UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 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, 2023

or

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

For the transition period from _____ to _____

Commission file number: 001-38244

GENPREX, INC.

(Exact name of registrant as specified in its charter)

Delaware	**90-0772347**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
3300 Bee Cave Road, #650-227, Austin, TX	**78746**
(Address of principal executive offices)	(Zip Code)

(512) 537-7997

(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001 per share	GNPX	The Nasdaq Capital Market

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

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

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

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

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

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

As of November 6, 2023, the registrant had 59,434,822 shares of common stock, par value $0.001 per share, outstanding.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Genprex, Inc.

Condensed Balance Sheets

	September 30, 2023	December 31, 2022
Assets	(unaudited)	(see Note 2)
Current assets:		
Cash and cash equivalents	$ 11,711,319	$ 20,954,069
Accounts receivable	—	34,852
Prepaid expenses and other	1,145,760	484,224
Total current assets	12,857,079	21,473,145
Property and equipment, net	11,454	23,032
Other non-current assets:		
Security deposits	17,154	21,818
Research and development supplies	2,994,460	2,864,937
Intellectual property, net	763,478	702,095
Total other assets	3,775,092	3,588,850
Total assets	$ 16,643,625	$ 25,085,027
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 1,179,192	$ 442,925
Other current liabilities	3,158,941	2,367,362
Total current liabilities	4,338,133	2,810,287
Commitments and contingencies (Note 7)		
Stockholders' equity:		
Preferred stock $0.001 par value: 10,000,000 shares authorized; no shares issued and outstanding	—	—
Common stock $0.001 par value: 200,000,000 shares authorized; 59,429,822 and 48,105,962 shares issued and outstanding at September 30, 2023, and December 31, 2022, respectively	59,430	48,106
Additional paid-in capital	140,005,090	125,054,453
Accumulated deficit	(127,759,028)	(102,827,819)
Total stockholders' equity	12,305,492	22,274,740
Total liabilities and stockholders' equity	$ 16,643,625	$ 25,085,027

See accompanying notes to the unaudited condensed financial statements.

Genprex, Inc.

Condensed Statements of Operations (unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	**2022**	**2023**	**2022**
Cost and expenses:				
Depreciation	$ 3,724	$ 6,224	$ 11,578	$ 19,497
Research and development	4,616,546	3,157,731	13,903,611	8,124,884
General and administrative	3,166,057	3,006,484	11,173,643	9,107,141
Total costs and expenses	7,786,327	6,170,439	25,088,832	17,251,522
Operating loss	(7,786,327)	(6,170,439)	(25,088,832)	(17,251,522)
Interest income	51,391	27,877	175,413	34,500
Realized gain (loss)	13,307	—	17,790	—
Net loss	$ (7,748,243)	$ (6,142,562)	$ (24,931,209)	$ (17,217,022)
Net loss per share—basic and diluted	$ (0.13)	$ (0.13)	$ (0.47)	$ (0.36)
Weighted average number of common shares— basic and diluted	57,805,639	47,984,724	53,115,947	47,919,626

See accompanying notes to the unaudited condensed financial statements.

Genprex, Inc.

Condensed Statements of Changes in Stockholders' Equity (unaudited)

	Common Stock Shares	Amount	Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity
Balance at December 31, 2021	47,874,708	$ 47,874	$ 120,316,315	$ (79,087,198)	$ 41,276,991
Issuance of common stock for services	5,000	5	17,495	—	17,500
Share-based compensation	—	—	1,039,940	—	1,039,940
Net loss	—	—	—	(5,309,817)	(5,309,817)
Balance at March 31, 2022	47,879,708	$ 47,879	$ 121,373,750	$ (84,397,015)	$ 37,024,614
Issuance of common stock for services	18,643	19	17,953	—	17,972
Share-based compensation	—	—	1,133,342	—	1,133,342
Net loss	—	—	—	(5,764,643)	(5,764,643)
Balance at June 30, 2022	47,898,351	$ 47,898	$ 122,525,045	$ (90,161,658)	$ 32,411,285
Issuance of common stock for cash	116,973	117	1,637	—	1,754
Issuance of common stock for services	5,000	5	6,895	—	6,900
Share-based compensation	—	—	1,211,137	—	1,211,137
Net loss	—	—	—	(6,142,562)	(6,142,562)
Balance at September 30, 2022	48,020,324	$ 48,020	$ 123,744,714	$ (96,304,220)	$ 27,488,514
Balance at December 31, 2022	48,105,962	$ 48,106	$ 125,054,453	$ (102,827,819)	$ 22,274,740
Issuance of common stock and warrants for cash net of issuance costs	3,863,116	3,863	3,774,493	—	3,778,356
Issuance of common stock for services	5,000	5	7,945	—	7,950
Share-based compensation	—	—	1,324,165	—	1,324,165
Net loss	—	—	—	(9,202,774)	(9,202,774)
Balance at March 31, 2023	51,974,078	$ 51,974	$ 130,161,056	$ (112,030,593)	$ 18,182,437
Issuance of common stock for services	5,000	5	4,395	—	4,400
Share-based compensation	—	—	1,541,805	—	1,541,805
Net loss	—	—	—	(7,980,192)	(7,980,192)
Balance at June 30, 2023	51,979,078	$ 51,979	$ 131,707,256	$ (120,010,785)	$ 11,748,450
Issuance of common stock and warrants for cash net of issuance costs	7,445,744	7,446	6,807,565	—	6,815,011
Issuance of common stock for services	5,000	5	4,795	—	4,800
Share-based compensation	—	—	1,485,474	—	1,485,474
Net loss	—	—	—	(7,748,243)	(7,748,243)
Balance at September 30, 2023	59,429,822	$ 59,430	$ 140,005,090	$ (127,759,028)	$ 12,305,492

See accompanying notes to the unaudited condensed financial statements.

Genprex, Inc.

Condensed Statements of Cash Flows (unaudited)

	Nine Months Ended September 30, 2023	2022
Net loss	$ (24,931,209)	$ (17,217,022)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	11,578	19,497
Share-based compensation	4,368,594	3,426,791
Changes in operating assets and liabilities:		
Accounts receivable	34,852	(34,852)
Prepaid expenses and other	(656,871)	(259,057)
Research and development supplies	(129,523)	117,786
Accounts payable	736,266	(289,324)
Other current liabilities	791,579	1,161,341
Net cash used in operating activities	(19,774,734)	(13,074,840)
Cash flows from investing activities:		
Additions to intellectual property	(61,383)	(39,737)
Net cash used in investing activities	(61,383)	(39,737)
Cash flows from financing activities:		
Net proceeds from issuances of common stock and warrants	10,593,367	1,754
Net cash provided by financing activities	10,593,367	1,754
Net decrease in cash and cash equivalents	(9,242,750)	(13,112,823)
Cash and cash equivalents, beginning of period	20,954,069	38,628,876
Cash and cash equivalents, end of period	$ 11,711,319	$ 25,516,053

See accompanying notes to the unaudited condensed financial statements.

GENPREX, INC.
NOTES TO UNAUDITED CONDENSED FINANCIAL STATEMENTS

Note 1 - Description of Business and Basis of Presentation

Unless the context requires otherwise, references to "Genprex," the "Company," "we," "us" or "our" in this Quarterly Report on Form 10-Q refer to Genprex, Inc. We are a clinical stage gene therapy company pioneering the development of gene-based therapies for large patient populations with unmet medical needs. Our oncology platform utilizes our non-viral ONCOPREX® Nanoparticle Delivery System. Using this system, plasmids containing tumor suppressor genes, which are deleted early in the development of cancer, are encapsulated within lipid nanoparticles and administered intravenously to the patient to re-express the deleted tumor suppressor genes. Our diabetes technology is designed to work in Type 1 diabetes by transforming alpha cells in the pancreas into functional beta-like cells, which can produce insulin but may be distinct enough from beta cells to evade the body's immune system. In Type 2 diabetes, our technology is believed to work by replenishing and rejuvenating the beta cells that make insulin.

Oncology Platform

Our lead oncology drug candidate, REQORSA® Immunogene Therapy (generic name: quaratusugene ozeplasmid), previously referred to as GPX-001, uses theONCOPREXNanoparticle Delivery System to deliver DNA plasmids that express the TUSC2 tumor suppressor gene and is initially being developed in combination with prominent approved cancer drugs to treat Non-Small Cell Lung Cancer ("NSCLC") and Small Cell Lung Cancer ("SCLC"). REQORSA has a multimodal mechanism of action whereby it interrupts cell signaling pathways that cause replication and proliferation of cancer cells, re-establishes pathways for apoptosis (programmed cell death) in cancer cells, and modulates the immune response against cancer cells. In early studies, REQORSA has been shown to be complementary with targeted drugs and immunotherapies. Our strategy is to develop REQORSA in combination with current approved therapies and we believe REQORSA's unique attributes position it to provide treatments that improve on these current therapies for patients with NSCLC, SCLC, and possibly other cancers.

Acclaim-1: The Acclaim-1 study is a Phase 1/2 clinical trial that has three portions - a Phase 1 dose escalation portion, a Phase 2 expansion portion, and a Phase 2 randomized portion. Acclaim-1 uses a combination of REQORSA and AstraZeneca's Tagrisso® in patients with late-stage NSCLC that has activating epidermal growth factor receptor ("EGFR") mutations and progression after treatment with Tagrisso. In October 2023, one of our clinical collaborators presented in a poster presentation at the 2023 AACR-NCI-EORTC International Conference on Molecular Targets and Cancer Therapeutics the Phase 1 results of the Acclaim-1 study. The reported results showed no dose limiting toxicities ("DLTs"), established a Phase 2 recommended dose of 0.12 mg/kg (the highest dose level administered in the trial) and provided data showing early efficacy of REQORSA in combination with Tagrisso. Specifically, it showed of the 12 patients treated with escalating doses of REQORSA and standard doses of Tagrisso, all of whom had progressed on Tagrisso containing regimens, two patients experienced prolonged time to progression, including one with continuing partial response. Additionally, a third patient, at the highest dose, has stable disease, is continuing to receive treatment and thus is a candidate for prolonged time to progression. REQORSA administration was generally well tolerated, which we believe is why there were no DLTs. The administration was associated with a delayed infusion-related reaction of muscle aches, fever and chills in some patients, which we believe is similar to reactions seen with the administration of antibodies routinely used in oncology treatment. This was managed with prophylactic steroids, acetaminophen and diphenhydramine, and symptoms decreased with repeat cycles. We believe this new mechanism and novel approach targeting lung cancer, which comes with a strong safety profile and early signs of efficacy, is paving new ground in the fight against lung cancer. In May 2023, after completion of the Phase 1 portion of the Acclaim-1 trial, the Safety Review Committee ("SRC") approved advancement from the Phase 1 dose escalation portion of the trial to the Phase 2 expansion portion of the trial.

The Phase 2 expansion portion of the trial is expected to enroll approximately 66 patients;half will be patients who received only prior Tagrisso treatment and the other half will be patients who received prior Tagrisso treatment and chemotherapy, in order to determine toxicity profiles of patients with different eligibility criteria, as well as efficacy and other endpoints. There will be an interim analysis following the treatment of 19 patients in each cohort.In preparation for the Phase 2 expansion portion of the trial, we are in the process of adding additional clinical sites. The Food and Drug Administration ("FDA") has granted Fast Track Designation for the Acclaim-1 treatment combination of REQORSA and Tagrisso in NSCLC patients who have progressed after Tagrisso treatment. We are working towards opening the Phase 2 expansion portion of the trial for enrollment as soon as reasonably practicable and expect this will occur between December 2023 and the end of the first quarter of 2024, subject to the availability of a new batch of REQORSA.

Acclaim-2: The Acclaim-2 study is a Phase 1/2 clinical trial that has three portions - a Phase 1 dose escalation portion, a Phase 2 expansion portion, and a Phase 2 randomized portion. The Phase 1 dose escalation portion of Acclaim-2 is open for enrollment but currently not treating patients.The Acclaim-2 trial uses a combination of REQORSA and Merck & Co.'s Keytruda® in patients with late-stage NSCLC whose disease has progressed after treatment with Keytruda. Patients are treated at the 0.06 mg/kg dose level in the first cohort of patients and, subject to the Acclaim-2 Safety Review Committee approval, will be treated at successive dose levels of 0.09 mg/kg and 0.12 mg/kg. The FDA has granted Fast Track Designation for the Acclaim-2 treatment combination of REQORSA and Keytruda in NSCLC patients who have progressed after Keytruda treatment. We expect enrollment in the dose escalation portion of the study to be completed in the second half of 2024, depending on the timing of the availability of a new batch of REQORSA. The Acclaim-2 study has experienced slower than expected patient enrollment, which we primarily attribute to the large number of clinical trials being conducted that seek to combine an investigational drug with Keytruda in the relapsed setting.

Acclaim-3: The Acclaim-3 study has two portions - a Phase 1 dose escalation portion and a Phase 2 expansion portion. In November 2022, we filed with the FDA our protocol for our Phase 1/2 Acclaim-3 clinical trial using a combination of REQORSA and Genentech, Inc.'s Tecentriq® as maintenance therapy in patients with extensive stage small cell lung cancer ("ES-SCLC") who did not develop tumor progression after receiving Tecentriq and chemotherapy as initial standard treatment. We are working towards opening the Phase 1 dose escalation portion of the trial for enrollment as soon as reasonably practicable and expect this will occur between December 2023 and the end of the first quarter of 2024, subject to the availability of a new batch of REQORSA. Patients will be treated with REQORSA and Tecentriq until disease progression or unacceptable toxicity is experienced.In June 2023, the FDA granted Fast Track Designation for the Acclaim-3 treatment combination of REQORSA and Tecentriq as maintenance therapy in patients with ES-SCLC who did not develop tumor progression after receiving Tecentriq and chemotherapy as initial standard treatment. In August 2023, the FDA granted Orphan Drug Designation to REQORSA for the treatment of SCLC.

We have experienced a delay in the successful production of a new batch of REQORSAin connection with our transition to a lipid nanoparticle (“LNP”) third party contract development and manufacturing organization (“LNP CDMO”) with advanced and automated processes that we believe ultimately will allow us to more efficiently scale our product as we increase production for our trials. We currently estimate that we have enough REQORSA to treat patients receiving REQORSA in our ongoing clinical trials through December 2023. In the event we have not produced another batch of REQORSA by the time we have used our inventory of REQORSA, treatment of patients in our ongoing Acclaim-1 and Acclaim-2 clinical trials and pending enrollment in our Acclaim-1, Acclaim-2 and Acclaim-3 clinical trials would be delayed until a new batch of REQORSA is successfully produced. We expect to produce a new batch of REQORSA between December 2023 and the end of the first quarter of 2024.

In April 2023, at the 2023 Annual Meeting of the American Association of Cancer Researchers (AACR 2023), we presented data that we believe further validates our ONCOPREX Nanoparticle Delivery System platform. Thesepositive pre-clinical data were reported from our University of Texas MD Anderson Cancer Center ("MD Anderson") collaborators and documentedthe successful delivery of a second tumor suppressor gene, the NPRL2 tumor suppressor gene.The studies used the ONCOPREXNanoparticle Delivery System to express the NPRL2 gene inanti- PD1 resistant, metastatic human NSCLCs in humanized mouse models. We believe these studies of NPRL2 provide solid data that the ONCOPREXNanoparticle Delivery System is a platform that can be used with multiple tumor suppressor genes.

The TUSC2 gene is one of a series of tumor suppressor genes on the short arm of Chromosome 3. The therapeutic use of TUSC2 is covered by our exclusive worldwide licenses from MD Anderson. NPRL2 is another tumor suppressor gene also located on the short arm of Chromosome 3 and we have filed for patent protection for its therapeutic use. We believe that our ONCOPREX Nanoparticle Delivery System may allowfor delivery of a number of other cancer-fighting genes, alone or in combination with other cancer therapies, to combat multiple types of cancer. In August 2022, we entered into a three-year sponsored research agreement with MD Anderson to support further pre-clinical studies of TUSC2 and NPRL2.

Diabetes Gene Therapy

In diabetes, we have exclusively licensed from the University of Pittsburgh of the Commonwealth System of Higher Education (“University of Pittsburgh”) multiple technologies relating to the development of a gene therapy product for each of Type 1 and Type 2 diabetes.The same general novel approach is used in each of Type 1 and Type 2 whereby an adeno-associated virus (“AAV”) vector containing the Pdx1 and MafA genes is administered directly into the pancreatic duct. In humans, we believe this can be done with a routine endoscopy procedure. Our diabetes product candidates are currently being evaluated and optimized in preclinical animal studies at the University of Pittsburgh. GPX-002 is being developed for the treatment of Type 1 diabetes and GPX-003 is being developed for the treatment of Type 2 diabetes. GPX-002 is designed to work by transforming alpha cells in the pancreas into functional beta-like cells, which can produce insulin but may be distinct enough from beta cells to evade the body’s immune system. GPX- 003 is believed to work by replenishing and rejuvenating the beta cells that make insulin. We expect to finalize our constructs and request to meet with the FDA before the end of 2023 to obtain their guidance on the toxicology studies that we plan to conduct.In October 2023, we entered into a one-year extension to our August 2022 sponsored research agreement with the University of Pittsburgh for the use of GPX- 003 in a non-human primate (“NHP”) model of Type 2 diabetes. The extension includes a revised research plan to encompass our most recent technologies to which we acquired exclusive rights from the University of Pittsburgh in July 2023. In February 2023, our research collaborators at theUniversity of Pittsburghpresented preclinical data in a NHP model of Type 1 diabetes highlighting the therapeutic potential of GPX- 002 at the 16th International Conference on Advanced Technologies & Treatments for Diabetes (ATTD 2023) in Berlin, Germany. The study results showed the treated animals had statistically significant decreased insulin requirements, increased c-peptide levels, and improved glucose tolerance compared to baseline. In July 2023, we entered into an exclusive license agreement with the University of Pittsburgh related to a gene therapy for both Type 1 and Type 2 diabetes using a MafB promoter to drive expression of the Pdx1 and MafA transcription factors.

Capital Requirements, Liquidity and Going Concern Considerations

Our unaudited condensed financial statements are prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP") applicable to a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. However, as shown in the accompanying unaudited condensed financial statements, we have sustained substantial losses from operations since inception and have no current source of revenue. In addition, we have used, rather than provided, cash in our operations. We expect to continue to incur significant expenditures to further clinical trials for the commercial development of our product candidates.

Management recognizes that we must obtain additional capital resources to successfully commercialize our product candidates. To date, we have received funding in the form of equity and debt, and we plan to seek additional funding in the future. However, no assurances can be given that we will be successful in raising additional capital. If we are not able to timely and successfully raise additional capital, the timing of our clinical trials, financial condition and results of operations may be materially and adversely affected. These unaudited condensed financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities.

The Company believes that its current cash and cash equivalents will be sufficient to fund expenditure requirements for our necessary operations and expected clinical trial activities into the second quarter of 2024. The Company has based these estimates, however, on assumptions that may prove to be wrong, and could spend available financial resources much faster than we currently expect. The Company will need to raise additional funds to continue funding our development and operations. Management plans to secure such additional funding, although there are no guarantees or commitments for additional funding.

