Employee's accrued and unpaid salary, unreimbursed expenses and unused accrued vacation time through the termination date.

(b) Disability of Employee. If Employee is unable to perform Employee's full-time regular duties, with or without reasonable accommodation, by reason of incapacity, either physical or mental, for a period of twelve (12) consecutive weeks or ninety (90) days within any twelve (12)-month period, the Company shall have the right to terminate Employee's employment upon written notice to the Employee. If the Company decides to terminate Employee's employment under this Section 4(b), the Company shall pay to Employee only the balance of Employee's accrued and unpaid salary, unreimbursed expenses and unused, accrued vacation time through the termination date. If the Company decides not to terminate Employee's employment as allowed under this Section, the Company shall have the option of reducing the Base Salary thereafter payable to Employee by the amount of payment the Employee receives pursuant to any disability insurance policy or program sponsored by the Company.

(c) Termination for Cause. If Employee's employment is terminated by the Company for "Cause," as defined below, the Company shall pay Employee only the balance of Employee's accrued, but unpaid salary, unreimbursed expenses and unused, accrued vacation time through the termination date. The Company shall have the right to set off any amounts due to Employee by any amounts owed by Employee to the Company at the time Employee's employment terminates, and Employee hereby authorizes the Company to make this setoff. Employee's employment may be terminated for "Cause" at any time upon delivery of written notice to Employee. "***Cause***" means the occurrence of any of the following events: (i) any gross failure on the part of Employee (other than by reason of disability as provided in Section 4(b)) to faithfully and professionally carry out Employee's duties or to comply with any other material provision of this Agreement, which failure continues after written notice thereof by the Company, *provided* that the Company shall not be required to provide such notice in the event that such failure (A) is not susceptible to remedy or (B) relates to the same type of acts or omissions as to which such notice has been given on a prior occasion; (ii) Employee's dishonesty (which shall include, without limitation, any misuse or misappropriation of the Company's assets), or other willful misconduct (including, without limitation, any conduct on the part of Employee intended to or likely to injure the business of the Company); (iii) Employee's conviction for any felony or for any other crime involving moral turpitude, whether or not relating to Employee's employment; (iv) in accordance with applicable federal, state or local laws, Employee's insobriety or use of illegal drugs, chemicals or controlled substances either (A) in the course of performing Employee's duties and responsibilities under this Agreement, or (B) otherwise affecting the ability of Employee to perform the same; (v) Employee's failure to comply with a lawful written direction of the Company; or (vi) any wanton and willful dereliction of duties by Employee. The existence of any of the foregoing events or conditions shall be determined by the Company in the exercise of its reasonable judgment.

(d) Termination by the Company without Cause or by Employee for Good Reason. If Employee's employment by the Company ceases due to a termination by the Company without Cause or a resignation by Employee for Good Reason (as defined below), the Company shall:

(i) pay to Employee all accrued and unpaid Base Salary through the date of such cessation of employment at the time such Base Salary would otherwise be paid according to the Company's usual payroll practices;

(ii) to the extent then unpaid, pay to Employee the annual Bonus (if any) with respect to the fiscal year ended immediately prior to the cessation of Employee's employment, which such

Bonus shall be paid at the time such Bonus would have otherwise been paid absent Employee's cessation of employment;

(iii) pay to Employee, subject to Employee's delivery to the Company of a waiver and release of claims agreement in a form acceptable to the Company (the "***Release***") that becomes effective and irrevocable in accordance with Section 17(d) (the "***Release Requirement***") and Employee's continued compliance with the restrictive covenants in Sections 5, 6 and 7 in this Agreement:

(A) in the event Employee's employment by the Company ceases due to a termination by the Company without Cause or by Employee for Good Reason other than during the Change in Control Protection Period (as defined below), monthly severance payments equal to one-twelfth (1/12) of the sum of (x) Employee's then current Base Salary, and (y) an amount equal to the Target Bonus for the fiscal year during which Employee's employment by the Company ceases, which severance payments shall be paid for the duration of the Severance Period (as defined below) in accordance with the Company's usual payroll practices, commencing within sixty (60) days following the date of termination and any payments that have not been made between the termination date and the date of the first payment will be paid with the first payment; or

