

Onconova Therapeutics, Inc.
Form 10-Q
November 14, 2014
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**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 September 30, 2014

Or

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

Commission file number: 001-36020

Onconova Therapeutics, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

375 Pheasant Run, Newtown, PA
(Address of principal executive offices)

22-3627252

(I.R.S. Employer
Identification No.)

18940

(Zip Code)

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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 and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files). Yes No

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

Large accelerated filer

Accelerated filer

Non-accelerated filer
(Do not check if a smaller reporting company)

Smaller reporting company

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 October 31, 2014 was 21,692,240.

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ONCONOVA THERAPEUTICS, INC.

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FOR THE QUARTER ENDED SEPTEMBER 30, 2014**

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Onconova Therapeutics, Inc.
Condensed Consolidated Balance Sheets

| | September 30, 2014 (unaudited) | December 31, 2013 |
|--|--------------------------------------|----------------------|
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 42,348,000 | \$ 60,009,000 |
| Marketable securities | 14,999,000 | 39,994,000 |
| Prepaid expenses and other current assets | 4,278,000 | 4,387,000 |
| Total current assets | 61,625,000 | 104,390,000 |
| Property and equipment, net | 512,000 | 626,000 |
| Restricted cash | 125,000 | 125,000 |
| Other non-current assets | 12,000 | 12,000 |
| Total assets | \$ 62,274,000 | \$ 105,153,000 |
| Liabilities and stockholders equity | | |
| Current liabilities: | | |
| Accounts payable | \$ 5,385,000 | \$ 3,710,000 |
| Accrued expenses and other current liabilities | 7,202,000 | 5,820,000 |
| Warrant liability | | 20,000 |
| Deferred revenue | 455,000 | 788,000 |
| Total current liabilities | 13,042,000 | 10,338,000 |
| Deferred revenue, non-current | 13,568,000 | 13,909,000 |
| Other | 1,000 | 6,000 |
| Total liabilities | 26,611,000 | 24,253,000 |
| Commitments and contingencies | | |
| Stockholders equity: | | |
| Preferred stock, \$0.01 par value, 5,000,000 authorized at September 30, 2014 and December 31, 2013, none issued and outstanding at September 30, 2014 and December 31, 2013 | | |
| Common stock, \$0.01 par value, 75,000,000 authorized at September 30, 2014 and December 31, 2013, 21,692,240 and 21,467,482 shares issued and outstanding at September 30, 2014 and December 31, 2013 | | |
| | 217,000 | 215,000 |
| Additional paid in capital | 316,266,000 | 311,093,000 |
| Accumulated other comprehensive income | (8,000) | 1,000 |
| Accumulated deficit | (281,206,000) | (230,896,000) |
| Total Onconova Therapeutics, Inc. stockholders equity | 35,269,000 | 80,413,000 |
| Non-controlling interest | 394,000 | 487,000 |
| Total stockholders equity | 35,663,000 | 80,900,000 |
| Total liabilities and stockholders equity | \$ 62,274,000 | \$ 105,153,000 |

See accompanying notes to condensed consolidated financial statements.

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| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|--------------|--|--------------|
| | 2014 | 2013 | 2014 | 2013 |
| Revenue | \$ 114,000 | \$ 1,116,000 | \$ 686,000 | \$ 2,823,000 |
| Operating expenses: | | | | |
| General and administrative | 3,116,000 | 5,927,000 | 12,033,000 | 12,390,000 |
| Research and development | 11,886,000 | 15,293,000 | 39,038,000 | 38,096,000 |
| Total operating expenses | 15,002,000 | 21,220,000 | 51,071,000 | 50,486,000 |
| Loss from operations | (14,888,000) | (20,104,000) | (50,385,000) | (47,663,000) |
| Change in fair value of warrant liability | 1,000 | (31,000) | 20,000 | (19,000) |
| Other income, net | (20,000) | 46,000 | (38,000) | 186,000 |