As a result of the Company’s recurring losses from operations and the need for additional financing to fund its operating and capital requirements, there is uncertainty regarding the Company’s ability to maintain liquidity sufficient to operate its business effectively, which raises substantial doubt as to the Company’s ability to continue as a going concern. The unaudited condensed financial statements do not include any adjustments that might be necessary if we are unable to continue as a going concern.

Note 2 - Summary of Significant Accounting Policies

Our unaudited condensed financial statements have been prepared in accordance with U.S. GAAP, and the requirements of the United States ("U.S.") Securities and Exchange Commission (the "SEC") for interim reporting. As permitted under those rules, certain footnotes or other financial information that are normally required by U.S. GAAP can be condensed or omitted. Accordingly, they do not include all of the information and footnotes normally included in financial statements prepared in conformity with U.S. GAAP. The December 31, 2022 condensed balance sheet was derived from the December 31, 2022 audited financial statements. Our unaudited condensed financial statements should be read in conjunction with the financial statements and notes thereto included in our 2022 Annual Report on Form 10-K, filed with the SEC on March 31, 2023 (the "Form 10-K").

The accompanying unaudited condensed financial statements are unaudited and include all adjustments (consisting of normal recurring adjustments) that management considers necessary for a fair presentation of our condensed financial position and results of operations for the interim periods presented. The results of operations for the interim periods are not necessarily indicative of the results that may be expected for any other interim period or for the entire year.

A summary of our significant accounting policies consistently applied in the preparation of the accompanying unaudited condensed financial statements follows.

Use of Estimates

The preparation of our unaudited condensed financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the unaudited condensed financial statements and the reported amounts of expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

We consider all highly liquid short-term investments with an initial maturity of three months or less to be cash equivalents. Any amounts of cash in financial institutions which exceed Federal Deposit Insurance Corporation ("FDIC") insured limits expose us to cash concentration risk. We have cash in a money market account and had $11,465,328 and $20,679,538 in excess of FDIC insured limits of $250,000 at September 30, 2023 and December 31, 2022, respectively. Any loss incurred or a lack of access to such funds could have a significant adverse impact on the Company's financial condition, results of operations, and cash flows.

Net Loss Per Share

Basic net loss per share is calculated by dividing the net loss by the weighted-average number of shares of common stock outstanding for the period, without consideration for potential dilutive shares of common stock, which includes common stock equivalents consisting of (i) 25,557,227 unexercised options granted by our board of directors and warrants to purchase shares of common stock, and (ii) 2,284,580 unvested restricted stock units to purchase shares of common stock granted by our board of directors.

Fair Value of Financial Instruments

The carrying amounts reported in the balance sheet for cash, money-market savings account, accounts receivable, and accounts payables approximate fair value because of the immediate or short-term maturity of these financial instruments.

Property and Equipment

Furniture and equipment are stated at cost less accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, which range from three to five years. Routine maintenance and repairs are charged to expense as incurred and major renovations or improvements are capitalized.

Research and Development Costs

Research and development expenditures consist of costs incurred to conduct research, develop engineering materials for further study, and develop clinical strategies for current and future programs. These costs include payments to collaborative research partners, manufacturing partners and consultants, and clinical strategy partners, wages and associated employee benefits, facilities, and overhead costs. These expenditures relate to our preclinical and Phase 1/2 clinical trials and are expensed as incurred. Materials produced to be used in clinical research are capitalized and included in research and development supplies and are expensed as they are used for testing or clinical activities, or have spoiled.

Research and development supplies purchased, valued at cost, and capitalized for future use were $ 2,994,460 and $2,864,937 at September 30, 2023 and December 31, 2022, respectively.

Intellectual Property

Intellectual property consists of legal and related costs associated with patents and other proprietary technology and rights developed, acquired, licensed by, or maintained by us that we believe contribute to a probable economic benefit toward such patents and activities. These costs incurred in connection with obtaining and maintaining intellectual property protection, such as patent applications and patent maintenance, are capitalized. Intellectual property is stated at cost, to be amortized on a straight-line basis over the estimated useful lives of the assets.

Accounting for Stock-Based Compensation

We use the fair value-based method of accounting for stock-based compensation for options granted to employees, independent consultants and contractors. We measure options granted at fair value determined as of the grant date and recognize the expense over the periods in which the options vest or are expected to vest and related services are rendered based on the terms and conditions of the award. Generally, where the award only has a service condition, the requisite service period is the same as the vesting period.

Long-Lived Assets

We review long-lived assets and certain identifiable intangibles held and used for possible impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In evaluating the fair value and future benefits of our intangible assets, management performs an analysis of the anticipated undiscounted future net cash flow of the individual assets over the remaining amortization period. We recognize an impairment loss if the carrying value of the asset exceeds the discounted expected future cash flows. During the nine months ended September 30, 2023, and the year ended December 31, 2022, there were no deemed impairments of our long-lived assets.

Recent Accounting Developments

Accounting pronouncements issued but not effective until after September 30, 2023, are not expected to have a significant effect on our financial condition, results of operations, or cash flows.

Immaterial Correction of Prior Period Errors and Disclosures

During the period ended September 30, 2023, an immaterial error was identified that reduced net loss during for the three-month period ended March 31, 2023 by approximately $302,000 associated with expenses associated with fundraising expenses during the period. The Company recorded an out-of-period adjustment of approximately $302,000 to finance fee expense and additional paid-in capital during the three-month period ended September 30, 2023. The impact of these errors on prior periods would be to decrease the finance fee expense and additional paid-in capital by approximately $302,000 for the three-month period ended March 31, 2023.

Note 3 - Intellectual Property

We own or have exclusive license agreements on 20 granted patents and 22 pending patent applications worldwide for technologies developed in-house or by researchers at the National Cancer Institute, MD Anderson, the University of Texas Southwestern Medical Center, and the University of Pittsburgh. These patents comprise various therapeutic, diagnostic, technical and processing claims. These license rights will be amortized on a straight-line basis over the estimated period of useful lives of the underlying patents or the license agreements.

University of Pittsburgh

On February 11, 2020, we entered into an exclusive license agreement with the University of Pittsburgh for patented gene therapy technologies relating to the potential treatment of Type 1 and Type 2 diabetes. This license was first amended on August 17, 2022, to extend the milestone related to the filing of a new investigational drug ("IND") application. This license was amended again on November 3, 2022, to include a new licensed glucagon promoter technology related to Type 1 diabetes and set FDA and clinical milestones related to the glucagon technology (See Note 7 – Commitments and Contingences – Commitments – University of Pittsburgh).

On November 22, 2022, we entered into an exclusive license agreement with the University of Pittsburgh relating to the transformation of macrophages enabling them to reduce autoimmunity activity in Type 1 diabetes.

On December 29, 2022, we entered into an exclusive license agreement with the University of Pittsburgh relating to the use of an insulin promoter in combination with our existing gene therapy, including the Pdx1 and MafA transcription factors, as a potential treatment for Type 2 diabetes.

On July 14, 2023, we entered into an exclusive license agreement with the University of Pittsburgh related to a gene therapy for both Type 1 and Type 2 diabetes using a MafB promoter to drive expression of the Pdx1 and MafA transcription factors.

The University of Texas MD Anderson Cancer Center

On May 4, 2020, we entered into an exclusive worldwide license agreement with The Board of Regents of the University of Texas System on behalf of MD Anderson relating to a portfolio of patent applications and related technology for the treatment of cancer using our lead drug candidate and immunotherapies.

Note 4 - Equity

Registered Direct Offerings

On March 1, 2023, we completed a registered direct offering, in which we sold to an accredited healthcare-focused institutional investor an aggregate of 3,809,524 shares of our common stock and warrants to purchase up to 3,809,524 shares of our common stock, at a combined offering price of $ 1.05 per share of common stock and accompanying warrant. The warrants are exercisable immediately upon issuance, expire 5 years from the date of issuance and have an exercise price of $1.10 per share. We received net proceeds of approximately $ 3.6 million after $400,000 of commissions and expenses, excluding any proceeds that may be received in the future from any exercise of the warrants.

On July 21, 2023, we completed a registered direct offering priced at the market under Nasdaq rules, in which we sold to accredited healthcare-focused institutional investors an aggregate of (i) 7,425,744 shares of our common stock, and (ii) warrants to purchase up to 7,425,744 shares of our common stock, at a combined offering price of $1.01 per share of common stock and accompanying warrant. The warrants are exercisable immediately upon issuance, expire 5 years from the date of issuance and have an exercise price of $ 0.885 per share. Also, we agreed to issue to H.C. Wainwright & Co., LLC or its designees (the “Placement Agent”) warrants to purchase up to an aggregate of 445,545 shares of our common stock. The warrants issued to the Placement Agent have substantially the same terms as the warrants issued to the investors except that the Placement Agent warrants have an exercise price of $1.2625 per share and expire on July 18, 2028. We received net proceeds of approximately $6.7 million after approximately $800,000 of commissions and expenses, excluding any proceeds that may be received in the future from any exercise of the warrants.

At-The-Market Offering

On November 18, 2022, we entered into an Equity Distribution Agreement (the "Sales Agreement") with JMP Securities LLC ("JMP Securities") pursuant to which we may sell from time to time, at our option, shares of our common stock through JMP Securities, as sales agent (the "ATM Facility"), up to an aggregate offering price of $50 million. Sales of the shares pursuant to the ATM Facility were previously made under our prior "shelf" Registration Statement on Form S-3 (Reg. No. 333-239134), and future ATM Facility sales may be made under our currently effective "shelf" Registration Statement on Form S-3 (Reg. No. 333-271386) and a related prospectus supplement for the ATM Facility to be filed as appropriate. Additionally, under the terms of the Sales Agreement, the shares may be sold at market prices, at negotiated prices or at prices related to the prevailing market price. We will pay JMP Securities a commission of 3.0% of the gross proceeds from the sale of the shares. During the year ended December 31, 2022, we sold 3,886 shares of common stock for aggregate net proceeds of $4,532 under the ATM Facility. We did not use the ATM Facility during the three months ended September 30, 2023, and during the nine months ended September 30, 2023, we sold 53,592 shares of common stock for aggregate net proceeds of $ 78,355 under the ATM Facility.

Stock Issuances

During the three months ended September 30, 2023, we issued (i) 5,000 shares of common stock for services provided to us valued at $ 4,800 to the Chairman of our Scientific Advisory Board and (ii) 20,000 shares of common stock upon the exercise of options by a former board member. During the nine months ended September 30, 2023, we issued (i) 15,000 shares of common stock for services provided to us valued at $ 17,150 to the Chairman of our Scientific Advisory Board and (ii) 20,000 shares of common stock upon the exercise of options by an former board member (inclusive of the shares issued during the three months ended September 30, 2023, as described in the immediately preceding sentence).

During the three months ended September 30, 2022, we issued 5,000 shares of common stock for services provided to us valued at $ 6,900 to the Chairman of our Scientific Advisory Board. During the nine months ended September 30, 2022, we issued (i) 15,000 shares of common stock for services provided to us valued at $35,550 to the Chairman of our Scientific Advisory Board, (ii) 13,643 shares of common stock upon the exercise of warrants on a cashless basis, and (iii) 116,973 shares of common stock upon the exercise of options by an executive (inclusive of the shares issued during the three months ended September 30, 2022, as described in the immediately preceding sentence).

Preferred Stock

We are authorized to issue 10,000,000 shares of preferred stock with a par value of $ 0.001 per share, none of which are outstanding as of September 30, 2023 and December 31, 2022.

Common Stock

We are authorized to issue 200,000,000 shares of common stock with a par value of $ 0.001 per share, all of which are voting common stock. There were 59,429,822 and 48,105,962 shares of our common stock outstanding as of September 30, 2023 and December 31, 2022, respectively.

Common Stock Purchase Warrants

Common stock purchase warrant activity for the three and nine months ended September 30, 2023, and September 30, 2022, respectively, is as follows:

	2023		2022	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Outstanding at January 1,	2,147,778	$ 4.32	2,204,747	$ 4.39
Warrants issued	3,839,524	1.10	—	—
Warrants cancelled or expired	38,400	6.25	—	—
Outstanding at March 31,	5,948,902	$ 2.23	2,204,747	$ 4.39
Warrants exercised	—	—	13,643	0.50
Warrants cancelled or expired	—	—	112,993	4.47
Outstanding at June 30,	5,948,902	$ 2.23	2,078,111	$ 4.41
Warrants issued	8,011,289	0.90	100,000	1.44
Outstanding at September 30,	13,960,191	$ 1.47	2,178,111	$ 4.28
Vested at September 30,	7,977,957	$ 0.91	25,002	$ 3.02
Exercisable at September 30,	13,706,025	$ 1.46	1,869,778	$ 4.63

During the three-month period ended September 30, 2023, we issued (i) warrants to purchase up to an aggregate of 140,000 shares of common stock to service providers at exercise prices ranging from $0.65 to $0.95 per share, the fair market value of a share of common stock on the date of issuance, (ii) warrants to purchase up to 7,425,744 shares of common stock to accredited healthcare-focused institutional investors in connection with the registered direct offering completed on July 21, 2023, at an exercise price of $0.885 per share, and (iii) warrants to purchase up to 445,545 shares of common stock to H.C. Wainwright & Co., LLC or its designees ("Placement Agent") in connection with the registered direct offering completed on July 21, 2023, at an exercise price of $1.2625 per share. During the nine-month period ended September 30, 2023, we (i) issued warrants to purchase up to an aggregate of 11,745,813 shares of common stock at exercise prices ranging from $ 0.73 to $1.65 per share to service providers, institutional investors, and the Placement Agent and (ii) were deemed to cancel warrants to purchase 38,400 shares of common stock upon termination of warrants previously issued to placement agents associated with our Initial Public Offering in March 2018 (inclusive of the warrants issued during the three-month period ended September 30, 2023, as described in the immediately preceding sentence). During the three- and nine-month periods ended September 30, 2023, we recorded share-based compensation of $50,853 and $128,164, respectively, associated with the vesting and issuance of warrants. We expect to record an additional $16,797 of share-based compensation for time-based vesting through the end of the fiscal year 2023 and $300,000 of share-based compensation based on performance-based vesting in the future with respect to our warrants outstanding as of September 30, 2023.

During the three-month period ended September 30, 2022, we issued warrants to purchase up to an aggregate of 100,000 shares of common stock to service providers at exercise prices ranging from $0.74 to $0.84 per share, the fair market value of a share of common stock on the date of issuance. During the nine-month period ended September 30, 2022, we (i) issued warrants to purchase up to an aggregate of 100,000 shares of common stock to service providers at exercise prices ranging from $0.74 to $0.84 per share, the fair market value of a share of common stock on the date of issuance, (ii) issued 13,643 shares of common stock to a placement agent associated with a registered direct offering in November 2019 upon the exercise of warrants on a cashless basis, and (iii) were deemed to cancel warrants to purchase 112,993 shares of common stock upon termination of a warrant and warrant shares forfeited associated with a cashless exercise (inclusive of the warrants issued during the three-month period ended September 30, 2022, as described in the immediately preceding sentence). We recorded share-based compensation of $ 47,882 associated with warrants during the three and nine-month periods ended September 30, 2022.

As of September 30, 2023, we had outstanding warrants to purchase 13,960,191 shares of common stock at a weighted average exercise price of $1.47 that have been issued to various consultants, investors, and placement agents. These warrants vest immediately or over periods ranging up to 12 months, are exercisable for a period of up to five years, enable the holders to purchase shares of our common stock at exercise prices ranging from $0.73 to $7.22 per share and have per-share fair values ranging from $ 0.35 to $4.63, based on Black-Scholes-Merton pricing models. The following assumptions were used in calculation of fair market value of options via Black-Scholes-Merton pricing models for the three and nine months ended September 30, 2023:

	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2023
Expected term (in years):	2.5 - 3.0	2.5 - 3.0
Risk-free rate:	5.33% - 5.52%	4.99% - 5.52%
Volatility:	83.14%	83.14%
Dividend yield:	0%	0%

2018 Equity Incentive Plan

Our board of directors and stockholders have approved and adopted our 2018 Equity Incentive Plan ("2018 Plan"), which became effective on the completion of our IPO on April 3, 2018. The 2018 Plan provides for the grant of incentive stock options that are intended to qualify under Section 422 of the Internal Revenue Code of 1986, as amended ("ISOs"), nonstatutory stock options, stock appreciation rights, restricted stock awards, restricted stock unit ("RSU") awards, performance-based stock awards and performance-based cash awards. ISOs may be granted only to employees. All other awards may be granted to employees, including officers, and to our non-employee directors and consultants.

A total of 4,160,000 shares of common stock were initially available under the 2018 Plan, plus a number of shares of common stock (not to exceed 2,628,749 shares) subject to outstanding awards under our 2009 Equity Incentive Plan (the "2009 Plan") as of the IPO that expire, are forfeited or otherwise terminate or that are used to cover the exercise price or applicable tax withholdings. No further grants will be made under the 2009 Plan.

In addition, the number of shares of common stock reserved for issuance under the 2018 Plan automatically increases on January 1 of each year, since January 1, 2019, by 5% of the total number of shares of our common stock outstanding on December 31 of the preceding calendar year, or a lesser number of shares determined by our board of directors or a committee of our board of directors appointed to administer the 2018 Plan.

On January 1, 2022 and 2023, the number of shares of common stock reserved for issuance under the 2018 Plan was increased by an aggregate of 2,393,735 and 2,405,298 shares, respectively. As of September 30, 2023, a total of 437,281 shares of common stock remain available for issuance under the 2018 Plan.

2018 Employee Stock Purchase Plan

Our board of directors and stockholders approved and adopted our 2018 Employee Stock Purchase Plan ("ESPP"), which became effective on April 3, 2018. The ESPP has not yet been utilized as a benefit available to our employees. The ESPP authorizes the issuance of 208,050 shares of our common stock pursuant to purchase rights that may be granted to our eligible employees. The number of shares of common stock reserved for issuance under the ESPP is automatically increased on January 1 of each calendar year, beginning on January 1, 2019, by 2% of the total number of shares of our common stock outstanding on December 31 of the preceding calendar year, or a lesser number of shares determined by the administrator of the ESPP. The administrator of the ESPP determined not to increase the number of shares reserved for issuance under the ESPP on January 1, 2023.