(B) in the event Employee's employment by the Company ceases due to a termination by the Company without Cause or by Employee for Good Reason during the Change in Control Protection Period, a severance payment amount equal to the sum of (x) the Employee's then current Base Salary plus (y) an amount equal to the Target Bonus for the fiscal year during which Employee's employment by the Company ceases, in a lump sum payment less all applicable withholding taxes, within seventy-five (75) days following the date of his termination of employment;

(iv) subject to the Release Requirement and Employee's continued compliance with the restrictive covenants in Sections 5, 6 and 7 in this Agreement, cause any outstanding unvested options to purchase shares of stock of the Company previously awarded to Employee to become fully vested as of the date of his termination of employment pursuant to this Section 4(d); and

(v) subject to the Release Requirement and Employee's continued compliance with the restrictive covenants in Sections 5, 6 and 7 in this Agreement, if Employee validly elects to receive continuation coverage under the Company's group health plan pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985 ("***COBRA***"), reimburse Employee for a portion of the applicable premium payable for such COBRA continuation coverage for the duration of the Severance Period in an amount equal to the employer's portion of such premiums at the rate in effect on Employee's termination date; *provided, however*, that if the Company determines that it cannot continue to provide Employee with such benefit (either pursuant to the terms of the applicable group health plan, as a result of applicable law, or otherwise), the Company shall make supplemental monthly severance payments to Employee in an amount equal to the monthly amount the Company would have otherwise reimbursed to Employee for his participation in such group health plan for the duration of the Severance Period.

For purposes of this Agreement:

"***Change in Control***" has the same meaning ascribed to it in the Plan (or its successor).

"***Change in Control Protection Period***" shall mean the twelve (12)-month period following a Change in Control.

"***Good Reason***" shall mean: (i) the breach by the Company of any material provision of this Agreement (*provided*, *however*, that a reduction in Employee's Base Salary by less than twenty percent (20%) in and for any twelve (12) month period shall not be a material breach by the Company if it is made in connection with a reduction in base salaries imposed on a majority of other senior executives of the Company and Employee's Base Salary is not reduced by a percentage that is greater than the percentage by which the base salaries of a majority of other senior executives of the Company is reduced in and for that same twelve (12) month period); (ii) a relocation of Employee's principal business location to a location more than fifty (50) miles from Employee's then-current business location; or (iii) at any time there occurs any of the following which results in a material adverse change in Employee's duties, position, or compensation without the express prior written consent of Employee: (1) the sale or transfer, whether in one transaction or in a series of transactions, of substantially all of the assets of the Company; or (2) the merger or consolidation of the Company with or into any other person or entity under circumstances where the Company is not the surviving entity in such merger or where persons having control of the Company immediately prior to the transaction are not in control of the Company immediately after the transaction. None of the foregoing events or conditions will constitute Good Reason unless Employee provides the Company with written objection to the event or condition within thirty (30) days following the occurrence thereof, the Company does not cure the event or condition within thirty (30) days of receiving that written objection, and Employee resigns Employee's employment within thirty (30) days following the expiration of that cure period.

"***Severance Period***" shall mean the nine (9)-month period immediately following the date Employee's employment with the Company ceases due to a termination by the Company without Cause or by Employee for Good Reason; *provided*, *however*, that in the event Employee's employment by the Company ceases due to a termination by the Company without Cause or by Employee for Good Reason during the Change in Control Protection Period, the Severance Period will equal twelve (12) months.

