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 March 31, 2021

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: 001-37524

vTv Therapeutics Inc.
(Exact name of registrant as specified in its charter)

Delaware	**47-3916571**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
3980 Premier Dr, Suite 310 High Point, NC	**27265**
(Address of principal executive offices)	**(Zip Code)**

(336) 841-0300
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, par value $0.01 per share	VTVT	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 the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

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

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

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

Class of Stock	**Shares Outstanding as of May 5, 2021**
Class A common stock, par value $0.01 per share	58,013,630
Class B common stock, par value $0.01 per share	23,093,860

vTv THERAPEUTICS INC. AND SUBSIDIARIES
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FOR THE QUARTER ENDED MARCH 31, 2021

PART I – FINANCIAL INFORMATION

The financial statements and other disclosures contained in this report include those of vTv Therapeutics Inc. ("we", the "Company" or the "Registrant"), which is the registrant, and those of vTv Therapeutics LLC ("vTv LLC"), which is the principal operating subsidiary of the Registrant. Unless the context suggests otherwise, references in this Quarterly Report on Form 10-Q to the "Company", "we", "us" and "our" refer to vTv Therapeutics Inc. and its consolidated subsidiaries.

vTv Therapeutics Inc.
Condensed Consolidated Balance Sheets
(in thousands, except number of shares and per share data)

	March 31, 2021 (Unaudited)	December 31, 2020
Assets		
Current assets:		
Cash and cash equivalents	$ 8,449	$ 5,747
Accounts receivable, net	2	158
Prepaid expenses and other current assets	710	939
Current deposits	60	371
Total current assets	9,221	7,215
Property and equipment, net	344	367
Operating lease right-of-use assets	464	482
Long-term investments	6,725	6,725
Total assets	$ 16,754	$ 14,789
Liabilities, Redeemable Noncontrolling Interest and Stockholders' Deficit		
Current liabilities:		
Accounts payable and accrued expenses	$ 4,965	$ 6,120
Current portion of operating lease liabilities	162	155
Current portion of contract liabilities	35	31
Current portion of notes payable	—	84
Total current liabilities	5,162	6,390
Contract liabilities, net of current portion	18	1,009
Operating lease liabilities, net of current portion	633	676
Warrant liability, related party	4,519	2,871
Other liabilities	50	50
Total liabilities	10,382	10,996
Commitments and contingencies		
Redeemable noncontrolling interest	62,647	83,895
Stockholders' deficit:		
Class A Common Stock, $0.01 par value; 100,000,000 shares authorized, 57,571,904 and 54,050,710 shares outstanding as of March 31, 2021 and December 31, 2020, respectively	576	541
Class B Common Stock, $0.01 par value; 100,000,000 shares authorized, and 23,093,860 outstanding as of March 31, 2021 and 23,094,221 as of December 31, 2020	232	232
Additional paid-in capital	217,647	209,161
Accumulated deficit	(274,730)	(290,036)
Total stockholders' deficit attributable to vTv Therapeutics Inc.	(56,275)	(80,102)
Total liabilities, redeemable noncontrolling interest and stockholders' deficit	$ 16,754	$ 14,789

The accompanying notes are an integral part of the unaudited condensed consolidated financial statements.

vTv Therapeutics Inc.
Condensed Consolidated Statements of Operations - Unaudited
(in thousands, except number of shares and per share data)

	Three Months Ended March 31,	
	2021	2020
Revenue	$ 987	$ 8
Operating expenses:		
Research and development	3,103	4,204
General and administrative	2,164	2,450
Total operating expenses	5,267	6,654
Operating loss	(4,280)	(6,646)
Other (expense) income – related party	(1,648)	(363)
Interest income	1	12
Interest expense	—	(168)
Loss before income taxes and noncontrolling interest	(5,927)	(7,165)
Income tax provision	15	—
Net loss before noncontrolling interest	(5,942)	(7,165)
Less: net loss attributable to noncontrolling interest	(1,701)	(2,441)
Net loss attributable to vTv Therapeutics Inc.	$ (4,241)	$ (4,724)
Net loss attributable to vTv Therapeutics Inc. common shareholders	$ (4,241)	$ (4,724)
Net loss per share of vTv Therapeutics Inc. Class A Common Stock, basic and diluted	$ (0.08)	$ (0.11)
Weighted-average number of vTv Therapeutics Inc. Class A Common Stock, basic and diluted	56,472,535	43,462,551