Stock Options

As of September 30, 2023, we had outstanding stock options to purchase 11,672,036 shares of common stock that have been granted to various executives, other employees, directors, and independent contractors. These options vest immediately or over periods ranging from 12 to 48 months, are exercisable for a period of up to ten years, enable the holders to purchase shares of our common stock at exercise prices ranging from $ 0.45 to $9.80 per share and have per-share fair values ranging from $0.32 to $7.93, based on Black-Scholes-Merton pricing models. The following assumptions were used in calculation of fair market value of options via Black-Scholes-Merton pricing models for the three- and nine-months ended September 30, 2023:

	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2023
Expected term (in years):	6.0	6.0
Risk-free rate:	5.37%	4.60% – 5.73%
Volatility:	83.42%	83.14% - 83.42%
Dividend yield:	0%	0%

During the three-month period ended September 30, 2023, we (i) granted stock options to purchase an aggregate of 200,000 shares of our common stock with an exercise price of $0.45 per share to an employee, (ii) cancelled options to purchase 12,291 shares of common stock at an exercise prices ranging from $2.20 to $3.55 per share in connection with the termination of certain employees, and (iii) issued 20,000 shares of the Company's common stock upon the exercise of options held by a former board member with an exercise price of $0.30 per share. During the nine-month period ended September 30, 2023, we (i) granted stock options to purchase an aggregate of 330,000 shares of our common stock with exercise prices ranging from $0.45 to $1.51 per share to employees, (ii) cancelled options to purchase 12,291 shares of common stock at an exercise prices ranging from $ 2.20 to $3.55 per share in connection with the termination of certain employees, and (iii) issued 20,000 shares of the Company's common stock upon the exercise of options held by a former board member with an exercise price of $0.30 per share (inclusive of the options granted or cancelled, and shares issued, during the three-month period ended September 30, 2023, as described in the immediately preceding sentence).

During the three-month period ended September 30, 2022, we (i) granted stock options to purchase an aggregate of 9,000 shares of our common stock with an exercise price of $1.49 per share to employees, (ii) issued 116,973 shares of the Company's common stock upon the exercise of options held by an executive with an exercise price of $0.02 per share, and (iii) cancelled options to purchase 49,167 shares of common stock at an exercise prices ranging from $2.20 to $3.66 per share in connection with the termination of certain employees. During the nine-month period ended September 30, 2022, we (i) granted stock options to purchase an aggregate of 2,901,166 shares of our common stock with exercise prices ranging from $ 1.36 to $3.50 per share to board members, executives, other employees and consultants, and (ii) issued 116,973 shares of the Company's common stock upon the exercise of options held by an executive with an exercise price of $0.02 per share, and (iii) cancelled options to purchase 66,667 shares of common stock at an exercise prices ranging from $2.00 to $3.66 per share in connection with the termination of certain employees (inclusive of the options granted or cancelled, and shares issued, during the three-month period ended September 30, 2022, as described in the immediately preceding sentence).

The weighted average remaining contractual term for the outstanding options at September 30, 2023 and December 31, 2022 is 6.43 and 7.08 years, respectively.

Stock option activity for the nine months ended September 30, 2023 and December 31, 2022, respectively, is as follows:

	2023		2022	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding at January 1,	11,374,327	$ 3.08	8,574,301	$ 3.35
Options granted	82,500	1.43	2,404,562	2.30
Options expired or cancelled	—	—	17,500	2.00
Outstanding at March 31,	11,456,827	$ 3.07	10,961,363	$ 3.13
Options granted	47,500	0.85	487,604	1.62
Outstanding at June 30,	11,504,327	$ 3.06	11,448,967	$ 3.06
Options granted	200,000	0.45	9,000	1.49
Options exercised	20,000	0.30	116,973	0.02
Options expired or cancelled	12,291	3.12	49,167	2.74
Outstanding at September 30,	11,672,036	$ 3.02	11,291,827	$ 3.09
Vested at September 30,	620,911	$ 2.79	578,807	$ 2.94
Exercisable at September 30,	9,315,404	$ 3.14	6,579,287	$ 3.23

Restricted Stock Units

A summary of the RSU activity under the 2018 Plan during the nine months ended September 30, 2023 is presented below. These amounts include RSUs granted to executives, other employees, and board members. There was no RSU activity for the year ended December 31, 2022.

	Number of Units	Weighted Average Grant Date Fair Value
Outstanding at January 1,	—	—
Restricted stock units granted	1,913,195	1.65
Outstanding at March 31,	1,913,195	$ 1.65
Restricted stock units granted	371,385	0.74
Outstanding at June 30,	2,284,580	$ 1.50
Outstanding at September 30,	2,284,580	$ 1.50
Vested at September 30,	—	—
Expected to vest at September 30,	2,284,580	$ 1.50

Share-Based Compensation

For the three- and nine months ended September 30, 2023, our total share-based compensation was approximately $1.5 million, including $0.3 million of R&D expense and $1.2 million of G&A expense, and $4.4 million, including $1.0 million of R&D expense and $3.4 million of G&A expense, respectively, nearly all of which represents the expected vesting of options issued to executives, other employees, and service providers and RSUs issued to executives, other employees, and board members, respectively. As of September 30, 2023, our total compensation cost related to non-vested time-based stock option awards and warrants granted to executives, other employees, board members, and service providers and not yet recognized was approximately $5.9 million. We expect to record this stock-based compensation expense over the next three years using a graded vesting method. As of September 30, 2023, the weighted average term over which these expenses are expected to be recognized is 1.37 years.

For the three- and nine-month periods ended September 30, 2022, our total share-based compensation was approximately $1.2 million, including $0.2 million of R&D expense and $1.0 million of G&A expense, and $3.4 million, including $0.6 million of R&D expense and $2.8 million of G&A expense, respectively, nearly all of which represents the expected vesting of options issued to executives, other employees, and service providers, respectively.

As of September 30, 2023, there are no performance-based stock option awards outstanding and one performance-based warrant outstanding issued to a service provider. Our total compensation cost related to the non-vested performance-based warrant not yet recognized was approximately $300,000. The entirety of this warrant may be recognized and recorded upon the achievement of certain clinical milestones.

Note 5 - 401(k) Savings Plan

In 2022, we established a defined-contribution savings plan under Section 401(k) of the Internal Revenue Code ("401(k) Plan") and established an employer matching program for participants in the 401(k) Plan. The 401(k) Plan covers all employees who meet defined minimum age and service requirements, and allows participants to defer a portion of their annual compensation on a pre-tax basis. We incurred $29,817 and $120,623 of expense for matching contributions to the 401(k) Plan during the three- and nine months ended September 30, 2023, respectively. We incurred $25,631 and $51,382 of expense for matching contributions to the 401(k) Plan during the three- and nine-month periods ended September 30, 2022, respectively.

Note 6 - Related Party Transactions

Introgen Research Institute

Introgen Research Institute (“IRI”) is a Texas-based technology company formed by Rodney Varner, our President, Chief Executive Officer and Chairman of the Board and IRI's sole officer. IRI is owned by trusts of which Mr. Varner's descendants are the sole beneficiaries. In April 2009, prior to Mr. Varner becoming an officer and director of our Company in August 2012, we entered into an Assignment and Collaboration Agreement with IRI, providing us with the exclusive right to commercialize a portfolio of intellectual property. This agreement was amended in 2011 to include additional sublicensing of additional intellectual property made available to IRI from MD Anderson (See Note 7 – Commitments and Contingences – Commitments – MD Anderson Cancer Center). There were no amounts incurred or due under this agreement at September 30, 2023 and December 31, 2022.

Note 7 - Commitments and Contingencies

Commitments

MD Anderson Cancer Center

In July 2018, we entered into a two-year sponsored research agreement with MD Anderson to sponsor preclinical studies focused on the combination of REQORSA with an immunotherapy with a projected total cost of approximately $2 million. This agreement was extended beyond the original expiration date, expiring in May 2022 after giving effect to such extension. In August 2022, we entered into a three-year sponsored research agreement with MD Anderson to sponsor preclinical studies focused on REQORSA and NPRL2 in oncology to resensitize NSCLC and SCLC to targeted therapies and immunotherapies with a projected total cost of approximately $2.9 million. We incurred approximately $240,000 and $720,000 of expense from this agreement during the three- and nine-month periods ended September 30, 2023, respectively. We incurred approximately $240,000 of expense from this agreement during the three- and nine-month periods ended September 30, 2022. As of September 30, 2023, we have paid approximately $720,000 toward this $2.9 million commitment.

In 2011, we agreed to assume certain contractual and other obligations of IRI in consideration for the sublicense rights, expertise, and assistance associated with certain technologies and intellectual property originally licensed to another party under the 1994 License Agreement with MD Anderson ("Original MD Anderson License Agreement"). These technologies and intellectual property were later sublicensed to IRI (the "IRI Sublicense"). We also agreed to pay royalties of 1% on sales of certain licensed products for a period of 21 years following the termination of the later of the Original MD Anderson License Agreement and the IRI Sublicense. We assumed patent prosecution costs and an annual minimum royalty of $20,000 payable to the National Institutes of Health.

On March 3, 2021, we entered into an amendment (the "MD License Amendment") to the Patent and Technology License Agreement dated May 4, 2020, with MD Anderson. The MD License Amendment grants us a worldwide, exclusive, sublicensable license to an additional portfolio of six patents and one patent application and related technology for methods for treating cancer by administration of a TUSC2 therapy in conjunction with EGFR inhibitors or other anti-cancer therapies in patients predicted to be responsive to TUSC2 therapy. Pursuant to the MD License Amendment, we agreed to (i) pay annual maintenance fees ranging from the mid five figures to the low six figures, (ii) total milestone payments of $6,150,000, (iii) a one-time fee in the mid five figures and (iv) certain patent related expenses. We incurred $0 and $45,000 of expense from this agreement during each of the three- and nine-month periods ended September 30, 2023, respectively. We incurred $0 and $90,000 of expense from this agreement during the three- and nine-month periods ended September 30, 2022, respectively. As of September 30, 2023, we have paid approximately $320,000 toward this commitment.

National Institutes of Health

We have a royalty obligation to the National Institutes of Health ("NIH") to be paid upon our receipt of FDA approval using NIH technology. The $240,000 contingent obligation which increases annually by $20,000 and is $340,000 and $360,000 as of December 31, 2022, and September 30, 2023, respectively, and will be recognized if and when we obtain regulatory approval (the event that triggers the payment obligation).

University of Pittsburgh

Pursuant to an exclusive license agreement dated February 11, 2020, by and between us and the University of Pittsburgh, amended on August 17, 2022, and amended again on November 3, 2022, we agreed to pay (i) an initial licensing fee of $ 25,000, (ii) annual maintenance fees of $ 25,000 for the first three years and $ 40,000 for each subsequent year following the first anniversary of the agreement, (iii) royalties ranging from 1.5% to 3% of net sales of licensed technologies, (iv) an annual minimum royalty payment of $250,000 per year beginning in the year of the first commercial sale of licensed technology, (v) a share of non-royalty sublicense income of 20%, and (vi) an aggregate of $ 3,975,000 in milestone payments related to the usage of a glucagon promoter and gene therapy technologies to potentially treat Type 1 diabetes. Unless earlier terminated pursuant to its terms, the agreement expires upon the later of (i) 20 years after the first commercial sale of the licensed technology thereunder and (ii) expiration of the last valid claim under the patent rights. We incurred $0 and $25,000 of expense from this agreement during each of the three- and nine-month periods ended September 30, 2023, respectively. We incurred $ 0 and $ 25,000 of expense from this agreement during each of the three- and nine-month periods ended September 30, 2022, respectively. As of September 30, 2023, we have incurred and paid approximately $ 110,000 toward this commitment.

Pursuant to an exclusive license agreement dated November 22, 2022, by and between us and the University of Pittsburgh, we agreed to pay (i) an initial licensing fee of $25,000, (ii) annual maintenance fees of $ 25,000 for the first three years and $ 40,000 for each subsequent year following the first anniversary of the agreement, (iii) royalties ranging from 1.5% to 3% of net sales of licensed technologies, (iv) an annual minimum royalty payment of $250,000 per year beginning in the year of the first commercial sale of licensed technology, (v) a share of non-royalty sublicense income of 20%, and (vi) an aggregate of $3,975,000 in milestone payments related to the usage of a macrophage technology and gene therapy technologies to potentially treat Type 1 diabetes. Unless earlier terminated pursuant to its terms, the agreement expires upon the later of (i) 20 years after the first commercial sale of the licensed technology thereunder and (ii) expiration of the last valid claim under the patent rights. We incurred $0 and $ 25,000 of expense from this agreement during each of the three- and nine-month periods ended September 30, 2023, respectively. We did not incur expenses from this agreement during the three- or nine-month periods ended September 30, 2022. As of September 30, 2023, we have incurred and paid approximately $ 25,000 toward this commitment.

Pursuant to an exclusive license agreement dated December 29, 2022, by and between us and the University of Pittsburgh, we agreed to pay (i) an initial licensing fee of $25,000, (ii) annual maintenance fees of $ 25,000 for the first three years and $ 40,000 for each subsequent year following the first anniversary of the agreement, (iii) royalties ranging from 1.5% to 3% of net sales of licensed technologies, (iv) an annual minimum royalty payment of $250,000 per year beginning in the year of the first commercial sale of licensed technology, (v) a share of non-royalty sublicense income of 20%, and (vi) an aggregate of $3,975,000 in milestone payments related to the usage of an insulin promoter and gene therapy technologies to potentially treat Type 2 diabetes. Unless earlier terminated pursuant to its terms, the agreement expires upon the later of (i) 20 years after the first commercial sale of the licensed technology thereunder and (ii) expiration of the last valid claim under the patent rights. We incurred $0 and $ 25,000 of expense from this agreement during each of the three- and nine-month periods ended September 30, 2023, respectively. We did not incur expenses from this agreement during the three- or nine-month periods ended September 30, 2022. As of September 30, 2023, we have paid approximately $ 25,000 toward this commitment.

Pursuant to an exclusive license agreement dated July 14, 2023, by and between us and the University of Pittsburgh, we agreed to pay (i) an initial licensing fee of $25,000, (ii) annual maintenance fees of $ 25,000 for the first year, $ 50,000 for the second and third years, and $100,000 for the fourth year and each subsequent year following the fourth anniversary of the agreement thereafter until the anniversary prior to the year of the first commercial sale, (iii) royalties ranging from 1.5% to 3% of net sales of licensed technologies, (iv) an annual minimum royalty payment of $ 250,000 per year beginning in the year of the first commercial sale of licensed technology, (v) a share of non-royalty sublicense income of 20%, and (vi) an aggregate of $ 4,225,000 in milestone payments related to the usage of an MafB promoter and gene therapy technologies to potentially treat Type 1 and Type 2 diabetes. Unless earlier terminated pursuant to its terms, the agreement expires upon the later of (i) 20 years after the first commercial sale of the licensed technology thereunder and (ii) expiration of the last valid claim under the patent rights. We incurred $25,000 of expense from this agreement during each of the three- and nine-month periods ended September 30, 2023. We did not incur expenses from this agreement during the three- or nine-month periods ended September 30, 2022. As of September 30, 2023, we have paid approximately $ 25,000 toward this commitment.

Contract Development and Manufacturing Organization

We entered into a three-year development services agreement in July 2022, amended in each of January 2023 and March 2023, with a contract development and manufacturing organization to manufacture good manufacturing practices ("GMP") grade materials for use in our clinical trials with a projected total cost of approximately $4.5 million. We incurred approximately $ 33,500 and $2.5 million of expense from this agreement during the three- and nine-months ended September 30, 2023, respectively. We incurred $ 80,000 of expense from this agreement during the three- and nine-month periods ended September 30, 2022. As of September 30, 2023, we have paid approximately $2.6 million toward this commitment.

Contingencies

From time to time, we may become subject to threatened and/or asserted claims arising in the ordinary course of our business. Management is not aware of any matters, either individually or in the aggregate, that are reasonably likely to have a material impact on our financial condition, results of operations or liquidity.

Note 8 - Significant Events

Effects of the COVID-19 pandemic are still being felt in the U.S. and around the world. The availability of vaccines holds promise for the future, though new variants of the virus and potential waning immunity from vaccines may result in continued impact from this pandemic in the future, which could adversely impact our financial results or operations. Beginning in June 2021, we experienced delays in engaging clinical sites as a result of a backlog of clinical trial protocols requiring review created by an accumulation of clinical trial protocols but are presently no longer experiencing such COVID-19 pandemic-related delays. We also have experienced disruptions in our supply chain regarding our manufacturing and testing operations. We continue to closely monitor the impact of the COVID-19 pandemic on our business and workforce.

Note 9 - Subsequent Events

Share Issuance

On October 2, 2023, we issued 5,000 shares of our common stock to the Chairman of our Scientific Advisory Board in consideration for services.

Departure of Chief Technology and Manufacturing Officer

Effective as of October 20, 2023, Hemant Kumar's employment with the Company as Chief Technology and Manufacturing Officer of the Company was terminated.

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

You should read the following Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") together with our interim condensed financial statements and the related notes appearing elsewhere in this Quarterly Report on Form 10-Q. In addition to historical information, this discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results may differ materially from those discussed below. Factors that could cause or contribute to such differences include, but are not limited to, those identified below, and those discussed in the section titled "Risk Factors" included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022, in this filing, and in our other SEC filings, as may be amended, supplemented or superseded from time to time by other reports we file with the SEC. All amounts in this report are in United States ("U.S.") dollars, unless otherwise noted.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS AND INDUSTRY DATA

This Quarterly Report on Form 10-Q (this "Quarterly Report") contains forward-looking statements which are made pursuant to the safe harbor provisions of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). This Quarterly Report contains forward-looking statements that involve substantial risks and uncertainties. Unless the context requires otherwise, references to "Genprex," the "Company," "we," "us" or "our" in this Quarterly Report refer to Genprex, Inc. Any statements in this Quarterly Report about our expectations, beliefs, plans, objectives, assumptions or future events or performance are not historical facts and are forward-looking statements. These statements are often, but not always, made through the use of words or phrases such as "believe," "will," "expect," "anticipate," "estimate," "intend," "plan" and "would." For example, statements concerning financial condition, possible or assumed future results of operations, growth opportunities, industry ranking, plans and objectives of management, markets for our common stock and future management and organizational structure and statements about our current or future product candidates and their development, our beliefs regarding their preclinical or clinical profile or efficacy, and the regulatory approval process and pathway and the timing thereof, are all forward-looking statements. Forward-looking statements are not guarantees of performance. They involve known and unknown risks, uncertainties and assumptions that may cause actual results, levels of activity, performance or achievements to differ materially from any results, levels of activity, performance or achievements expressed or implied by any forward-looking statement.

Any forward-looking statements are qualified in their entirety by reference to the risk factors discussed throughout this Quarterly Report. Some of the risks, uncertainties and assumptions that could cause actual results to differ materially from estimates or projections contained in the forward-looking statements include but are not limited to:

- Our ability to maintain compliance with the continued listing requirements of The Nasdaq Capital Market;
- Market conditions;
- Our capital position;
- Our ability to compete effectively and with larger and/or better-financed biotechnology and pharmaceutical companies;
- Our uncertainty of developing marketable products;
- Our ability to develop and commercialize our products;
- Our ability to obtain regulatory approvals;
- Our ability and third-parties' ability to maintain and protect intellectual property rights;
- Our ability to raise additional future financing and possible lack of financial and other resources, our ability to continue to support and fund our pre-clinical and clinical development programs and growth of our business, and expectations regarding our ability to continue as a going concern;
- The effects and ultimate impact of public health crises such as the coronavirus pandemic, or any other health epidemic, on our business, our clinical trials, our research programs, healthcare systems or the global economy as a whole;

- The success of our clinical trials through all phases of clinical development, including the ability of our third-party suppliers or manufacturers to supply or manufacture our products on a timely, consistent basis in a manner sufficient and appropriate as is commensurate to meet our clinical trial timing, courses of treatment, and other requisite fulfillment considerations necessary to adequately advance our development programs;
- Our ability to conduct and complete our clinical trials in accordance with projected timelines;
- Any delays in regulatory review and approval of our current and future product candidates;
- Our dependence on third-party suppliers or manufacturers to supply or manufacture our key ingredients and/or raw materials, products and/or product components and successfully carry out a sustainable, reproducible and scalable manufacturing process in accordance with specifications or applicable regulations;
- Our ability to control product development costs;
- Our ability to attract and retain key employees;
- Our ability to enter into new strategic collaborations, licensing or other arrangements;
- Changes in government regulation affecting product candidates that could increase our development costs;
- Our involvement in patent, trademark and other intellectual property litigation that could be expensive and divert management's attention;
- The possibility that there may be no market acceptance for our products; and
- Changes in third-party reimbursement policies which could adversely affect potential future sales of any of our products that are approved for marketing.