(e) Code Section 280G. In the event of a change in ownership or control under Section 280G of the Internal Revenue Code of 1986, as amended (the "***Code***"), if it shall be determined that any payment or distribution in the nature of compensation (within the meaning of Section 280G(b)(2) of the Code) to or for the benefit of Employee, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise (a "***Payment***"), would constitute an "excess parachute payment" within the meaning of Section 280G of the Code, the aggregate present value of the Payments under the Agreement shall be reduced (but not below zero) to the Reduced Amount (defined below) if and only if the Accounting Firm (described below) determines that the reduction will provide Employee with a greater net after-tax benefit than would no reduction. No reduction shall be made unless the reduction would provide Employee with a greater net after-tax benefit. The determinations under this Section shall be made as follows:

(i) The "***Reduced Amount***" shall be an amount expressed in present value which maximizes the aggregate present value of Payments under this Agreement without causing any Payment under this Agreement to be subject to the Excise Tax (defined below), determined in

accordance with Section 280G(d)(4) of the Code. The term "***Excise Tax***" means the excise tax imposed under Section 4999 of the Code, together with any interest or penalties imposed with respect to such excise tax.

(ii) Payments under this Agreement shall be reduced on a nondiscretionary basis in such a way as to minimize the reduction in the economic value deliverable to Employee. Where more than one payment has the same value for this purpose and they are payable at different times, they will be reduced on a pro rata basis.

(iii) All determinations to be made under this Section shall be made by an independent certified public accounting firm selected by the Company and agreed to by Employee immediately prior to the change-in-ownership or -control transaction (the "***Accounting Firm***"). The Accounting Firm shall provide its determinations and any supporting calculations both to the Company and Employee within 10 days of the transaction. Any such determination by the Accounting Firm shall be binding upon the Company and Employee. All of the fees and expenses of the Accounting Firm in performing the determinations referred to in this Section shall be borne solely by the Company.

(f) Voluntary Resignation. Employee may voluntarily resign from employment with the Company at any time. In the event Employee voluntarily resigns from employment with the Company, Employee shall provide the Company with thirty (30) days' notice of Employee's intent to resign. The Company shall pay Employee only the balance of Employee's accrued, but unpaid salary, unreimbursed expenses and any unused, accrued vacation time through Employee's last day of work.

(g) Deemed Resignation. Upon termination of Employee's employment for any reason, Employee shall be deemed to have resigned from all offices and board memberships, if any, then held with the Company or any of its affiliates, and, at the Company's request, Employee shall execute such documents as are necessary or desirable to effectuate such resignations.

(h) No Other Severance. Upon termination of Employee's employment for any reason, the Company will have no severance obligations under this Agreement other than as provided in this Section 4, which shall supersede any prior or contemporaneous oral or written severance plan, policy, program, or other arrangement maintained by the Company to the extent such benefits would provide for duplication of benefits to Employee.

5. Non-Competition.

(a) For purposes of this Agreement, "***Competitor***" shall mean any person, company, or entity whose primary business at the time is, or whose then-current business plan contemplates engaging in activities which may be, competitive with products and services that were or were being designed, conceived, marketed, sold, distributed and/or developed by the Company during Employee's employment by the Company or at the time of termination of Employee's employment by the Company.

(b) Employee agrees that so long as Employee is employed by the Company, and for a period of twelve (12) months after the termination of his employment, Employee will not, directly or indirectly, whether for compensation or not, own, manage, operate, join, control, work for, or participate in, or be connected as a stockholder, officer, employee, partner, creditor, guarantor, advisor or otherwise, with a Competitor. The foregoing shall not be construed, however, as

preventing Employee from investing his assets in such form or manner as will not require services on the part of Employee in the operations of the businesses in which such investments are made, *provided* that any such business is publicly owned and the interest of Employee therein is solely that of an investor owning not more than five percent (5%) of the outstanding equity securities of any such business. Should Employee breach the provisions of this Paragraph, the Company shall, in addition to any equitable or legal relief to which it is otherwise entitled, be entitled to cease all payments and benefits under the terms of this Agreement and shall be entitled to pursue all remedies it might have including, but not limited to, those contained in this Agreement.

(c) For the period of twelve (12) months after the termination of this Agreement for any reason whatsoever, Employee shall not hire, retain or engage as a director, officer, employee, agent or in any other capacity any person or persons who are employed by the Company or who were at any time (within a period of six (6) months immediately prior to the date of Employee's termination) employed by the Company or otherwise interfere with the relationship between such persons and the Company.