The foregoing list sets forth some, but not all, of the factors that could affect our ability to achieve results described in any forward-looking statements, which speak only as of the date of this Quarterly Report or the date of the document incorporated by reference into this Quarterly Report. Except as required by law, we assume no obligation and expressly disclaim any duty to update any forward-looking statement to reflect events or circumstances after the date of this Quarterly Report or to reflect the occurrence of unanticipated events. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements contained in this Quarterly Report. All forward-looking statements are expressly qualified in their entirety by the cautionary statements contained in this section.

Overview

We are a clinical stage gene therapy company pioneering the development of gene-based therapies for large patient populations with unmet medical needs. Our oncology platform utilizes our non-viral ONCOPREX® Nanoparticle Delivery System. Using this system, plasmids containing tumor suppressor genes, which are deleted early in the development of cancer, are encapsulated within lipid nanoparticles and administered intravenously to the patient to re-express the deleted tumor suppressor genes. Our diabetes technology is designed to work in Type 1 diabetes by transforming alpha cells in the pancreas into functional beta-like cells, which can produce insulin but may be distinct enough from beta cells to evade the body's immune system. In Type 2 diabetes, our technology is believed to work by replenishing and rejuvenating the beta cells that make insulin.

Oncology Platform

Our lead oncology drug candidate, REQORSA® Immunogene Therapy (generic name: quaratusugene ozeplasmid), previously referred to as GPX-001, uses theONCOPREXNanoparticle Delivery System to deliver DNA plasmids that express the TUSC2 tumor suppressor gene and is initially being developed in combination with prominent approved cancer drugs to treat Non-Small Cell Lung Cancer ("NSCLC") and Small Cell Lung Cancer ("SCLC"). REQORSA has a multimodal mechanism of action whereby it interrupts cell signaling pathways that cause replication and proliferation of cancer cells, re-establishes pathways for apoptosis (programmed cell death) in cancer cells, and modulates the immune response against cancer cells. In early studies, REQORSA has been shown to be complementary with targeted drugs and immunotherapies. Our strategy is to develop REQORSA in combination with current approved therapies and we believe REQORSA's unique attributes position it to provide treatments that improve on these current therapies for patients with NSCLC, SCLC, and possibly other cancers.

Acclaim-1:The Acclaim-1 study is a Phase 1/2 clinical trial that has three portions - a Phase 1 dose escalation portion, a Phase 2 expansion portion, and a Phase 2 randomized portion. Acclaim-1 uses a combination of REQORSA and AstraZeneca's Tagrisso® in patients with late-stage NSCLC that has activating epidermal growth factor receptor ("EGFR") mutations and progression after treatment with Tagrisso. In October 2023, one of our clinical collaborators presented in a poster presentation at the 2023 AACR-NCI-EORTC International Conference on Molecular Targets and Cancer Therapeutics the Phase 1 results of the Acclaim-1 study. The reported results showed no dose limiting toxicities ("DLTs"), established a Phase 2 recommended dose of 0.12 mg/kg (the highest dose level administered in the trial) and provided data showing early efficacy of REQORSA in combination with Tagrisso. Specifically, it showed of the 12 patients treated with escalating doses of REQORSA and standard doses of Tagrisso, all of whom had progressed on Tagrisso containing regimens, two patients experienced prolonged time to progression, including one with continuing partial response. Additionally, a third patient, at the highest dose, has stable disease, is continuing to receive treatment and thus is a candidate for prolonged time to progression. REQORSA administration was generally well tolerated, which we believe is why there were no DLTs. The administration was associated with a delayed infusion-related reaction of muscle aches, fever and chills in some patients, which we believe is similar to reactions seen with the administration of antibodies routinely used in oncology treatment. This was managed with prophylactic steroids, acetaminophen and diphenhydramine, and symptoms decreased with repeat cycles. We believe this new mechanism and novel approach targeting lung cancer, which comes with a strong safety profile and early signs of efficacy, is paving new ground in the fight against lung cancer. In May 2023, after completion of the Phase 1 portion of the Acclaim-1 trial, the Safety Review Committee ("SRC") approved advancement from the Phase 1 dose escalation portion of the trial to the Phase 2 expansion portion of the trial.

The Phase 2 expansion portion of the trial is expected to enroll approximately 66 patients;half will be patients who received only prior Tagrisso treatment and the other half will be patients who received prior Tagrisso treatment and chemotherapy, in order to determine toxicity profiles of patients with different eligibility criteria, as well as efficacy and other endpoints. There will be an interim analysis following the treatment of 19 patients in each cohort.In preparation for the Phase 2 expansion portion of the trial, we are in the process of adding additional clinical sites. The Food and Drug Administration ("FDA") has granted Fast Track Designation for the Acclaim-1treatment combination of REQORSA and Tagrisso in NSCLC patients who have progressed after Tagrisso treatment. We are working towards opening the Phase 2 expansion portion of the trial for enrollment as soon as reasonably practicable and expect this will occur between December 2023 and the end of the first quarter of 2024, subject to the availability of a new batch of REQORSA.

Acclaim-2: The Acclaim-2 study is a Phase 1/2 clinical trial that has three portions - a Phase 1 dose escalation portion, a Phase 2 expansion portion, and a Phase 2 randomized portion. The Phase 1 dose escalation portion of Acclaim-2 is open for enrollment but currently not treating patients.The Acclaim-2trial uses a combination of REQORSA and Merck & Co.'s Keytruda® in patients with late-stage NSCLC whose disease has progressed after treatment with Keytruda. Patients are treated at the 0.06 mg/kg dose level in the first cohort of patients and, subject to the Acclaim-2 Safety Review Committee approval, will be treated at successive dose levels of 0.09 mg/kg and 0.12 mg/kg. The FDA has granted Fast Track Designation for the Acclaim-2treatment combination of REQORSA and Keytruda in NSCLC patients who have progressed after Keytruda treatment. We expect enrollment in the dose escalation portion of the study to be completed in the second half of 2024, depending on the timing of the availability of a new batch of REQORSA. The Acclaim-2 study has experienced slower than expected patient enrollment, which we primarily attribute to the large number of clinical trials being conducted that seek to combine an investigational drug with Keytruda in the relapsed setting.

Acclaim-3: The Acclaim-3 study has two portions - a Phase 1 dose escalation portion and a Phase 2 expansion portion. In November 2022, we filed with the FDA our protocol for our Phase 1/2 Acclaim-3 clinical trial using a combination of REQORSA and Genentech, Inc.'s Tecentriq® as maintenance therapy in patients with extensive stage small cell lung cancer ("ES-SCLC") who did not develop tumor progression after receiving Tecentriq and chemotherapy as initial standard treatment. We are working towards opening the Phase 1 dose escalation portion of the trial for enrollment as soon as reasonably practicable and expect this will occur between December 2023 and the end of the first quarter of 2024, subject to the availability of a new batch of REQORSA. Patients will be treated with REQORSA and Tecentriq until disease progression or unacceptable toxicity is experienced.In June 2023, the FDA granted Fast Track Designation for the Acclaim-3 treatment combination of REQORSA and Tecentriq as maintenance therapy in patients with ES-SCLC who did not develop tumor progression after receiving Tecentriq and chemotherapy as initial standard treatment. In August 2023, the FDA granted Orphan Drug Designation to REQORSA for the treatment of SCLC.

We have experienced a delay in the successful production of a new batch of REQORSAin connection with our transition to a lipid nanoparticle ("LNP") third party contract development and manufacturing organization ("LNP CDMO") with advanced and automated processes that we believe ultimately will allow us to more efficiently scale our product as we increase production for our trials. We currently estimate that we have enough REQORSA to treat patients receiving REQORSA in our ongoing clinical trials through December 2023. In the event we have not produced another batch of REQORSA by the time we have used our inventory of REQORSA, treatment of patients in our ongoing Acclaim-1 and Acclaim-2 clinical trials and pending enrollment of patients in our Acclaim-1, Acclaim-2 and Acclaim-3 clinical trials would be delayed until a new batch of REQORSA is successfully produced. We expect to produce a new batch of REQORSA between December 2023 and the end of the first quarter of 2024.

In April 2023, at the 2023 Annual Meeting of the American Association of Cancer Researchers (AACR 2023), we presented data that we believe further validates our ONCOPREX Nanoparticle Delivery System platform. Thesepositive pre-clinical data were reported from our University of Texas MD Anderson Cancer Center ("MD Anderson") collaborators and documentedthe successful delivery of a second tumor suppressor gene, the NPRL2 tumor suppressor gene.The studies used the ONCOPREXNanoparticle Delivery System to express the NPRL2 gene inanti-PD1 resistant, metastatic human NSCLCs in humanized mouse models. We believe these studies of NPRL2 provide solid data that the ONCOPREXNanoparticle Delivery System is a platform that can be used with multiple tumor suppressor genes.

The TUSC2 gene is one of a series of tumor suppressor genes on the short arm of Chromosome 3. The therapeutic use of TUSC2 is covered by our exclusive worldwide licenses from MD Anderson. NPRL2 is another tumor suppressor gene also located on the short arm of Chromosome 3 and we have filed for patent protection for its therapeutic use. We believe that our ONCOPREX Nanoparticle Delivery System may allowfor delivery of a number of other cancer-fighting genes, alone or in combination with other cancer therapies, to combat multiple types of cancer. In August 2022, we entered into a three-year sponsored research agreement with MD Anderson to support further pre-clinical studies of TUSC2 and NPRL2.

Diabetes Gene Therapy

In diabetes, we have exclusively licensed from the University of Pittsburgh of the Commonwealth System of Higher Education ("University of Pittsburgh") multiple technologies relating to the development of a gene therapy product for each of Type 1 and Type 2 diabetes.The same general novel approach is used in each of Type 1 and Type 2 whereby an adeno-associated virus ("AAV") vector containing the Pdx1 and MafA genes is administered directly into the pancreatic duct. In humans, we believe this can be done with a routine endoscopy procedure. Our diabetes product candidates are currently being evaluated and optimized in preclinical animal studies at the University of Pittsburgh. GPX-002 is being developed for the treatment of Type 1 diabetes and GPX-003 is being developed for the treatment of Type 2 diabetes. GPX-002 is designed to work by transforming alpha cells in the pancreas into functional beta-like cells, which can produce insulin but may be distinct enough from beta cells to evade the body's immune system. GPX-003 is believed to work by replenishing and rejuvenating the beta cells that make insulin. We expect to finalize our constructs and request to meet with the FDA before the end of 2023 to obtain their guidance on the toxicology studies that we plan to conduct.In October 2023, we entered into a one-year extension to our August 2022 sponsored research agreement with the University of Pittsburgh for the use of GPX-003 in a non-human primate ("NHP") model of Type 2 diabetes. The extension includes a revised research plan to encompass our most recent technologies to which we acquired exclusive rights from the University of Pittsburgh in July 2023. In February 2023, our research collaborators at the University of Pittsburgh presented preclinical data in a NHP model of Type 1 diabetes highlighting the therapeutic potential of GPX-002 at the 16th International Conference on Advanced Technologies & Treatments for Diabetes (ATTD 2023) in Berlin, Germany. The study results showed the treated animals had statistically significant decreased insulin requirements, increased c-peptide levels, and improved glucose tolerance compared to baseline. In July 2023, we entered into an exclusive license agreement with the University of Pittsburgh related to a gene therapy for both Type 1 and Type 2 diabetes using a MafB promoter to drive expression of the Pdx1 and MafA transcription factors.

JOBS Act

On April 5, 2012, the JOBS Act was enacted. Section 107 of the JOBS Act provides that an "emerging growth company" can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. In other words, an "emerging growth company" can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. Although we are currently an emerging growth company, we have irrevocably elected not to avail ourselves of this extended transition period and, as a result, we will adopt new or revised accounting standards on the relevant dates on which adoption of such standards is required for other public companies. We have implemented all new accounting pronouncements that are in effect and may affect our financial statements, and we do not believe that there are any other new accounting pronouncements that have been issued that would have a material impact on our financial position or results of operations.

Notwithstanding the foregoing, subject to certain conditions set forth in the JOBS Act, as an "emerging growth company," we intend to rely on certain exemptions, including, without limitation, the exemption from the requirements (i) to provide an auditor's attestation report on our system of internal controls over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act, and (ii) to comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements, known as the auditor discussion and analysis. We expect that our eligibility to qualify as an "emerging growth company" will end on December 31, 2023, the last day of our fiscal year following the fifth anniversary of the date of our initial public offering.

Recently Issued Accounting Pronouncements

A description of recently issued accounting pronouncements that may potentially impact our financial position and results of operations is disclosed in Note 2 to our interim condensed financial statements appearing in this Quarterly Report on Form 10-Q.

Critical Accounting Estimates

Our unaudited condensed financial statements have been prepared in accordance with generally accepted accounting principles in the U.S. ("U.S. GAAP"). The preparation of these unaudited condensed financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the unaudited condensed financial statements, and the reported amounts of expenses incurred during the reporting periods. Our estimates are based on our historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

We believe that the following accounting policies are the most critical to aid in fully understanding and evaluating our reported financial results, and they require our most difficult, subjective or complex judgments, resulting from the need to make estimates about the effect of matters that are inherently uncertain**.**

Research and Development Costs

We record accrued expenses for costs invoiced from research and development activities conducted on our behalf by third-party service providers, which include the conduct of preclinical studies and clinical trials and contract research, manufacturing, and testing activities. We record the costs of research and development activities based upon the amount of services provided, and we include these costs in accrued liabilities in the unaudited condensed balance sheets and within research and development expense in the unaudited condensed statements of operations. These costs are a significant component of our research and development expenses. Purchased materials to be used in future research are valued at cost and capitalized and included in research and development supplies.

We estimate the amount of work completed through discussions with internal personnel and external service providers as to the progress or stage of completion of the services and the agreed-upon fee to be paid for such services. We make significant judgments and estimates in determining the accrued balance in each reporting period. As actual costs become known, we adjust our accrued estimates. Although we do not expect our estimates to be materially different from amounts actually incurred, our understanding of the status and timing of services performed, the number of patients enrolled and the rate of patient enrollment in any of our clinical trials may vary from our estimates and could result in our reporting amounts that are too high or too low in any particular period. Our accrued expenses are dependent, in part, upon the receipt of timely and accurate reporting from contract research organizations ("CROs") and other third-party service providers.

Impairment of Long-Lived Assets

Management reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be realizable or at a minimum annually during the fourth quarter of the year. If an evaluation is required, the estimated future undiscounted cash flows associated with the asset are compared to the asset's carrying value to determine if an impairment of such asset is necessary. The effect of any impairment would be to expense the difference between the fair value of such asset and its carrying value based upon discounted cash flows.

Components of our Results of Operations and Financial Condition

Operating expenses

We classify our operating expenses into three categories: research and development, general and administrative, and depreciation.

Research and development. Research and development expenses consist primarily of:

- costs incurred to conduct research, such as the discovery and development of our current and potential product candidates;
- costs related to the production and storage of supplies for engineering purposes and storage and usage of clinical supplies, including waste created in the process of producing clinical materials, spoilage, and testing of clinical materials;
- costs related to the use of contract manufacturers, manufacturing consultants, testing organizations, cold-storage facilities, and logistics service providers;
- fees paid to clinical consultants, clinical trial sites and vendors, including CROs in conjunction with implementing and monitoring our clinical trials and acquiring and evaluating clinical trial data, including all related fees, such as patient screening fees, laboratory work, and statistical compilation and analysis;
- costs related to compliance with drug development regulatory requirements; and
- costs related to staffing and personnel associated with research and development activities, including wages, taxes, benefits, leases, overheads, supplies, and share-based compensation.

We recognize all research and development costs as they are incurred. Clinical trial costs, contract manufacturing and other development costs incurred by third-parties are expensed as the contracted work is performed.

We expect our research and development expenses to increase in the future as we (i) advance our current and future product candidates into and through clinical trials, (ii) transition some of our manufacturing activities to new vendors for a variety of reasons, including to incorporate more advanced processes and scale production, where additional work has been required to successfully adapt our process to these new processes, (iii) pursue regulatory approval of our current and potential product candidates in the U.S. and Europe, and (iv) expand our research programs to include new therapies and new therapy combinations. The process of conducting the necessary pre-clinical and clinical research to obtain regulatory approval is costly and time-consuming. The actual probability of success for our current and potential product candidates may be affected by a variety of factors including the quality of our current and potential product candidates, early clinical data, investment in our clinical program, competition, manufacturing capability and commercial viability, and limited contracted partners. We may never succeed in achieving regulatory approval for any of our current or future product candidates. As a result of the uncertainties discussed above, we are unable to determine the duration and completion costs of our research and development projects or when and to what extent we will generate revenue from the commercialization and sale of our product candidates, if at all.

General and administrative. General and administrative expense consists of personnel related costs, which include administrative and executive salaries, as well as the costs of professional services, such as accounting and legal, travel, facilities, information technology and other administrative expenses. We expect our general and administrative expense to increase in future periods due to the anticipated growth of our business and related infrastructure as well as accounting, insurance, investor relations, and other costs associated with being a public company.

Depreciation. Depreciation expense consists of depreciation from our fixed assets consisting of our property, equipment, and furniture. We depreciate our assets over their estimated useful life. We estimate furniture and computer and office equipment to have a five-year life.

Results of Operations

Comparison of the Three and Nine Months Ended September 30, 2023, and 2022

The following summarizes our results of operations for the three and nine months ended September 30, 2023 and 2022.

Research and Development Expense

Research and Development ("R&D") expense for the three months ended September 30, 2023 was $4,616,546, compared to $3,157,731 for the three months ended September 30, 2022, an increase of $1,458,815, or 46%. This increase was primarily due to (i) increased manufacturing costs, including the manufacture of new batches of clinical materials, additional work required to be undertaken by new vendors to successfully adapt our process to their new processes, and associated quality testing with CDMOs, (ii) increased usage of our CROs for our Acclaim-1 and Acclaim-2 clinical trials, (iii) increased usage of third-parties for R&D activities, and (iv) increases in R&D overheads due to an increase in R&D personnel from 12 employees at September 30, 2022 to 18 employees on September 30, 2023 to support our manufacturing and pre-clinical and clinical programs.

R&D expense for the nine months ended September 30, 2023, was $13,903,611, compared to $8,124,884 for the nine months ended September 30, 2022. This increase of $5,778,727, or 71%, is primarily due to (i) increased manufacturing costs, including the manufacture of new batches of clinical materials, additional work required to be undertaken by new vendors to successfully adapt our process to their new processes, and associated quality testing with CDMOs, (ii) increased usage of our CROs to manage and maintain our Acclaim-1 and Acclaim-2 clinical trials and initiate our planned Acclaim-3 clinical trial, (iii) increased usage of third-parties for R&D activities, and (iv) an increase in R&D personnel from 12 employees at September 30, 2022 to 18 employees on September 30, 2023 to support our manufacturing and pre-clinical and clinical programs.

General and Administrative Expense

General and administrative ("G&A") expense for the three months ended September 30, 2023 was $3,166,057, compared to $3,006,484 for the three months ended September 30, 2022, an increase of $159,573, or 5%. This increase was primarily due to increases in G&A headcount, professional services, share-based compensation, and offering expenses including placement agent fees associated with our July 2023 registered direct offering.

G&A expense for the nine months ended September 30, 2023, was $11,173,643, compared to $9,107,141 for the nine months ended September 30, 2022. This increase of $2,066,502, or 23%, is primarily due to increases in G&A personnel from 10 employees at September 30, 2022 to 13 employees on September 30, 2023, increased usage in third-parties, including consultants, professional service providers, and legal fees, increases in share-based compensation, and increases attributable to offering expenses including placement agent fees from registered direct offerings in February and July of 2023.

Interest Income. Interest income was $51,391 and $27,877 for the three months ended September 30, 2023 and 2022, respectively, representing an increase of $23,514. The increase associated with interest income for the three months ended September 30, 2023 was primarily due to cashback incentives associated with credit cards and changes in interest rates associated with the cash balances held in money market instruments.

Interest income was $175,413 and $34,500 for the nine months ended September 30, 2023 and 2022, respectively, representing an increase of $140,913. The increase associated with interest income for the nine months ended September 30, 2023 was primarily due to cashback incentives associated with credit cards and changes in interest rates associated with the cash balances held in money market instruments.

Depreciation Expense. Depreciation expense was $3,724 and $6,224 for the three months ended September 30, 2023 and 2022, respectively, representing a decrease of $2,500, or 40%. The changes in associated depreciation expense for the three months ended September 30, 2023 was primarily due to the timing of purchases of computer equipment for new employees and changes to accounting policies related to depreciation.

Depreciation expense was $11,578 and $19,497 for the nine months ended September 30, 2023 and 2022, respectively, representing a decrease of $7,919. The decrease associated with depreciation expense for the nine months ended September 30, 2023 was primarily due to the timing of purchases of computer equipment for new employees and changes to accounting policies related to depreciation.

Net Loss. We had a net loss of $7,748,243 and $6,142,562 for the three months ended September 30, 2023 and 2022, respectively, representing an increase of $1,605,681, or 26%. We had a net loss of $24,931,209 and $17,217,022 for the nine months ended September 30, 2023 and 2022, respectively, representing an increase of $7,714,187, or 45%. The increases in net loss between these periods were primarily due to an increase in headcount from 22 to 31 employees since September 30, 2022, as well as the addition of new CDMO partners and increases in manufacturing and testing, and the expansion of our clinical programs to manage and maintain our Acclaim-1 and Acclaim-2 clinical trials and our planned Acclaim-3 clinical trial.

Liquidity and Capital Resources

From inception through September 30, 2023, we have never generated revenue from product sales and have incurred net losses in each year. As of September 30, 2023, we had an accumulated deficit of $127,759,028. We have funded our operations primarily through the sale and issuance of capital stock. For the year ended December 31, 2022, we sold an aggregate of 3,886 shares of common stock for total net proceeds of $4,532 pursuant to our ATM Facility as governed by the Equity Distribution Agreement (as further described below) and issued 116,973 shares of common stock upon the exercise of options for gross proceeds of $1,755. During the nine months ended September 30, 2023, we (i) sold 53,592 shares of common stock for aggregate net proceeds of $78,355 pursuant to our ATM Facility, (ii) issued 20,000 shares of common stock upon the exercise of stock options of a former board member for gross proceeds of $5,960, and (iii) completed registered direct offerings in which we sold 11,235,268 shares of our common stock and warrants to purchase 11,235,268 shares of our common stock to accredited healthcare-focused institutional investors for aggregate net proceeds of approximately $10.5 million. See also "Note 4 - Equity - Registered Direct Offerings" to our interim condensed financial statements included in this Quarterly Report on Form 10-Q.

On November 18, 2022, we entered into our Equity Distribution Agreement (the "Sales Agreement") with JMP Securities LLC as Agent, with respect to an at-the-market offering program (our “ATM Facility”) under which we may offer and sell, from time to time at our sole discretion, shares of our common stock, having an aggregate offering price of up to $50.0 million through the Agent. We have agreed to pay the Agent a commission equal to three percent (3%) of the gross sales proceeds of any shares sold through the Agent under the Sales Agreement and also have provided the Agent with customary indemnification and contribution rights. See also "Note 4 - Equity - At-The-Market Offering" to our interim condensed financial statements included in this Quarterly Report on Form 10-Q.

As of September 30, 2023, we had $11,711,319 in cash and cash equivalents.

We do not expect to generate revenue from product sales unless and until we successfully complete development of, obtain regulatory approval for and begin to commercialize one or more of our current or potential product candidates, which we expect will take a number of years and which is subject to significant uncertainty. Accordingly, we anticipate that we will need to raise additional capital to fund our future operations, which include conducting our Acclaim-1, Acclaim-2, and/or Acclaim-3 clinical trials and completing pre-clinical work for potential other oncology candidates and completing pre-clinical work and conducting clinical trials for our diabetes program. We have completed the Phase 1 dose escalation portion of the Acclaim-1 trial and on May 25, 2023, the Acclaim-1 SRC approved advancement to the Phase 2 expansion portion of the trial. We continue to work towards the completion of enrollment in the Phase 1 dose escalation portion of the Acclaim-2 trial and we are working towards opening both the Phase 2 expansion portion of the Acclaim-1 trial and the Phase 1 dose escalation portion of the Acclaim-3 trial for enrollment as soon as reasonably practicable and expect they will occur between December 2023 and the end of the first quarter of 2024, subject to the availability of a new batch of REQORSA. Until such time as we can generate substantial revenue from product sales, if ever, we expect to finance our operating activities through a combination of equity offerings, at-the-market offering program drawdowns, and debt financings and we may seek to raise additional capital through strategic collaborations or transactions. However, we may be unable to raise additional funds or enter into such arrangements when needed on favorable terms, or at all, which would have a negative impact on our financial condition and could force us to delay, limit, reduce or terminate our research and development programs or commercialization efforts or grant rights to others to develop or market product candidates that we would otherwise prefer to develop and market ourselves. Failure to receive additional funding could cause us to curtail or cease our operations. Furthermore, even if we believe we have sufficient funds for our current or future operating plans, we may seek additional capital due to favorable market conditions or strategic considerations.

Based on our current cash and cash equivalents, we estimate that we will be able to fund our expenditure requirements for our necessary operations and expected clinical trial activities into the second quarter of 2024. We have based these estimates on assumptions that may prove to be wrong, and we could utilize our available capital resources sooner than we currently plan due to incorrect assumptions or due to a decision to expand our activities beyond those currently planned. We previously have experienced delays in engaging clinical sites as a result of disruptions at these clinical sites caused by the COVID-19 pandemic. We also have experienced delays in clinical trial enrollment as a result of competition for patients and additional time required in connection with our transition to the new LNP CDMO and manufacture of final drug product. Delays in the conduct of our trials could result in utilizing our capital resources sooner without advancing our clinical trials as anticipated.

The following table sets forth the primary sources and uses of cash and cash equivalents during the nine months ended September 30, 2023, and 2022:

	Nine Months Ended September 30,	
	2023	2022
Net cash used in operating activities	$ (19,774,734)	$ (13,074,840)
Net cash used in investing activities	(61,383)	(39,737)
Net cash provided by financing activities	10,593,367	1,754
Net decrease in cash and cash equivalents	$ (9,242,750)	$ (13,112,823)

Cash used in operating activities

Net cash used in operating activities was $19,774,734 and $13,074,840 for the nine months ended September 30, 2023, and 2022, respectively, an increase of $6,699,894, or 51%. This increase was primarily due to our personnel expenses growing as a result of an increase in headcount from 22 to 31 employees as well as increases in contract manufacturing and clinical operation expenses associated with our Acclaim-1 and Acclaim-2 trials and our planned Acclaim-3 clinical trial.

Cash used in investing activities

Net cash used in investing activities was $61,383 and $39,737 for the nine months ended September 30, 2023, and 2022, respectively, an increase of $21,646. This increase was primarily due to timing associated with prosecution costs of our intellectual property.

Cash provided by financing activities

Net cash provided by financing activities was $10,593,367 and $1,754 during the nine months ended September 30, 2023, and 2022, respectively. This increase of $10,591,613 was primarily due to sales of common stock in capital raising activities during the nine months ended September 30, 2023.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The Company is not required to provide the information required by this Item as it is a “smaller reporting company,” as defined in Rule 12b-2 of the Exchange Act.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As required by Rules 13a-15(b) and 15d-15(b) of the Exchange Act, our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of September 30, 2023. The term “disclosure controls and procedures” as defined in Rules 13a-15(e) and 15d-15(e) under 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 officer, as appropriate to allow timely decisions regarding required disclosure. Based on that evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that, because of certain material weaknesses in our internal controls over financial reporting, our disclosure controls and procedures were not effective as of September 30, 2023. The material weaknesses relate to a lack of segregation of duties between accounting and other functions and the absence of sufficient depth of in-house accounting personnel with the ability to properly account for complex transactions.

Due to our size and nature, segregation of all conflicting duties may not always be possible and may not be economically feasible. However, to the extent possible, the initiation of transactions, the custody of assets and the recording of transactions are performed by separate individuals. Our size and nature also do not allow for our accounting staff to have depth of expertise in all areas that might be desirable, such as expertise in accounting for a variety of complex transactions. Management evaluated the impact of our failure to maintain effective segregation of duties and sufficient depth of personnel on our assessment of our internal control over financial reporting and has concluded that these control deficiencies represent material weaknesses.

In response to the material weaknesses described above, during the quarter ended September 30, 2023, we performed additional analysis and other post-closing procedures to ensure our financial statements were prepared in accordance with U.S. GAAP. Accordingly, we believe that the financial statements included in this report fairly present, in all material respects, our financial condition, results of operations and cash flows for the periods presented.

Remediation Plans

Management is actively engaged in remediation efforts to address the material weaknesses identified in the management’s evaluation of internal controls and procedures. The remediation efforts, which have been or are in the process of being implemented, are intended to address the identified material weaknesses, and include:

- new accounting software, processes, and workflows to further segregate duties among limited accounting staff;
- specific review procedures, including the added involvement of our General Counsel to review certain accounting transactions following a given period in an effort to enhance accuracy of reporting;
- specific review procedures, including the added involvement of our manufacturing staff to enhance controls associated with the tracking and reporting of inventory values in our supply chain;
- a formal Disclosure Committee that has oversight responsibility for the accuracy and timeliness of disclosures made by us through controls and procedures and the monitoring of their integrity and effectiveness; and
- additional hiring of staff and development of accounting processes and policies to further segregate accounting responsibilities and increase the depth of our expertise in accounting for a variety of complex transactions.

During the quarter ended September 30, 2023, we took actions to remediate the material weaknesses relating to our internal controls over financial reporting including: (i) continued evaluation and documentation of processes and controls, (ii) identification and implementation of improvements to information technology and security controls and documentation, (iii) improvements to software workflows to further segregate duties, and (iv) completion of training programs for key accounting and finance personnel related to internal controls and implementation of COSO Framework.

As management continues to evaluate and work to improve its internal control over financial reporting, we may take additional measures to address control deficiencies, or we may modify certain of the remediation measures described above. While remediation efforts are active, management requires additional time to demonstrate the operating effectiveness of our remediation efforts. The material weaknesses cannot be considered remediated until the applicable remedial controls operate for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively.

Changes in Internal Control over Financial Reporting

Except as described above, there were no changes in our internal control over financial reporting during the quarter ended September 30, 2023, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations of Disclosure Controls and Internal Control over Financial Reporting

Because of their inherent limitations, our disclosure controls and procedures and our internal control over financial reporting may not prevent material errors or fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. The effectiveness of our disclosure controls and procedures and our internal control over financial reporting is subject to risks, including that the controls may become inadequate because of changes in conditions or that the degree of compliance with our policies or procedures may deteriorate.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we may become involved in various lawsuits and legal proceedings, which arise in the ordinary course of business. Litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our business. We are currently not aware of any such legal proceedings or claims that will have, individually or in the aggregate, a material adverse effect on our business, financial condition, or operating results.

Item 1A. Risk Factors

Our business is subject to substantial risks and uncertainties. An investment in our common stock involves a high degree of risk. You should carefully consider the risk factors in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2022, filed with the SEC on March 31, 2023, together with the information contained elsewhere in this report, including Part I, Item 1 "Financial Statements" and Part I, Item 2. "Management's Discussion and Analysis of Financial Condition and Results of Operations," and in our other SEC filings in evaluating our business. These risks and uncertainties could materially and adversely affect our business, financial condition, operating results, prospects for growth, and the value of an investment in our common stock. Such risks referenced above together with the additional risks set out below are not the only risks that 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, operating results, prospectus for growth, and the value of an investment in our common stock. If any of the events described in such risks occur, our business, financial condition, results of operations and prospectus for growth could be materially adversely affected. In such case, the value and trading price of our common stock could decline, and you may lose all or part of your investment.

Except as set forth below, there were no material changes to the risk factors previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2022, filed with the SEC on March 31, 2023.

If we fail to regain compliance with the continued listing requirements of Nasdaq, our common stock may be delisted and the price of our common stock and our ability to access the capital markets could be negatively impacted.

Our common stock is currently listed for trading on Nasdaq. On August 30, 2023, we received notice from Nasdaq indicating that we are not in compliance with the requirement to maintain a minimum bid price of $1.00 per share for continued listing on Nasdaq (the "minimum closing bid price requirement"). We were provided an initial compliance period of 180 calendar days from the date of the notice, or until February 26, 2024, to regain compliance with the minimum closing bid price requirement, pursuant to Nasdaq Listing Rule 5810(c)(3)(A). We may be eligible for an additional 180 calendar day compliance period. There can be no assurance that we will regain compliance with the minimum closing bid price requirement during the 180-day compliance period, secure a second period of 180 days to regain compliance or maintain compliance with the other Nasdaq listing requirements.

We will continue to monitor the closing bid price of our common stock and assess potential actions to regain compliance with the minimum closing bid price requirement and may, if appropriate, consider and effectuate available options, including implementation of a reverse stock split of our common stock. If we implement a reverse stock split in order to remain listed on Nasdaq, the announcement or implementation of such a reverse stock split could negatively affect the price of our common stock.

We must regain compliance with Nasdaq's minimum closing bid price requirement of $1.00 per share (and must continue to maintain compliance with Nasdaq's other continued listing requirements), or risk delisting, which could have a material adverse effect on our business. If our common stock is delisted from Nasdaq, it could materially reduce the liquidity of our common stock and result in a corresponding material reduction in the price of our common stock as a result of the loss of market efficiencies associated with Nasdaq and the loss of federal preemption of state securities laws. In addition, delisting could harm our ability to raise capital through alternative financing sources on terms acceptable to us, or at all, and may result in the potential loss of confidence by investors, suppliers, contractual counterparties, and employees and fewer business development opportunities. If our common stock were delisted, it could be more difficult to buy or sell our common stock or to obtain accurate quotations, and the price of our common stock could suffer a material decline. Delisting could also impair our ability to raise capital on acceptable terms, if at all.

Our recurring losses from operations have raised substantial doubt regarding our ability to continue as a going concern.

We have recognized recurring losses, and as of September 30, 2023, had an accumulated deficit of approximately $128.8 million. We anticipate operating losses to continue for the foreseeable future due to, among other things expenses related to ongoing activities to research, develop and commercialize our product candidates. We expect the cash and cash equivalents of approximately $11.7 million at September 30, 2023 to be insufficient to meet our operating and capital requirements at least 12 months from the filing of this Quarterly Report on Form 10-Q. Our forecast of the period of time through which our current financial resources will be adequate to support our operations and the costs to support our general and administrative and research and development activities are forward-looking statements and involve risks and uncertainties. The financial statements do not include any adjustments that might be necessary should we be unable to continue as a going concern.

As further described below, our ability to continue as a going concern is dependent on our ability to raise additional working capital through public or private equity or debt financings or other sources, which may include collaborations with third parties as well as disciplined cash spending. Should we be unable to raise sufficient additional capital, we may be required to undertake cost-cutting measures including delaying or discontinuing certain clinical activities. The sale of equity and convertible debt securities may result in dilution to our stockholders and certain of those securities may have rights senior to those of our common stock. If we raise additional funds through the issuance of preferred stock, convertible debt securities or other debt financing, these securities or other debt could contain covenants that would restrict our operations. Any other third-party funding arrangement could require us to relinquish valuable rights.

The source, timing and availability of any future financing will depend principally upon market conditions, and, more specifically, on the progress of our clinical development programs. Funding may not be available when needed, at all, or on terms acceptable to us. Lack of necessary funds may require us, among other things, to delay, scale back or eliminate some or all of our planned clinical trials. These factors among others create a substantial doubt about our ability to continue as a going concern.

Item 2. Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities

During the three months ended September 30, 2023, we issued and sold the following unregistered securities:

On July 3, 2023, we issued 5,000 shares of our common stock to the Chairman of our Scientific Advisory Board in consideration for services during the three months ended September 30, 2023.

The foregoing issuance of securities was not registered under the Securities Act or the securities laws of any state, and the securities were offered and issued in reliance on the exemption from registration under the Securities Act afforded by Section 4(a)(2).

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

INDEX TO EXHIBITS

Exhibit Number	Description of Exhibit
3.1*	Amended and Restated Bylaws of Genprex, Inc., as amended by Amendment No. 1 adopted and approved by Genprex, Inc.'s Board of Directors on October 18, 2023.
4.1	Form of Warrant, incorporated by reference to Exhibit 4.1 of the Registrant's Current Report on Form 8-K filed on July 19, 2023.
4.2	Form of Placement Agent Warrant, incorporated by reference to Exhibit 4.2 of the Registrant's Current Report on Form 8-K filed on July 19, 2023.
10.1#	Exclusive License Agreement, dated July 14, 2023, incorporated by reference to Exhibit 10.1 of the Registrant's Current Report on Form 8-K filed on July 18, 2023.
10.2	Form of Securities Purchase Agreement, incorporated by reference to Exhibit 10.1 of the Registrant's Current Report on Form 8-K filed on July 19, 2023.
31.1*	Certification of Chief Executive Officer pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Chief Financial Officer pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	Inline XBRL Instance Document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104*	Cover Page Interactive Data File (Formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith.
** Furnished herewith.
# Certain portions of this exhibit were redacted pursuant to Item 601(b)(10) of Regulation S-K and Genprex, Inc. agrees to furnish supplementally to the U.S. Securities and Exchange Commission a copy of any omitted schedule and/or exhibit upon request. The portions of this exhibit that were omitted by means of marking such portions with asterisks because the identified portions are both (i) not material, and (ii) the type that registrant treats as private or confidential.