(d) If the period of time or area herein specified should be adjudged unreasonable in any court proceeding, then the period of time shall be reduced by such number of months or the area shall be reduced by elimination of such portion thereof as deemed unreasonable, so that this covenant may be enforced during such period of time and in such area as is adjudged to be reasonable.

6. Confidential Information.

(a) Subject to Section 18, at all times during Employee's employment and thereafter, Employee will hold in strictest confidence and will not disclose, use, lecture upon or publish any of the Company's Proprietary Information (defined below), except as such use may be required in connection with Employee's work for the Company, or unless an officer of the Company expressly authorizes such disclosure in writing. Employee will obtain Company's written approval before publishing or submitting for publication any material (written, verbal, or otherwise) that relates to Employee's work for Company and/or incorporates any Proprietary Information. Employee hereby assigns to the Company any rights Employee may have or acquire in such Proprietary Information and recognizes that all Proprietary Information shall be the sole property of the Company and its assigns.

(b) The term "***Proprietary Information***" shall mean any and all confidential and/or proprietary knowledge, data or information of the Company, whether acquired by Employee while employed by the Company, during Employee's prior service as a consultant to the Company, or otherwise. By way of illustration but not limitation, "Proprietary Information" includes but is not limited to (i) trade secrets, inventions, mask works, ideas, methods, processes, formulas, chemical structures and methods for chemical synthesis, structure-activity relationships, assay methodologies, characteristics, equipment and equipment designs, results, formulations and biological, pharmacological, toxicological and clinical data, physical, chemical or biological materials, source and object codes, data, programs, other works of authorship, know-how, improvements, discoveries, developments, compilations, shop practices, supplier lists, designs and techniques (hereinafter collectively referred to as "***Inventions***"); and (ii) information regarding plans for research, development, new products, marketing and selling, business plans, budgets and unpublished financial statements, licenses, prices and costs, suppliers and customers; and (iii)

information regarding the skills and compensation of other employees of the Company. Notwithstanding the foregoing, it is understood that, at all times, Employee is free to use information which is generally known in the trade or industry, which is not gained as a result of a breach of this Agreement, and which is acquired as a result of Employee's own skill, knowledge, know-how and experience.

(c) Employee understands, in addition, that the Company has received and in the future will receive from third parties confidential or proprietary information ("***Third Party Information***") subject to a duty on the Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes. Subject to Section 18, during the period of Employee's employment and thereafter, Employee will hold Third Party Information in the strictest confidence and will not disclose to anyone (other than Company personnel who need to know such information in connection with their work for the Company) or use, except in connection with Employee's work for the Company, Third Party Information unless expressly authorized by an officer of the Company in writing.

(d) During Employee's employment by the Company, Employee will not improperly use or disclose any confidential information or trade secrets, if any, of any of his former employers or any other person to whom Employee has an obligation of confidentiality, and Employee will not bring onto the premises of the Company any unpublished documents or any property belonging to any former employer or any other person to whom Employee has an obligation of confidentiality, unless such action is consented to in writing by all persons to whom the relevant obligation of confidentiality is owed. Employee shall not work on Company projects on the grounds of, or using the equipment of, any third party, unless such work is agreed to by the Company in writing.

(e) Upon termination of his employment, Employee shall return to the Company all Proprietary Information in any tangible form in Employee's possession, including copies thereof.