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.

GENPREX, INC.

Date: November 14, 2023

By: /s/ J. Rodney Varner
J. Rodney Varner
Chief Executive Officer
(Principal Executive Officer)

By: /s/ Ryan M. Confer
Ryan M. Confer
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 3.1

AMENDED AND RESTATED BYLAWS
OF GENPREX, INC.
(a Delaware corporation)
ARTICLE I
OFFICES

Section 1. Registered Office. The registered office of the corporation in the State of Delaware shall be in the City of Wilmington, County of New Castle.

Section 2. Other Offices. The corporation shall also have and maintain an office or principal place of business at such place as may be fixed by the corporation's Board of Directors (the "***Board of Directors***"), and may also have offices at such other places, both within and without the State of Delaware as the Board of Directors may from time to time determine or the business of the corporation may require.

ARTICLE II
CORPORATE SEAL

Section 3. Corporate Seal. The Board of Directors may adopt a corporate seal. The corporate seal shall consist of a die bearing the name of the corporation and the inscription, "Corporate Seal-Delaware." Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

ARTICLE III
STOCKHOLDERS' MEETINGS

Section 4. Place of Meetings. Meetings of the stockholders of the corporation may be held at such place, either within or without the State of Delaware, as may be determined from time to time by the Board of Directors. The Board of Directors may, in its sole discretion, determine that the meeting shall not be held at any place, but may instead be held solely by means of remote communication as provided under the Delaware General Corporation Law (the "***DGCL***").

Section 5. Annual Meetings.

(a) The annual meeting of the stockholders of the corporation, for the purpose of election of directors and for such other business as may properly come before it, shall be held on such date and at such time as may be designated from time to time by the Board of Directors. Nominations of persons for election to the Board of Directors of the corporation and the proposal of business to be considered by the stockholders may be made at an annual meeting of stockholders: (i) pursuant to the corporation's notice of meeting of stockholders (with respect to business other than nominations); (ii) brought specifically by or at the direction of the Board of Directors; or (iii) by any stockholder of the corporation who was a stockholder of record at the time of giving the stockholder's notice provided for in Section 5(b) of these Amended and Restated Bylaws (the "***Bylaws***"), who is entitled to vote at the meeting and who complied with the notice procedures set forth in this Section 5. For the avoidance of doubt, clause (iii) above shall be the exclusive means for a stockholder to make nominations and submit other business (other than matters properly included in the corporation's notice of meeting of stockholders and proxy statement under Rule 14a-8 under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (the "***1934 Act***")) before an annual meeting of stockholders.

(b) At an annual meeting of the stockholders, only such business shall be conducted as is a proper matter for stockholder action under Delaware law and as shall have been properly brought before the meeting.

(i) For nominations for the election to the Board of Directors to be properly brought before an annual meeting by a stockholder pursuant to clause (iii) of Section 5(a) of these Bylaws, the stockholder must deliver written notice to the Secretary at the principal executive offices of the corporation on a timely basis as set forth in Section 5(b)(iii) of these Bylaws and must update and supplement such written notice on a timely basis as set forth in Section 5(c) of these Bylaws. Such stockholder's notice shall set forth: (A) as to each nominee such stockholder proposes to nominate at the meeting: (1) the name, age, business address and residence address of such nominee; (2) the principal occupation or employment of such nominee; (3) the class and number of shares of each class of capital stock of the corporation which are owned of record and beneficially by such nominee; (4) the date or dates on which such shares were acquired and the investment intent of such acquisition; (5) with respect to each nominee for election or re-election to the Board of Directors, include a completed and signed questionnaire, representation and agreement required by Section 5(e) of these Bylaws; and (6) such other information concerning such nominee as would be required to be disclosed in a proxy statement soliciting proxies for the election of such nominee as a director in an election contest (even if an election contest is not involved), or that is otherwise required to be disclosed pursuant to Section 14 of the 1934 Act and the rules and regulations promulgated thereunder (including such person's written consent to being named as a nominee and to serving as a director if elected); and (B) the information required by Section 5(b)(iv) of these Bylaws. The corporation may require any proposed nominee to furnish such other information as it may reasonably require to determine the eligibility of such proposed nominee to serve as an independent director of the corporation or that could be material to a reasonable stockholder's understanding of the independence, or lack thereof, of such proposed nominee.

(ii) Other than proposals sought to be included in the corporation's proxy materials pursuant to Rule 14(a)-8 under the 1934 Act, for business other than nominations for the election to the Board of Directors to be properly brought before an annual meeting by a stockholder pursuant to clause (iii) of Section 5(a) of these Bylaws, the stockholder must deliver written notice to the Secretary at the principal executive offices of the corporation on a timely basis as set forth in Section 5(b)(iii) of these Bylaws, and must update and supplement such written notice on a timely basis as set forth in Section 5(c) of these Bylaws. Such stockholder's notice shall set forth: (A) as to each matter such stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting, and any material interest (including any anticipated benefit of such business to any Proponent (as defined below) other than solely as a result of its ownership of the corporation's capital stock, that is material to any Proponent individually, or to the Proponents in the aggregate) in such business of any Proponent; and (B) the information required by Section 5(b)(iv) of these Bylaws.

(iii) To be timely, the written notice required by Section 5(b)(i) or 5(b)(ii) of these Bylaws must be received by the Secretary at the principal executive offices of the corporation not later than the close of business on the 90th day nor earlier than the close of business on the 120th day prior to the first anniversary of the preceding year's annual meeting; provided, however, that, subject to the last sentence of this Section 5(b)(iii), in the event that the date of the annual meeting is advanced more than 30 days prior to or delayed by more than 30 days after the anniversary of the preceding year's annual meeting, notice by the stockholder to be timely must be so received not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the day on which public announcement of the date of such meeting is first made. In no event shall an adjournment or a postponement of an annual meeting for which notice has been given, or the public announcement thereof has been made, commence a new time period for the giving of a stockholder's notice as described above.

(iv) The written notice required by Section 5(b)(i) or 5(b)(ii) of these Bylaws shall also set forth, as of the date of the notice and as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (each, a "***Proponent***" and collectively, the "***Proponents***"): (A) the name and address of each Proponent, as they appear on the corporation's books; (B) the class, series and

number of shares of the corporation that are owned beneficially and of record by each Proponent; (C) a description of any agreement, arrangement or understanding (whether oral or in writing) with respect to such nomination or proposal between or among any Proponent and any of its affiliates or associates, and any others (including their names) acting in concert, or otherwise under the agreement, arrangement or understanding, with any of the foregoing; (D) a representation that the Proponents are holders of record or beneficial owners, as the case may be, of shares of the corporation entitled to vote at the meeting and intend to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice (with respect to a notice under Section 5(b)(i) of these Bylaws) or to propose the business that is specified in the notice (with respect to a notice under Section 5(b)(ii) of these Bylaws); (E) a representation as to whether the Proponents intend to deliver a proxy statement and form of proxy to holders of a sufficient number of holders of the corporation's voting shares to elect such nominee or nominees (with respect to a notice under Section 5(b)(i) of these Bylaws) or to carry such proposal (with respect to a notice under Section 5(b)(ii) of these Bylaws); (F) to the extent known by any Proponent, the name and address of any other stockholder supporting the proposal on the date of such stockholder's notice; and (G) a description of all Derivative Transactions (as defined below) by each Proponent during the previous 12 month period, including the date of the transactions and the class, series and number of securities involved in, and the material economic terms of, such Derivative Transactions.

For purposes of Sections 5 and 6 of these Bylaws, a " ***Derivative Transaction***" means any agreement, arrangement, interest or understanding entered into by, or on behalf or for the benefit of, any Proponent or any of its affiliates or associates, whether record or beneficial:

(A) the value of which is derived in whole or in part from the value of any class or series of shares or other securities of the corporation;

(B) which otherwise provides any direct or indirect opportunity to gain or share in any gain derived from a change in the value of securities of the corporation;

(C) the effect or intent of which is to mitigate loss, manage risk or benefit of security value or price changes; or

(D) which provides the right to vote or increase or decrease the voting power of, such Proponent, or any of its affiliates or associates, with respect to any securities of the corporation,

which agreement, arrangement, interest or understanding may include, without limitation, any option, warrant, debt position, note, bond, convertible security, swap, stock appreciation right, short position, profit interest, hedge, right to dividends, voting agreement, performance-related fee or arrangement to borrow or lend shares (whether or not subject to payment, settlement, exercise or conversion in any such class or series), and any proportionate interest of such Proponent in the securities of the corporation held by any general or limited partnership, or any limited liability company, of which such Proponent is, directly or indirectly, a general partner or managing member.

(c) A stockholder providing written notice required by Section 5(b)(i) or (ii) of these Bylaws shall update and supplement such notice in writing, if necessary, so that the information provided or required to be provided in such notice is true and correct in all material respects as of (i) the record date for the meeting and (ii) the date that is five business days prior to the meeting and, in the event of any adjournment or postponement thereof, five business days prior to such adjourned or postponed meeting. In the case of an update and supplement pursuant to clause (i) of this Section 5(c), such update and supplement shall be received by the Secretary at the principal executive offices of the corporation not later than five business days after the record date for the meeting. In the case of an update and supplement pursuant to clause (ii) of this Section 5(c), such update and supplement shall be received by the Secretary at the principal executive offices of the corporation not later than two business days prior to the date for the meeting, and, in the event of any adjournment or postponement thereof, two business days prior to such adjourned or postponed meeting.

(d) Notwithstanding anything in Section 5(b)(iii) of these Bylaws to the contrary, in the event that the number of directors in an Expiring Class (as defined below) is increased and there is no public announcement of the appointment of a director to such class, or, if no appointment was made, of the vacancy in such class, made by the corporation at least 10 days before the last day a stockholder may deliver a notice of nomination in accordance with Section 5(b)(iii) of these Bylaws, a stockholder's notice required by this Section 5 and which complies with the requirements in Section 5(b)(i) of these Bylaws, other than the timing requirements in Section 5(b)(iii) of these Bylaws, shall also be considered timely, but only with respect to nominees for any new positions in such Expiring Class created by such increase, if it shall be received by the Secretary at the principal executive offices of the corporation not later than the close of business on the 10th day following the day on which such public announcement is first made by the corporation. For purposes of this Section 5, an "***Expiring Class***" shall mean a class of directors whose term shall expire at the next annual meeting of stockholders.

(e) To be eligible to be a nominee for election or re-election as a director of the corporation pursuant to a nomination under clause (iii) of Section 5(a) of these Bylaws, such proposed nominee or a person on such proposed nominee's behalf must deliver (in accordance with the time periods prescribed for delivery of notice under Section 5(b)(iii) or 5(d) of these Bylaws, as applicable) to the Secretary at the principal executive offices of the corporation a written questionnaire with respect to the background and qualification of such proposed nominee and the background of any other person or entity on whose behalf the nomination is being made (which questionnaire shall be provided by the Secretary upon written request) and a written representation and agreement (in the form provided by the Secretary upon written request) that such person (i) is not and will not become a party to (A) any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how such person, if elected as a director of the corporation, will act or vote on any issue or question (a "***Voting Commitment***") that has not been disclosed to the corporation in the questionnaire or (B) any Voting Commitment that could limit or interfere with such person's ability to comply, if elected as a director of the corporation, with such person's fiduciary duties under applicable law; (ii) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director of the corporation that has not been disclosed therein; and (iii) in such person's individual capacity and on behalf of any person or entity on whose behalf the nomination is being made, would be in compliance, if elected as a director of the corporation, and will comply with, all applicable publicly disclosed corporate governance, conflict of interest, confidentiality and stock ownership and trading policies and guidelines of the corporation.

(f) A person shall not be eligible for election or re-election as a director unless the person is nominated either in accordance with clause (ii) of Section 5(a) of these Bylaws, or in accordance with clause (iii) of Section 5(a) of these Bylaws. Except as otherwise required by law, the chairman of the meeting shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made, or proposed, as the case may be, in accordance with the procedures set forth in these Bylaws and, if any proposed nomination or business is not in compliance with these Bylaws, or the Proponent does not act in accordance with the representations in Sections 5(b)(iv)(D) and 5(b)(iv)(E) of these Bylaws, to declare that such proposal or nomination shall not be presented for stockholder action at the meeting and shall be disregarded, notwithstanding that proxies in respect of such nominations or such business may have been solicited or received.

(g) Notwithstanding the foregoing provisions of this Section 5, in order to include information with respect to a stockholder proposal in the proxy statement and form of proxy for a stockholders' meeting, a stockholder must also comply with all applicable requirements of the 1934 Act and the rules and regulations thereunder. Nothing in these Bylaws shall be deemed to affect any rights of stockholders to request inclusion of proposals in the corporation's proxy statement pursuant to Rule 14a-8 under the 1934 Act; provided, however, that any references in these Bylaws to the 1934 Act or the rules and regulations thereunder are not intended to and shall not limit the requirements applicable to proposals and/or nominations to be considered pursuant to Section 5(a)(iii) of these Bylaws.

(h) For purposes of Sections 5 and 6 of these Bylaws,

(i) "***public announcement***" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the 1934 Act; and

(ii) "***affiliates***" and "***associates***" shall have the meanings set forth in Rule 405 under the Securities Act of 1933, as amended (the "***1933 Act***").

Section 6. Special Meetings.

(a) Special meetings of the stockholders of the corporation may be called, for any purpose as is a proper matter for stockholder action under Delaware law, by (i) the Chairman of the Board of Directors, (ii) the Chief Executive Officer, or (iii) the Board of Directors pursuant to a resolution adopted by a majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Board of Directors for adoption).

(b) The Board of Directors shall determine the time and place, if any, of such special meeting. Upon determination of the time and place, if any, of the meeting, the Secretary shall cause a notice of meeting to be given to the stockholders entitled to vote, in accordance with the provisions of Section 7 of these Bylaws. No business may be transacted at such special meeting otherwise than specified in the notice of meeting.

(c) Nominations of persons for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected (i) by or at the direction of the Board of Directors or (ii) by any stockholder of the corporation who is a stockholder of record at the time of giving notice provided for in this paragraph, who shall be entitled to vote at the meeting and who delivers written notice to the Secretary of the corporation setting forth the information required by Section 5(b)(i) of these Bylaws. In the event the corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board of Directors, any such stockholder of record may nominate a person or persons (as the case may be), for election to such position(s) as specified in the corporation's notice of meeting, if written notice setting forth the information required by Section 5(b)(i) of these Bylaws shall be received by the Secretary at the principal executive offices of the corporation not later than the close of business on the later of the 90th day prior to such meeting or the 10th day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. The stockholder shall also update and supplement such information as required under Section 5(c) of these Bylaws. In no event shall an adjournment or a postponement of a special meeting for which notice has been given, or the public announcement thereof has been made, commence a new time period for the giving of a stockholder's notice as described above.

(d) Notwithstanding the foregoing provisions of this Section 6, a stockholder must also comply with all applicable requirements of the 1934 Act and the rules and regulations thereunder with respect to matters set forth in this Section 6. Nothing in these Bylaws shall be deemed to affect any rights of stockholders to request inclusion of proposals in the corporation's proxy statement pursuant to Rule 14a-8 under the 1934 Act; provided, however, that any references in these Bylaws to the 1934 Act or the rules and regulations thereunder are not intended to and shall not limit the requirements applicable to nominations for the election to the Board of Directors to be considered pursuant to Section 6(c) of these Bylaws.

Section 7. Notice of Meetings. Except as otherwise provided by law, notice, given in writing or by electronic transmission, of each meeting of stockholders shall be given not less than 10 nor more than 60 days before the date of the meeting to each stockholder entitled to vote at such meeting, such notice to specify the place, if any, date and hour, in the case of special meetings, the purpose or purposes of the meeting, and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at any such meeting. If mailed, notice is deemed given when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the corporation. If sent via electronic transmission, notice is deemed given as of the sending time recorded at the time of transmission. Notice of the time, place, if any, and purpose of any meeting of stockholders may be waived in writing, signed by the person entitled to notice thereof, or by electronic transmission by such person, either before or after such meeting, and will be waived by any stockholder by his attendance thereat in person, by remote communication, if applicable, or by proxy, except when the stockholder attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Any stockholder so waiving notice of such meeting shall be bound by the proceedings of any such meeting in all respects as if due notice thereof had been given.

Section 8. Quorum. At all meetings of stockholders, except where otherwise provided by statute or by the corporation's Amended and Restated Certificate of Incorporation ("***Certificate of Incorporation***"), or by these Bylaws, the presence, in person, by remote communication, if applicable, or by proxy duly authorized, of the holders of a majority of the outstanding shares of stock entitled to vote shall constitute a quorum for the transaction of business. In the absence of a quorum, any meeting of stockholders may be adjourned, from time to time, either by the chairman of the meeting or by vote of the holders of a majority of the shares represented thereat, but no other business shall be transacted at such meeting. The stockholders present at a duly called or convened meeting, at which a quorum is present, may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum. Except as otherwise provided by statute or by applicable stock exchange rules, or by the Certificate of Incorporation or these Bylaws, in all matters other than the election of directors, the affirmative vote of the majority of shares present in person, by remote communication, if applicable, or represented by proxy at the meeting and entitled to vote generally on the subject matter shall be the act of the stockholders. Except as otherwise provided by statute, the Certificate of Incorporation or these Bylaws, directors shall be elected by a plurality of the votes of the shares present in person, by remote communication, if applicable, or represented by proxy at the meeting and entitled to vote generally on the election of directors. Where a separate vote by a class or classes or series is required, except where otherwise provided by the statute or by the Certificate of Incorporation or these Bylaws, a majority of the outstanding shares of such class or classes or series, present in person, by remote communication, if applicable, or represented by proxy duly authorized, shall constitute a quorum entitled to take action with respect to that vote on that matter. Except where otherwise provided by statute or by the Certificate of Incorporation or these Bylaws, the affirmative vote of the majority (plurality, in the case of the election of directors) of shares of such class or classes or series present in person, by remote communication, if applicable, or represented by proxy at the meeting shall be the act of such class or classes or series.

Section 9. Adjournment and Notice of Adjourned Meetings. Any meeting of stockholders, whether annual or special, may be adjourned from time to time either by the chairman of the meeting or by the vote of a majority of the shares present in person, by remote communication, if applicable, or represented by proxy at the meeting. When a meeting is adjourned to another time or place, if any, notice need not be given of the adjourned meeting if the time and place, if any, thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than 30 days or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

Section 10. Voting Rights. For the purpose of determining those stockholders entitled to vote at any meeting of the stockholders, except as otherwise provided by law, only persons in whose names shares stand on the stock records of the corporation on the record date, as provided in Section 12 of these Bylaws, shall be entitled to vote at any meeting of stockholders. Every person entitled to vote shall have the right to do so either in person, by remote communication, if applicable, or by an agent or agents authorized by a proxy granted in accordance with Delaware law. An agent so appointed need not be a stockholder. No proxy shall be voted after three years from its date of creation unless the proxy provides for a longer period.

Section 11. Joint Owners of Stock. If shares or other securities having voting power stand of record in the names of two or more persons, whether fiduciaries, members of a partnership, joint tenants, tenants in common, tenants by the entirety, or otherwise, or if two or more persons have the same fiduciary relationship respecting the same shares, unless the Secretary is given written notice to the contrary and is furnished with a copy of the instrument or order appointing them or creating the relationship wherein it is so provided, their acts with respect to voting shall have the following effect: (a) if only one votes, his act binds all; (b) if more than one votes, the act of the majority so voting binds all; or (c) if more than one votes, but the vote is evenly split on any particular matter, each faction may vote the securities in question proportionally, or may apply to the Delaware Court of Chancery for relief as provided in the DGCL, Section 217(b). If the instrument filed with the Secretary shows that any such tenancy is held in unequal interests, a majority or even-split for the purpose of clause (c) of this Section 11 shall be a majority or even-split in interest.

Section 12. List of Stockholders. The Secretary shall prepare and make, at least 10 days before every meeting of stockholders, a complete list of the stockholders entitled to vote at said meeting, arranged in alphabetical order, showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, (a) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or (b) during ordinary business hours, at the principal place of business of the corporation. In the event that the corporation determines to make the list available on an electronic network, the corporation may take reasonable steps to ensure that such information is available only to stockholders of the corporation. The list shall be open to examination of any stockholder during the time of the meeting as provided by law.

Section 13. Action Without Meeting. No action shall be taken by the stockholders except at an annual or special meeting of stockholders called in accordance with these Bylaws, and no action shall be taken by the stockholders by written consent or electronic transmission.

Section 14. Organization.

(a) At every meeting of stockholders, the Chairman of the Board of Directors, or, if a Chairman has not been appointed or is absent, the President, or, if the President is absent, a chairman of the meeting chosen by a majority in interest of the stockholders entitled to vote, present in person or by proxy, shall act as chairman. The Secretary, or, in his or her absence, an Assistant Secretary directed to do so by the President, shall act as secretary of the meeting.

(b) The Board of Directors of the corporation shall be entitled to make such rules or regulations for the conduct of meetings of stockholders as it shall deem necessary, appropriate or convenient. Subject to such rules and regulations of the Board of Directors, if any, the chairman of the meeting shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are necessary, appropriate or convenient for the proper conduct of the meeting, including, without limitation, establishing an agenda or order of business for the meeting, rules and procedures for maintaining order at the meeting and the safety of those present, limitations on participation in such meeting to stockholders of record of the corporation and their duly authorized and constituted proxies and such other persons as the chairman shall permit, restrictions on entry to the meeting after the time fixed for the commencement thereof, limitations on the time allotted to questions or comments by participants and regulation of the opening and closing of the polls for balloting on matters which are to be voted on by ballot. The date and time of the opening and closing of the polls for each matter upon which the stockholders will vote at the meeting shall be announced at the meeting. Unless and to the extent determined by the Board of Directors or the chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with rules of parliamentary procedure.

ARTICLE IV
DIRECTORS

Section 15. Number and Term of Office. The authorized number of directors of the corporation shall be fixed in accordance with the Certificate of Incorporation. Directors need not be stockholders unless so required by the Certificate of Incorporation. If for any cause, the directors shall not have been elected at an annual meeting, they may be elected as soon thereafter as convenient at a special meeting of the stockholders called for that purpose in the manner provided in these Bylaws.

Section 16. Powers. The business and affairs of the corporation shall be managed by or under the direction of the Board of Directors, except as may be otherwise provided by statute or by the Certificate of Incorporation.

Section 17. Classes of Directors. Subject to the rights of the holders of any series of Preferred Stock to elect additional directors under specified circumstances, the directors shall be divided into three classes designated as Class I, Class II and Class III, respectively. The Board of Directors is authorized to assign members of the Board of Directors already in office to such classes at the time the classification becomes effective. At the first annual meeting of stockholders following the initial classification of the Board of Directors, the term of office of the Class I directors shall expire and Class I directors shall be elected for a full term of three years. At the second annual meeting of stockholders following such initial classification, the term of office of the Class II directors shall expire and Class II directors shall be elected for a full term of three years. At the third annual meeting of stockholders following such initial classification, the term of office of the Class III directors shall expire and Class III directors shall be elected for a full term of three years. At each succeeding annual meeting of stockholders, directors shall be elected for a full term of three years to succeed the directors of the class whose terms expire at such annual meeting.

Notwithstanding the foregoing provisions of this Section 17, each director shall serve until his successor is duly elected and qualified or until his earlier death, resignation or removal. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

Section 18. Vacancies. Unless otherwise provided in the Certificate of Incorporation, and subject to the rights of the holders of any series of Preferred Stock, any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other causes and any newly created directorships resulting from any increase in the number of directors shall, unless the Board of Directors determines by resolution that any such vacancies or newly created directorships shall be filled by stockholders, be filled only by the affirmative vote of a majority of the directors then in office, even though less than a quorum of the Board of Directors, or by a sole remaining director, and not by the stockholders, provided, however, that whenever the holders of any class or classes of stock or series thereof are entitled to elect one or more directors by the provisions of the Certificate of Incorporation, vacancies and newly created directorships of such class or classes or series shall, unless the Board of Directors determines by resolution that any such vacancies or newly created directorships shall be filled by stockholders, be filled by a majority of the directors elected by such class or classes or series thereof then in office, or by a sole remaining director so elected, and not by the stockholders. Any director elected in accordance with the preceding sentence shall hold office for the remainder of the full term of the director for which the vacancy was created or occurred and until such director's successor shall have been elected and qualified. A vacancy in the Board of Directors shall be deemed to exist under this Bylaw in the case of the death, removal or resignation of any director.

Section 19. Resignation. Any director may resign at any time by delivering his or her notice in writing or by electronic transmission to the Secretary, such resignation to specify whether it will be effective at a particular time. If no such specification is made, it shall be deemed effective at the time of delivery to the Secretary. When one or more directors shall resign from the Board of Directors, effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office for the unexpired portion of the term of the director whose place shall be vacated and until his successor shall have been duly elected and qualified.

Section 20. Removal.

(a) Subject to the rights of any series of Preferred Stock to elect additional directors under specified circumstances, neither the Board of Directors nor any individual director may be removed without cause.

(b) Subject to any limitation imposed by law, any individual director or directors may be removed with cause by the affirmative vote of the holders of at least 66 2/3% of the voting power of all then outstanding shares of capital stock of the corporation entitled to vote generally at an election of directors.

Section 21. Meetings.

(a) Regular Meetings. Unless otherwise restricted by the Certificate of Incorporation, regular meetings of the Board of Directors may be held at any time or date and at any place within or without the State of Delaware which has been designated by the Board of Directors and publicized among all directors, either orally or in writing, by telephone, including a voice-messaging system or other system designed to record and communicate messages, facsimile, telegraph or telex, or by electronic mail or other electronic means. No further notice shall be required for regular meetings of the Board of Directors.

(b) Special Meetings. Unless otherwise restricted by the Certificate of Incorporation, special meetings of the Board of Directors may be held at any time and place within or without the State of Delaware whenever called by the Chairman of the Board, the Chief Executive Officer or a majority of the authorized number of directors.

(c) Meetings by Electronic Communications Equipment. Any member of the Board of Directors, or of any committee thereof, may participate in a meeting by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting.

(d) Notice of Special Meetings. Notice of the time and place of all special meetings of the Board of Directors shall be orally or in writing, by telephone, including a voice messaging system or other system or technology designed to record and communicate messages, facsimile, telegraph or telex, or by electronic mail or other electronic means, during normal business hours, at least 24 hours before the date and time of the meeting. If notice is sent by U.S. mail, it shall be sent by first class mail, charges prepaid, at least three days before the date of the meeting. Notice of any meeting may be waived in writing, or by electronic transmission, at any time before or after the meeting and will be waived by any director by attendance thereat, except when the director attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

(e) Waiver of Notice. The transaction of all business at any meeting of the Board of Directors, or any committee thereof, however called or noticed, or wherever held, shall be as valid as though it had been transacted at a meeting duly held after regular call and notice, if a quorum be present and if, either before or after the meeting, each of the directors not present who did not receive notice shall sign a written waiver of notice or shall waive notice by electronic transmission. All such waivers shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 22. Quorum and Voting.

(a) Unless the Certificate of Incorporation requires a greater number, and except with respect to questions related to indemnification arising under Section 45 of these Bylaws for which a quorum shall be one-third of the exact number of directors fixed from time to time, a quorum of the Board of Directors shall consist of a majority of the exact number of directors fixed from time to time by the Board of Directors in accordance with the Certificate of Incorporation; provided, however, at any meeting whether a quorum be present or otherwise, a majority of the directors present may adjourn from time to time until the time fixed for the next regular meeting of the Board of Directors, without notice other than by announcement at the meeting.

(b) At each meeting of the Board of Directors at which a quorum is present, all questions and business shall be determined by the affirmative vote of a majority of the directors present, unless a different vote be required by law, the Certificate of Incorporation or these Bylaws.

Section 23. Action Without Meeting. Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if all members of the Board of Directors or committee, as the case may be, consent thereto in writing or by electronic transmission, and such writing or writings or transmission or transmissions are filed with the minutes of proceedings of the Board of Directors or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Section 24. Fees and Compensation. Directors shall be entitled to such compensation for their services as may be approved by the Board of Directors, including, if so approved, by resolution of the Board of Directors, a fixed sum and expenses of attendance, if any, for attendance at each regular or special meeting of the Board of Directors and at any meeting of a committee of the Board of Directors. Nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity as an officer, agent, employee, or otherwise and receiving compensation therefor.

Section 25. Committees.

(a) Executive Committee. The Board of Directors may appoint an Executive Committee to consist of one or more members of the Board of Directors. The Executive Committee, to the extent permitted by law and provided in the resolution of the Board of Directors shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to (i) approving or adopting, or recommending to the stockholders, any action or matter (other than the election or removal of directors) expressly required by the DGCL to be submitted to stockholders for approval, or (ii) adopting, amending or repealing any Bylaw of the corporation.

(b) Other Committees. The Board of Directors may, from time to time, appoint such other committees as may be permitted by law. Such other committees appointed by the Board of Directors shall consist of one or more members of the Board of Directors and shall have such powers and perform such duties as may be prescribed by the resolution or resolutions creating such committees, but in no event shall any such committee have the powers denied to the Executive Committee in these Bylaws.

(c) Term. The Board of Directors, subject to any requirements of any outstanding series of Preferred Stock and the provisions of subsections (a) or (b) of this Section 25, may at any time increase or decrease the number of members of a committee or terminate the existence of a committee. The membership of a committee member shall terminate on the date of his death or voluntary resignation from the committee or from the Board of Directors. The Board of Directors may at any time for any reason remove any individual committee member and the Board of Directors may fill any committee vacancy created by death, resignation, removal or increase in the number of members of the committee. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee, and, in addition, in the absence or disqualification of any member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member.

(d) Meetings. Unless the Board of Directors shall otherwise provide, regular meetings of the Executive Committee or any other committee appointed pursuant to this Section 25 shall be held at such times and places as are determined by the Board of Directors, or by any such committee, and when notice thereof has been given to each member of such committee, no further notice of such regular meetings need be given thereafter. Special meetings of any such committee may be held at any place which has been determined from time to time by such committee, and may be called by any director who is a member of such committee, upon notice to the members of such committee of the time and place of such special meeting given in the manner provided for the giving of notice to members of the Board of Directors of the time and place of special meetings of the Board of Directors. Notice of any special meeting of any committee may be waived in writing or by electronic transmission at any time before or after the meeting and will be waived by any director by attendance thereat, except when the director attends such special meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Unless otherwise provided by the Board of Directors in the resolutions authorizing the creation of the committee, a majority of the authorized number of members of any such committee shall constitute a quorum for the transaction of business, and the act of a majority of those present at any meeting at which a quorum is present shall be the act of such committee.

Section 26. Duties of Chairman of the Board of Directors. The Chairman of the Board of Directors, when present, shall preside at all meetings of the stockholders and the Board of Directors. The Chairman of the Board of Directors shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers, as the Board of Directors shall designate from time to time.

Section 27. Lead Independent Director. The Chairman of the Board of Directors, or if the Chairman is not an independent director, one of the independent directors, may be designated by the Board of Directors as lead independent director ("***Lead Independent Director***") to serve until replaced by the Board of Directors. The Lead Independent Director will: with the Chairman of the Board of Directors, establish the agenda for regular Board meetings and serve as chairman of Board of Directors meetings in the absence of the Chairman of the Board of Directors; establish the agenda for meetings of the independent directors; coordinate with the committee chairs regarding meeting agendas and informational requirements; preside over meetings of the independent directors; preside over any portions of meetings of the Board of Directors at which the evaluation or compensation of the Chief Executive Officer is presented or discussed; preside over any portions of meetings of the Board of Directors at which the performance of the Board of Directors is presented or discussed; and perform such other duties as may be established or delegated by the Chairman of the Board of Directors.

Section 28. Organization. At every meeting of the directors, the Chairman of the Board of Directors, or, if a Chairman has not been appointed or is absent, the Lead Independent Director, or if the Lead Independent Director is absent, the Chief Executive Officer (if a director), or, if a Chief Executive Officer is absent, the President (if a director), or if the President is absent, the most senior Vice President (if a director), or, in the absence of any such person, a chairman of the meeting chosen by a majority of the directors present, shall preside over the meeting. The Secretary, or in his absence, any Assistant Secretary or other officer or director directed to do so by the Chairman, shall act as secretary of the meeting.

ARTICLE V
OFFICERS

Section 29. Officers Designated. The officers of the corporation shall include, if and when designated by the Board of Directors, the Chairman of the Board of Directors, the Chief Executive Officer, the President, one or more Vice Presidents, the Secretary, the Chief Financial Officer and the Treasurer. The Board of Directors may also appoint one or more Assistant Secretaries and Assistant Treasurers and such other officers and agents with such powers and duties as it shall deem necessary. The Board of Directors may assign such additional titles to one or more of the officers as it shall deem appropriate. Any one person may hold any number of offices of the corporation at any one time unless specifically prohibited therefrom by law. The salaries and other compensation of the officers of the corporation shall be fixed by or in the manner designated by the Board of Directors.

Section 30. Tenure and Duties of Officers.

(a) General. All officers shall hold office at the pleasure of the Board of Directors and until their successors shall have been duly elected and qualified, unless sooner removed. Any officer elected or appointed by the Board of Directors may be removed at any time by the Board of Directors. If the office of any officer becomes vacant for any reason, the vacancy may be filled by the Board of Directors.

(b) Duties of Chief Executive Officer. The Chief Executive Officer shall preside at all meetings of the stockholders and at all meetings of the Board of Directors, unless the Chairman of the Board of Directors or the Lead Independent Director has been appointed and is present. Unless an officer has been appointed Chief Executive Officer of the corporation, the President shall be the Chief Executive Officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the corporation. To the extent that a Chief Executive Officer has been appointed and no President has been appointed, all references in these Bylaws to the President shall be deemed references to the Chief Executive Officer. The Chief Executive Officer shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers, as the Board of Directors shall designate from time to time.

(c) Duties of President. The President shall preside at all meetings of the stockholders and at all meetings of the Board of Directors, unless the Chairman of the Board of Directors, the Lead Independent Director, or the Chief Executive Officer has been appointed and is present. Unless another officer has been appointed Chief Executive Officer of the corporation, the President shall be the Chief Executive Officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the corporation. The President shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers, as the Board of Directors shall designate from time to time.

(d) Duties of Vice Presidents. The Vice Presidents may assume and perform the duties of the President in the absence or disability of the President or whenever the office of President is vacant. The Vice Presidents shall perform other duties commonly incident to their office and shall also perform such other duties and have such other powers as the Board of Directors or the Chief Executive Officer, or, if the Chief Executive Officer has not been appointed or is absent, the President shall designate from time to time.

(e) Duties of Secretary. The Secretary shall attend all meetings of the stockholders and of the Board of Directors and shall record all acts and proceedings thereof in the minute book of the corporation. The Secretary shall give notice in conformity with these Bylaws of all meetings of the stockholders and of all meetings of the Board of **Directors** and any committee thereof requiring notice. The Secretary shall perform all other duties provided for in these Bylaws and other duties commonly incident to the office and shall also perform such other duties and have such other powers, as the Board of Directors shall designate from time to time. The President may direct any Assistant Secretary or other officer to assume and perform the duties of the Secretary in the absence or disability of the Secretary, and each Assistant Secretary shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors or the President shall designate from time to time.

(f) Duties of Chief Financial Officer. The Chief Financial Officer shall keep or cause to be kept the books of account of the corporation in a thorough and proper manner and shall render statements of the financial affairs of the corporation in such form and as often as required by the Board of Directors or the President. The Chief Financial Officer, subject to the order of the Board of Directors, shall have the custody of all funds and securities of the corporation. The Chief Financial Officer shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors or the President shall designate from time to time. To the extent that a Chief Financial Officer has been appointed and no Treasurer has been appointed, all references in these Bylaws to the Treasurer shall be deemed references to the Chief Financial Officer. The President may direct the Treasurer, if any, or any Assistant Treasurer, or the Controller or any Assistant Controller to assume and perform the duties of the Chief Financial Officer in the absence or disability of the Chief Financial Officer, and each Treasurer and Assistant Treasurer and each Controller and Assistant Controller shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors or the President shall designate from time to time.

(g) Duties of Treasurer. Unless another officer has been appointed Chief Financial Officer of the corporation, the Treasurer shall be the chief financial officer of the corporation and shall keep or cause to be kept the books of account of the corporation in a thorough and proper manner and shall render statements of the financial affairs of the corporation in such form and as often as required by the Board of Directors or the President, and, subject to the order of the Board of Directors, shall have the custody of all funds and securities of the corporation. The Treasurer shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors or the President shall designate from time to time.

Section 31. Delegation of Authority. The Board of Directors may from time to time delegate the powers or duties of any officer to any other officer or agent, notwithstanding any provision hereof.

Section 32. Resignations. Any officer may resign at any time by giving notice in writing or by electronic transmission to the Board of Directors

or to the President or to the Secretary. Any such resignation shall be effective when received by the person or persons to whom such notice is given, unless a later time is specified therein, in which event the resignation shall become effective at such later time. Unless otherwise specified in such notice, the acceptance of any such resignation shall not be necessary to make it effective. Any resignation shall be without prejudice to the rights, if any, of the corporation under any contract with the resigning officer.

Section 33. Removal. Any officer may be removed from office at any time, either with or without cause, by the affirmative vote of a majority of the directors in office at the time, or by the unanimous written consent of the directors in office at the time, or by any committee or by the Chief Executive Officer or by other superior officers upon whom such power of removal may have been conferred by the Board of Directors.