7. Company Right to Inventions.

(a) Inventions, if any, patented or unpatented, which Employee made prior to the commencement of Employee's employment with the Company are excluded from the scope of this Agreement. To preclude any possible uncertainty, Employee has provided on Appendix B (Previous Inventions) attached hereto a complete list of all Inventions that Employee has, alone or jointly with others, conceived, developed or reduced to practice or caused to be conceived, developed or reduced to practice prior to the commencement of Employee's employment with the Company, that Employee considers to be Employee's property or the property of third parties, and that Employee wishes to have excluded from the scope of this Agreement (collectively referred to as "***Prior Inventions***"). If disclosure of any such Prior Invention would cause Employee to violate any prior confidentiality agreement, Employee understands that Employee shall not list such Prior Inventions in Appendix B but shall only disclose a cursory name for each such invention (bearing in mind that where necessary the naming shall not be so specific as to violate the confidentiality obligation), a listing of the party(ies) to whom the invention belongs, and the fact that full disclosure as to such invention has not been made for that reason. Space is provided on Appendix B for this purpose. If, in the course of Employee's employment with the Company, Employee incorporates a Prior Invention into a Company product, process or machine, the Company is hereby granted and shall have, to the extent of Employee's right to make such grant, a nonexclusive, royalty-free, irrevocable, perpetual, worldwide license (with rights to sublicense

through multiple tiers of sublicensees) to make, have made, modify, use, import, sell and offer to sell such Prior Invention. Notwithstanding the foregoing, Employee agrees that Employee will not incorporate, or permit to be incorporated, Prior Inventions in any Company Inventions without the Company's prior written consent.

(b) Subject to Section 7(d), Employee hereby assigns and agrees to assign in the future (when any such Inventions are first reduced to practice or a description thereof first fixed in a tangible medium, as applicable) to the Company all of Employee's right, title and interest in and to any and all Inventions, whether or not patentable or registerable under patent, intellectual property, copyright or similar statutes, made or conceived or reduced to practice or learned by Employee, either alone or jointly with others, during the period of Employee's employment with the Company. Inventions assigned to the Company, or to a third party as directed by the Company pursuant to this Section 7(b), are hereinafter referred to as "***Company Inventions***."

(c) During the period of Employee's employment, Employee will promptly disclose to the Company fully and in writing all Inventions authored, conceived or reduced to practice by Employee, either alone or jointly with others. In addition, Employee will promptly disclose to the Company all patent applications filed by Employee or on Employee's behalf during Employee's employment and within one (1) year after termination of employment. At the time of each such disclosure, Employee will advise the Company in writing of any Inventions that Employee believes qualify for exclusion from Employee's obligation to assign hereunder; and Employee will at that time provide to the Company in writing all evidence necessary to substantiate that belief.

(d) As directed by the Company, Employee agrees to assign all Employee's right, title and interest in and to any particular Company Invention to a third party, including without limitation the United States.

(e) Employee acknowledges that all original works of authorship which are made by Employee (solely or jointly with others) within the scope of Employee's employment and which are protectable by copyright are "works made for hire," pursuant to United States Copyright Act (17 U.S.C. § 101).

(f) Employee will assist the Company in every proper way to obtain, and from time to time enforce, United States and foreign trade secret, patent, copyright, mask work and other intellectual property rights ("***Proprietary Rights***") relating to Company Inventions in any and all countries. To that end, Employee will execute, verify and deliver such documents and perform such other acts (including appearances as a witness) as the Company may reasonably request for use in applying for, obtaining, perfecting, evidencing, sustaining and enforcing such Proprietary Rights and the assignment thereof. In addition, Employee will execute, verify and deliver assignments of such Proprietary Rights to the Company, its successor in interest, or its designee. Employee's obligation to assist the Company with respect to Proprietary Rights relating to such Company Inventions in any and all countries shall continue beyond the termination of Employee's employment.

In the event the Company is unable for any reason, after reasonable effort, to secure Employee's signature on any document needed in connection with the actions specified in this Section 7(f), Employee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Employee's agent and attorney-in-fact, which appointment is

coupled with an interest, to act for and on Employee's behalf to execute, verify and file any such documents and to do all other lawfully permitted acts to further the purposes of the preceding paragraph with the same legal force and effect as if executed by Employee.

(g) Employee agrees to keep and maintain adequate and current records (in the form of notes, sketches, drawings and in any other form that may be required by the Company) of all Proprietary Information developed by Employee and all Inventions made by Employee during the period of Employee's employment at the Company, which records shall be available to and remain the sole property of the Company at all times.