ARTICLE VI
EXECUTION OF CORPORATE INSTRUMENTS AND VOTING OF SECURITIES OWNED BY THE CORPORATION

Section 34. Execution of Corporate Instruments. The Board of Directors may, in its discretion, determine the method and designate the signatory officer or officers, or other person or persons, to execute on behalf of the corporation any corporate instrument or document, or to sign on behalf of the corporation the corporate name without limitation, or to enter into contracts on behalf of the corporation, except where otherwise provided by law or these Bylaws, and such execution or signature shall be binding upon the corporation.

All checks and drafts drawn on banks or other depositaries on funds to the credit of the corporation or in special accounts of the corporation shall be signed by such person or persons as the Board of Directors shall authorize so to do.

Unless authorized or ratified by the Board of Directors or within the agency power of an officer, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

Section 35. Voting of Securities Owned by the Corporation. All stock and other securities of other corporations owned or held by the corporation for itself, or for other parties in any capacity, shall be voted, and all proxies with respect thereto shall be executed, by the person authorized so to do by resolution of the Board of Directors, or, in the absence of such authorization, by the Chairman of the Board of Directors, the Chief Executive Officer, the President, or any Vice President.

ARTICLE VII
SHARES OF STOCK

Section 36. Form and Execution of Certificates. The shares of the corporation shall be represented by certificates, or shall be uncertificated if so provided by resolution or resolutions of the Board of Directors. Certificates for the shares of stock of the corporation, if any, shall be in such form as is consistent with the Certificate of Incorporation and applicable law. Every holder of stock represented by certificate in the corporation shall be entitled to have a certificate signed by or in the name of the corporation by the Chairman of the Board of Directors, the Chief Executive Officer, or the President or any Vice President and by the Chief Financial Officer, Treasurer or Assistant Treasurer or the Secretary or Assistant Secretary, certifying the number of shares owned by him in the corporation. Any or all of the signatures on the certificate may be facsimiles. In case any officer, transfer agent, or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued with the same effect as if he were such officer, transfer agent, or registrar at the date of issue.

Section 37. Lost Certificates. A new certificate or certificates shall be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost, stolen, or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen, or destroyed. The corporation may require, as a condition precedent to the issuance of a new certificate or certificates, the owner of such lost, stolen, or destroyed certificate or certificates, or the owner's legal representative, to agree to indemnify the corporation in such manner as it shall require or to give the corporation a surety bond in such form and amount as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost, stolen, or destroyed.

Section 38. Transfers.

(a) Transfers of record of shares of stock of the corporation shall be made only upon its books by the holders thereof, in person or by attorney duly authorized, and, in the case of stock represented by certificate, upon the surrender of a properly endorsed certificate or certificates for a like number of shares.

(b) The corporation shall have power to enter into and perform any agreement with any number of stockholders of any one or more classes of stock of the corporation to restrict the transfer of shares of stock of the corporation of any one or more classes owned by such stockholders in any manner not prohibited by the DGCL.

Section 39. Fixing Record Dates.

(a) In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall, subject to applicable law, not be more than 60 nor less than 10 days before the date of such meeting. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

(b) In order that the corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than 60 days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

Section 40. Registered Stockholders. The corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

ARTICLE VIII
OTHER SECURITIES OF THE CORPORATION

Section 41. Execution of Other Securities. All bonds, debentures and other corporate securities of the corporation, other than stock certificates (covered in Section 36 of these Bylaws), may be signed by the Chairman of the Board of Directors, the Chief Executive Officer, the President

or any Vice President, or such other person as may be authorized by the Board of Directors, and the corporate seal impressed thereon or a facsimile of such seal imprinted thereon and attested by the signature of the Secretary or an Assistant Secretary, or the Chief Financial Officer or Treasurer or an Assistant Treasurer; provided, however, that where any such bond, debenture or other corporate security shall be authenticated by the manual signature, or where permissible facsimile signature, of a trustee under an indenture pursuant to which such bond, debenture or other corporate security shall be issued, the signatures of the persons signing and attesting the corporate seal on such bond, debenture or other corporate security may be the imprinted facsimile of the signatures of such persons. Interest coupons appertaining to any such bond, debenture or other corporate security, authenticated by a trustee as aforesaid, shall be signed by the Treasurer or an Assistant Treasurer of the corporation or such other person as may be authorized by the Board of Directors, or bear imprinted thereon the facsimile signature of such person. In case any officer who shall have signed or attested any bond, debenture or other corporate security, or whose facsimile signature shall appear thereon or on any such interest coupon, shall have ceased to be such officer before the bond, debenture or other corporate security so signed or attested shall have been delivered, such bond, debenture or other corporate security nevertheless may be adopted by the corporation and issued and delivered as though the person who signed the same or whose facsimile signature shall have been used thereon had not ceased to be such officer of the corporation.

ARTICLE IX
DIVIDENDS

Section 42. Declaration of Dividends. Dividends upon the capital stock of the corporation, subject to the provisions of the Certificate of Incorporation and applicable law, if any, may be declared by the Board of Directors pursuant to law at any regular or special meeting. Dividends may be paid in cash, in property, or in shares of the capital stock, subject to the provisions of the Certificate of Incorporation and applicable law.

Section 43. Dividend Reserve. Before payment of any dividend, there may be set aside out of any funds of the corporation available for dividends such sum or sums as the Board of Directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the corporation, or for such other purpose as the Board of Directors shall think conducive to the interests of the corporation, and the Board of Directors may modify or abolish any such reserve in the manner in which it was created.

ARTICLE X
FISCAL YEAR

Section 44. Fiscal Year. The fiscal year of the corporation shall be fixed by resolution of the Board of Directors.

ARTICLE XI
INDEMNIFICATION

Section 45. Indemnification of Directors, Officers, Employees and Other Agents.

(a) Directors and Officers. The corporation shall indemnify its directors and officers to the extent not prohibited by the DGCL or any other applicable law; *provided, however*, that the corporation may modify the extent of such indemnification by individual contracts with its directors and officers; and, *provided, further*, that the corporation shall not be required to indemnify any director or officer in connection with any proceeding (or part thereof) initiated by such person unless (i) such indemnification is expressly required to be made by law, (ii) the proceeding was authorized by the Board of Directors of the corporation, (iii) such indemnification is provided by the corporation, in its sole discretion, pursuant to the powers vested in the corporation under the DGCL or any other applicable law or (iv) such indemnification is required to be made under subsection (d).

(b) Employees and Other Agents. The corporation shall have power to indemnify its employees and other agents as set forth in the DGCL or any other applicable law. The Board of Directors shall have the power to delegate the determination of whether indemnification shall be given to any such person (except for officers) or other persons as the Board of Directors shall determine.

(c) Expenses. The corporation shall advance to any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director or officer, of the corporation, or is or was serving at the request of the corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, prior to the final disposition of the proceeding, promptly following request therefor, all expenses incurred by any director or officer in connection with such proceeding provided, however, that if the DGCL requires, an advancement of expenses incurred by a director or officer in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such indemnitee, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to the corporation of an undertaking (hereinafter an "***undertaking***"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter a "***final adjudication***") that such indemnitee is not entitled to be indemnified for such expenses under this Section 45 or otherwise.

Notwithstanding the foregoing, unless otherwise determined pursuant to paragraph (e) of this Section 45, no advance shall be made by the corporation to an officer of the corporation (except by reason of the fact that such officer is or was a director of the corporation in which event this paragraph shall not apply) in any action, suit or proceeding, whether civil, criminal, administrative or investigative, if a determination is reasonably and promptly made (i) by a majority vote of directors who were not parties to the proceeding, even if not a quorum, or (ii) by a committee of such directors designated by a majority vote of such directors, even though less than a quorum, or (iii) if there are no such directors, or such directors so direct, by independent legal counsel in a written opinion, that the facts known to the decision-making party at the time such determination is made demonstrate clearly and convincingly that such person acted in bad faith or in a manner that such person did not believe to be in or not opposed to the best interests of the corporation.

(d) Enforcement. Without the necessity of entering into an express contract, all rights to indemnification and advances to directors and officers under this Section 45 shall be deemed to be contractual rights and be effective to the same extent and as if provided for in a contract between the corporation and the director or officer. Any right to indemnification or advances granted by this Section 45 to a director or officer shall be enforceable by or on behalf of the person holding such right in any court of competent jurisdiction if (i) the claim for indemnification or advances is denied, in whole or in part, or (ii) no disposition of such claim is made within 90 days of request therefor. To the extent permitted by law, the claimant in such enforcement action, if successful in whole or in part, shall be entitled to be paid also the expense of prosecuting the claim. In connection with any claim for indemnification, the corporation shall be entitled to raise as a defense to any such action that the claimant has not met the standards of conduct that make it permissible under the DGCL or any other applicable law for the corporation to indemnify the claimant for the amount claimed. In connection with any claim by an officer of the corporation (except in any action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such officer is or was a director of the corporation) for advances, the corporation shall be entitled to raise a defense as to any such action clear and convincing evidence that such person acted in bad faith or in a manner that such person did not believe to be in or not opposed to the best interests of the corporation, or with respect to any criminal action or proceeding that such person acted without reasonable cause to believe that his conduct was lawful. Neither the failure of the corporation (including its Board of Directors, independent legal counsel or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because the director or officer has met the applicable standard of conduct set forth in the DGCL or any other applicable law, nor an actual determination by the corporation (including its Board of Directors, independent legal counsel or its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that claimant has not met the applicable standard of conduct. In any suit brought by a director or officer to enforce a right to indemnification or to an advancement of expenses hereunder, the burden of proving that the director or officer is not entitled to be indemnified, or to such advancement of expenses, under this Section 45 or otherwise shall be on the corporation.

(e) Non-Exclusivity of Rights. The rights conferred on any person by this Bylaw shall not be exclusive of any other right which such person may have or hereafter acquire under any applicable statute, provision of the Certificate of Incorporation, Bylaws, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding office. The corporation is specifically authorized to enter into individual contracts with any or all of its directors, officers, employees or agents respecting indemnification and advances, to the fullest extent not prohibited by the DGCL, or by any other applicable law.

(f) Survival of Rights. The rights conferred on any person by this Bylaw shall continue as to a person who has ceased to be a director or officer, or, if applicable, employee or other agent, and shall inure to the benefit of the heirs, executors and administrators of such a person.

(g) Insurance. To the fullest extent permitted by the DGCL or any other applicable law, the corporation, upon approval by the Board of Directors, may purchase insurance on behalf of any person required or permitted to be indemnified pursuant to this Section 45.

(h) Amendments. Any repeal or modification of this Section 45 shall only be prospective and shall not affect the rights under this Bylaw in effect at the time of the alleged occurrence of any action or omission to act that is the cause of any proceeding against any agent of the corporation.

(i) Saving Clause. If this Bylaw or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the corporation shall nevertheless indemnify each director and officer to the full extent not prohibited by any applicable portion of this Section 45 that shall not have been invalidated, or by any other applicable law. If this Section 45 shall be invalid due to the application of the indemnification provisions of another jurisdiction, then the corporation shall indemnify each director and officer to the full extent under any other applicable law.

(j) Certain Definitions. For the purposes of this Bylaw, the following definitions shall apply:

(i) The term "***proceeding***" shall be broadly construed and shall include, without limitation, the investigation, preparation, prosecution, defense, settlement, arbitration and appeal of, and the giving of testimony in, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative.

(ii) The term "***expenses***" shall be broadly construed and shall include, without limitation, court costs, attorneys' fees, witness fees, fines, amounts paid in settlement or judgment and any other costs and expenses of any nature or kind incurred in connection with any proceeding.

(iii) The term the "***corporation***" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Section 45 with respect to the resulting or surviving corporation as he would have with respect to such constituent corporation if its separate existence had continued.

(iv) References to a "***director***," "***officer***," "***employee***," or "***agent***" of the corporation shall include, without limitation, situations where such person is serving at the request of the corporation as, respectively, a director, officer, employee, trustee or agent of another corporation, partnership, joint venture, trust or other enterprise.

(v) References to "***other enterprises***" shall include employee benefit plans; references to "***fines***" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "***serving at the request of the corporation***" shall include any service as a director, officer, employee or agent of the corporation which imposes duties on, or involves services by, such director, officer, employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries; and a person who acted in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the corporation" as referred to in this Section 45.

ARTICLE XII
NOTICES

Section 46. Notices.

(a) Notice to Stockholders. Written notice to stockholders of stockholder meetings shall be given as provided in Section 7 of these Bylaws. Without limiting the manner by which notice may otherwise be given effectively to stockholders under any agreement or contract with such stockholder, and except as otherwise required by law, written notice to stockholders for purposes other than stockholder meetings may be sent by U.S. mail or nationally recognized overnight courier, or by facsimile, telegraph or telex or by electronic mail or other electronic means.

(b) Notice to Directors. Any notice required to be given to any director may be given by the method stated in subsection (a), as otherwise provided in these Bylaws, or by overnight delivery service, facsimile, telex or telegram, except that such notice other than one which is delivered personally shall be sent to such address as such director shall have filed in writing with the Secretary, or, in the absence of such filing, to the last known post office address of such director.

(c) Affidavit of Mailing. An affidavit of mailing, executed by a duly authorized and competent employee of the corporation or its transfer agent appointed with respect to the class of stock affected, or other agent, specifying the name and address or the names and addresses of the stockholder or stockholders, or director or directors, to whom any such notice or notices was or were given, and the time and method of giving the same, shall in the absence of fraud, be prima facie evidence of the facts therein contained.

(d) Methods of Notice. It shall not be necessary that the same method of giving notice be employed in respect of all recipients of notice, but one permissible method may be employed in respect of any one or more, and any other permissible method or methods may be employed in respect of any other or others.

(e) Notice to Person With Whom Communication is Unlawful. Whenever notice is required to be given, under any provision of law or of the Certificate of Incorporation or Bylaws of the corporation, to any person with whom communication is unlawful, the giving of such notice to such person shall not be required and there shall be no duty to apply to any governmental authority or agency for a license or permit to give such notice to such person. Any action or meeting which shall be taken or held without notice to any such person with whom communication is unlawful shall have the same force and effect as if such notice had been duly given. In the event that the action taken by the corporation is such as to require the filing of a certificate under any provision of the DGCL, the certificate shall state, if such is the fact and if notice is required, that notice was given to all persons entitled to receive notice except such persons with whom communication is unlawful.

(f) Notice to Stockholders Sharing an Address. Except as otherwise prohibited under the DGCL, any notice given under the provisions of the DGCL, the Certificate of Incorporation or the Bylaws shall be effective if given by a single written notice to stockholders who share an address if consented to by the stockholders at that address to whom such notice is given. Such consent shall have been deemed to have been given if such stockholder fails to object in writing to the corporation within 60 days of having been given notice by the corporation of its intention to send the single notice. Any consent shall be revocable by the stockholder by written notice to the corporation.

ARTICLE XIII
AMENDMENTS

Section 47. Amendments. Subject to the limitations set forth in Section 45(h) of these Bylaws or the provisions of the Certificate of Incorporation, the Board of Directors is expressly empowered to adopt, amend or repeal the Bylaws of the corporation. Any adoption, amendment or repeal of the Bylaws of the corporation by the Board of Directors shall require the approval of a majority of the authorized number of directors. The stockholders also shall have power to adopt, amend or repeal the Bylaws of the corporation; provided, however, that, in addition to any vote of the holders of any class or series of stock of the corporation required by law or by the Certificate of Incorporation, such action by stockholders shall require the affirmative vote of the holders of at least 66 2/3% of the voting power of all of the then-outstanding shares of the capital stock of the corporation entitled to vote generally in the election of directors, voting together as a single class.

ARTICLE XIV
LOANS TO OFFICERS OR EMPLOYEES

Section 48. Loans to Officers or Employees. Except as otherwise prohibited by applicable law, the corporation may lend money to, or guarantee any obligation of, or otherwise assist any officer or other employee of the corporation or of its subsidiaries, including any officer or employee who is a director of the corporation or its subsidiaries, whenever, in the judgment of the Board of Directors, such loan, guarantee or assistance may reasonably be expected to benefit the corporation. The loan, guarantee or other assistance may be with or without interest and may be unsecured, or secured in such manner as the Board of Directors shall approve, including, without limitation, a pledge of shares of stock of the corporation. Nothing in these Bylaws shall be deemed to deny, limit or restrict the powers of guaranty or warranty of the corporation at common law or under any statute.

ARTICLE XV
MISCELLANEOUS

Section 49. Forum. Unless the corporation consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the corporation; (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the corporation to the corporation or the corporation's stockholders; (iii) any action asserting a claim against the corporation or any director or officer or other employee of the corporation arising pursuant to any provision of the DGCL, the certificate of incorporation or the Bylaws of the corporation; or (iv) any action asserting a claim against the corporation or any director or officer or other employee of the corporation governed by the internal affairs doctrine.

* * * * *

AMENDMENT NO. 1 TO THE
AMENDED AND RESTATED
BYLAWS
OF
GENPREX, INC.
Adopted and Approved by the Board of Directors on October 18, 2023

1 . Quorum. The first sentence of Article III, Section 8 of the Genprex, Inc. (the "Company") Amended and Restated Bylaws (the "Bylaws") is hereby amended and restated in its entirety to read as follows:

> "Except as otherwise required by law, the corporation's Amended and Restated Certificate of Incorporation (including any Preferred Stock Designation) (as amended and/or restated from time to time, the "***Certificate of Incorporation***") or these Bylaws, at any meeting of stockholders, one-third of the voting power of the stock outstanding and entitled to vote at the meeting, present in person, present by remote communication, if applicable, or represented by proxy, shall constitute a quorum for the transaction of business; *provided, however*, that where a separate vote by a class or series or classes or series is required, one-third of the voting power of the stock of such class or series or classes or series outstanding and entitled to vote on that matter, present in person, present by remote communication, if applicable, or represented by proxy, shall constitute a quorum entitled to take action with respect to such matter."

2. Effective Date. This Amendment shall be effective as of the date it is adopted and approved by the Board of Directors of the Company.

Exhibit 31.1

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

I, J. Rodney Varner, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Genprex, Inc., a Delaware corporation (the "registrant");

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

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

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

Date: November 14, 2023

By: /s/ J. Rodney Varner
J. Rodney Varner
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

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

I, Ryan M. Confer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Genprex, Inc., a Delaware corporation (the "registrant");

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

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

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

Date: November 14, 2023

By: /s/ Ryan M. Confer
Ryan M. Confer
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

CERTIFICATIONS OF CEO AND CFO 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 on Form 10-Q of Genprex, Inc. (the "Company") for the quarter ended September 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned, J. Rodney Varner, Chief Executive Officer of the Company, and Ryan M. Confer, Chief Financial Officer of the Company, hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of his knowledge:

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

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

Date: November 14, 2023

By: /s/ J. Rodney Varner
J. Rodney Varner
Chief Executive Officer
(Principal Executive Officer)

By: /s/ Ryan M. Confer
Ryan M. Confer
Chief Financial Officer
(Principal Financial and Accounting Officer)

This certification accompanies the Report, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Report), irrespective of any general incorporation language contained in such filing.