(h) Employee represents that Employee's performance of all the terms of this Agreement and as an employee of the Company does not and will not breach any agreement to keep in confidence information acquired by Employee in confidence or in trust prior to Employee's employment by the Company. Employee has not entered into, and Employee agrees that Employee will not enter into, any agreement either written or oral in conflict herewith.

8. Remedies. Because Employee's services are personal and unique and because Employee may have access to and become acquainted with the Proprietary Information of the Company, the Company shall have the right to enforce this Agreement and any of its provisions by injunction, or other equitable relief, without bond (if allowed by applicable law), and without prejudice to any other rights and remedies that the Company may have for a breach of this Agreement. In the event that Employee performs services for other entities while employed by the Company or leaves the employ of the Company, Employee hereby consents to the notification of Employee's new employer of Employee's rights and obligations under this Agreement.

9. Arbitration. Any and all disputes between the parties (except actions to enforce the provisions of Sections 5, 6 or 7 of this Agreement), arising under or relating to this Agreement or any other dispute arising between the parties, including claims arising under any employment discrimination laws, shall be adjudicated and resolved exclusively through binding arbitration before the American Arbitration Association pursuant to the American Arbitration Association's then-in-effect National Rules for the Resolution of Employment Disputes (hereafter "***Rules***"), available at https://www.adr.org/sites/default/files/National%20Rules%20for%20the%20Resolution%20of%20Employment%20Disputes%20Jan%2001%2C%202004. as of the date hereof. The initiation and conduct of any arbitration hereunder shall be in accordance with the Rules and each side shall bear its own costs and counsel fees in such arbitration. Any arbitration hereunder shall be conducted in Philadelphia, Pennsylvania, and any arbitration award shall be final and binding on the Parties. The arbitrator shall have no authority to depart from, modify, or add to the written terms of this Agreement. The arbitration provisions of this Section 9 shall be interpreted according to, and governed by, the Federal Arbitration Act, 9 U.S.C. § 1 *et seq.*, and any action pursuant to such Act to enforce any rights hereunder shall be brought exclusively in the United States District Court for the Eastern District of Pennsylvania. The parties consent to the jurisdiction of (and the laying of venue in) such court.

10. General Indemnification. The Company shall indemnify the Employee against any and all demands, claims, damages and suits, actions and legal proceedings brought against the Employee, in his individual capacity or in his official capacity, as agent and/or Employee of the Company for

claims arising during his employment. In addition, the Company shall advance to the Employee reasonable attorney's fees in connection with the foregoing.

11. Severability. The terms of this Agreement and each Paragraph thereof shall be considered severable and the invalidity or unenforceability of any part thereof shall not affect the validity or enforceability of the remaining portions or provisions hereof.

12. Notices. Any notice required or permitted to be given under this Agreement shall be sufficient, if in writing and delivered by registered or certified mail or overnight delivery service to his residence in the case of Employee, or to its principal office in the case of the Company.

13. Assignment. The rights and obligations of the Company under this Agreement shall inure to the benefit of and be binding upon its successors and assigns. Neither this Agreement nor any rights or interests herein or created hereby may be assigned or otherwise transferred voluntarily or involuntarily by Employee.

14. Waiver. The waiver by the Company or Employee of a breach of any provision of this Agreement by the other shall not operate or be construed as a waiver of any subsequent breach.

15. Applicable Law. This Agreement shall be interpreted and construed under the laws of the Commonwealth of Pennsylvania.

16. Entire Agreement; Prior Agreements. This instrument contains the entire agreement of the parties with respect to the subject matter hereof and supersedes any and all prior or contemporaneous agreements, oral or written, concerning the subject matter contained herein, including without limitation any prior agreements between the Company and Employee. It may not be changed or altered, except by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification, extension or discharge is sought.

17. Code Section 409A.

(a) Notwithstanding anything herein to the contrary, this Agreement is intended to be interpreted and applied so that the payments and benefits set forth herein shall either be exempt from the requirements of Code Section 409A or shall comply with the requirements of Code Section 409A and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be exempt from or in compliance with Code Section 409A. The parties hereto agree that the payments and benefits set forth herein comply with or are exempt from the requirements of Code Section 409A and agree not to take any position, and to cause their affiliates, successors and assigns not to take any position, inconsistent with such interpretation for any reporting purposes, whether internal or external.

(b) Notwithstanding anything in this Agreement or elsewhere to the contrary, a termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits that constitute "non-qualified deferred compensation" within the meaning of Code Section 409A upon or following a termination of the Employee's employment unless such termination is also a "separation from service" within the meaning of Code Section 409A and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean "separation from service" and the date of such separation from service shall be treated as the date of

termination for purposes of any such payment or benefits. Notwithstanding any other provision of this Agreement to the contrary, if the Employee is a "specified employee" within the meaning of Code Section 409A and the regulations issued thereunder, and a payment or benefit provided for in this Agreement would be subject to additional tax under Code Section 409A if such payment or benefit is paid within six (6) months after the Employee's "separation from service" (within the meaning of Code Section 409A), then such payment or benefit required under this Agreement shall not be paid (or commence) during the six (6)-month period immediately following the Employee's separation from service except as provided in the immediately following sentence. In such an event, any payments or benefits that would otherwise have been made or provided during such six (6)-month period and which would have incurred such additional tax under Code Section 409A shall instead be paid to the Employee in a lump-sum cash payment on the earlier of (i) the first regular payroll date of the seventh (7th) month following the Employee's separation from service or (ii) the tenth (10th) business day following the Employee's death.

(c) It is intended that each installment of any severance payments and benefits provided under this Agreement shall be treated as a separate "payment" for purposes of Code Section 409A. Neither the Employee nor the Company shall have the right to accelerate or defer the delivery of any such payments or benefits except to the extent specifically permitted or required by Code Section 409A. All reimbursements and in-kind benefits provided under this Agreement shall be made or provided in accordance with the requirements of Code Section 409A to the extent that such reimbursements or in-kind benefits are subject to Code Section 409A, including, where applicable, the requirements that (i) the amount of expenses eligible for reimbursement during a calendar year may not affect the expenses eligible for reimbursement in any other calendar year, (ii) the reimbursement of an eligible expense shall be made promptly and in all cases on or before the last day of the calendar year following the year in which the expense is incurred and (iii) the right to reimbursement is not subject to set off or liquidation or exchange for any other benefit.

(d) Notwithstanding anything contained herein to the contrary in this Agreement, to the extent that any payments due under this Agreement as a result of Employee's termination of employment are subject to Employee's execution and delivery of the Release, (i) if Employee fails to execute the Release on or prior to the Release Expiration Date (as defined below) or timely revokes Employee's acceptance of the Release thereafter, Employee shall not be entitled to any payments or benefits otherwise conditioned on the Release, and (ii) in any case where Employee's date of termination and the last day the Release may be considered or, if applicable, revoked, fall in two separate taxable years, any payments required to be made to Employee that are conditioned on the Release and are treated as nonqualified deferred compensation for purposes of Code Section 409A shall be made in the later taxable year. For purposes of this Section 17(d), "***Release Expiration Date***" shall mean (x) if Employee is under 40 years old as of the date of termination, the date that is seven (7) days following the date upon which the Company timely delivers the Release to Employee, and (y) if Employee is 40 years or older as of the date of termination, the date that is twenty-one (21) days following the date upon which the Company timely delivers the Release to Employee, or, in the event that Employee's termination of employment is "in connection with an exit incentive or other employment termination program" (as such phrase is defined in the Age Discrimination in Employment Act of 1967), the date that is forty-five (45) days following such delivery date. To the extent that any payments of nonqualified deferred compensation (within the meaning of Code Section 409A) due under this Agreement as a result of Employee's termination of employment are delayed pursuant to this Section 17(d), such amounts

shall be paid in a lump sum on the first payroll date following the date that Employee executes and does not revoke the Release (and the applicable revocation period has expired) or, in the case of any payments subject to Section 17(d)(ii), on the first payroll period to occur in the subsequent taxable year, if later.

18. Whistleblower Protections and Trade Secrets. Notwithstanding anything to the contrary contained herein, nothing in this Agreement prohibits Employee from reporting possible violations of federal law or regulation to any United States governmental agency or entity in accordance with the provisions of and rules promulgated under Section 21F of the Securities Exchange Act of 1934 or Section 806 of the Sarbanes-Oxley Act of 2002, or any other whistleblower protection provisions of state or federal law or regulation (including the right to receive an award for information provided to any such government agencies). Furthermore, in accordance with 18 U.S.C. § 1833, notwithstanding anything to the contrary in this Agreement: (i) Employee shall not be in breach of this Agreement, and shall not be held criminally or civilly liable under any federal or state trade secret law (x) for the disclosure of a trade secret that is made in confidence to a federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (y) for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; and (ii) if Employee files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Employee may disclose the trade secret to Employee's attorney, and may use the trade secret information in the court proceeding, if Employee files any document containing the trade secret under seal, and does not disclose the trade secret, except pursuant to court order.

19. Clawback Policy. Employee acknowledges and agrees that to the extent permitted under applicable law, all amounts payable under this Agreement are subject to the terms of any applicable Clawback Policy and, to the extent permitted by applicable law, including without limitation Section 409A of the Code, all amounts payable under this Agreement are subject to offset in the event that Employee has an outstanding clawback, recoupment or forfeiture obligation to the Company under the terms of any applicable Clawback Policy. In the event of a clawback, recoupment or forfeiture event under an applicable Clawback Policy, the amount required to be clawed back, recouped or forfeited pursuant to such policy shall be deemed not to have been earned under the terms of this Agreement or otherwise, and the Company shall be entitled to recover from Employee the amount specified under the policy to be clawed back, recouped or forfeited. For the purposes of this Agreement, "***Clawback Policy***" means any clawback, recoupment or forfeiture provisions of any applicable clawback, recoupment or forfeiture policy (including, without limitation, a clawback policy required to be implemented by an applicable stock exchange) approved by the Board of Directors of the Company (or a committee thereof), as in effect from time to time, whether approved before or after the effective date of this Agreement. Employee acknowledges and agrees that Employee will be bound by the terms of any such Clawback Policy as if it were set forth in this Agreement.

20. Counterparts. This Amendment may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original and all of which shall constitute the same instrument. Any and all counterparts may be executed by facsimile.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

TRAWS PHARMA, INC.
By: /s/ Werner Cautreels, Ph.D.
Werner Cautreels, Ph.D.
Chief Executive Officer

EMPLOYEE:
By: /s/ Victor Mandla Moyo, MBChB.
Victor Mandla Moyo, MBChB

APPENDIX A

Outside Boards and Advisory Roles

Omitted pursuant to Rule 601(a)(5) of Regulation S-K

APPENDIX B

Previous Inventions

Omitted pursuant to Rule 601(a)(5) of Regulation S-K

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Werner Cautreels, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Traws Pharma, Inc.;

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

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

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

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

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

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

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

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

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

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

Dated: May 15, 2024

/s/ Werner Cautreels
Werner Cautreels
Chief Executive Officer
(*Principal Executive Officer*)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Mark Guerin, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Traws Pharma, Inc.;

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

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

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

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

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

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

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

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

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

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

Dated: May 15, 2024

/s/ Mark Guerin
Mark Guerin
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

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

In connection with the Quarterly Report of Traws Pharma, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Werner Cautreels, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

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

2. That information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 15, 2024

/s/ Werner Cautreels
Werner Cautreels
Chief Executive Officer
(*Principal Executive Officer*)

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. § 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Exhibit 32.2

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

In connection with the Quarterly Report of Traws Pharma, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Mark Guerin, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

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

2. That information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 15, 2024

/s/ Mark Guerin
Mark Guerin
Chief Financial Officer
(Principal Financial Officer)

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. § 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.