The accompanying notes are an integral part of the unaudited condensed consolidated financial statements.

vTv Therapeutics Inc.
Condensed Consolidated Statement of Changes in Redeemable Noncontrolling Interest and Stockholders' Deficit - Unaudited
(in thousands, except number of shares)

For the three months ended March 31, 2021

	Redeemable Noncontrolling Interest	Class A Common Stock		Class B Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Deficit
		Shares	Amount	Shares	Amount			
Balances at December 31, 2020	**$ 83,895**	**54,050,710**	**$ 541**	**23,094,221**	**$ 232**	**$ 209,161**	**$ (290,036)**	**$ (80,102)**
Net loss	(1,701)	—	—	—	—	—	(4,241)	(4,241)
Share-based compensation	—	—	—	—	—	436	—	436
Exchange of Class B Common Stock for Class A Common Stock	—	361	—	(361)	—	—	—	—
Exercise of stock options	—	20,833	—	—	—	47	—	47
Issuance of Class A Common Stock under LPC Agreement	—	3,500,000	35	—	—	8,003	—	8,038
Change in redemption value of noncontrolling interest	(19,547)	—	—	—	—	—	19,547	19,547
Balances at March 31, 2021	**$ 62,647**	**57,571,904**	**$ 576**	**23,093,860**	**$ 232**	**$ 217,647**	**$ (274,730)**	**$ (56,275)**

For the three months ended March 31, 2020

	Redeemable Noncontrolling Interest	Class A Common Stock		Class B Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Deficit
		Shares	Amount	Shares	Amount			
Balances at December 31, 2019	**$ 40,183**	**40,918,522**	**$ 409**	**23,094,221**	**$ 232**	**$ 183,858**	**$ (233,522)**	**$ (49,023)**
Net loss	(2,441)	—	—	—	—	—	(4,724)	(4,724)
Share-based compensation	—	—	—	—	—	380	—	380
Issuance of Class A Common Stock to a related party under the Letter Agreements	—	3,750,000	38	—	—	5,962	—	6,000
Vesting of restricted stock units	—	11,667	—	—	—	—	—	—
Change in redemption value of noncontrolling interest	14,454	—	—	—	—	—	(14,454)	(14,454)
Balances at March 31, 2020	**$ 52,196**	**44,680,189**	**$ 447**	**23,094,221**	**$ 232**	**$ 190,200**	**$ (252,700)**	**$ (61,821)**

The accompanying notes are an integral part of the unaudited condensed consolidated financial statements.

vTv Therapeutics Inc.
Condensed Consolidated Statements of Cash Flows - Unaudited
(in thousands)

	Three Months Ended March 31,	
	2021	2020
Cash flows from operating activities:		
Net loss before noncontrolling interest	$ (5,942)	$ (7,165)
Adjustments to reconcile net loss before noncontrolling interest to net cash used in operating activities:		
Depreciation expense	23	27
Share-based compensation expense	436	380
Change in fair value of warrants, related party	1,648	363
Amortization of debt discount	—	47
Changes in assets and liabilities:		
Accounts receivable	156	—
Prepaid expenses and other assets	540	465
Accounts payable and accrued expenses	(1,173)	331
Contract liabilities	(987)	(8)
Other liabilities	—	—
Net cash used in operating activities	(5,299)	(5,560)
Cash flows from financing activities:		
Proceeds from issuance of Class A Common Stock to a related party under the Letter Agreements	—	6,000
Proceeds from issuance of Class A Common Stock, net of offering costs	8,038	—
Proceeds from exercise of stock options	47	—
Repayment of notes payable	(84)	(1,811)
Net cash provided by financing activities	8,001	4,189
Net increase (decrease) in cash, cash equivalents and restricted cash and cash equivalents	2,702	(1,371)
Total cash, cash equivalents and restricted cash and cash equivalents, beginning of period	5,747	4,277
Total cash, cash equivalents and restricted cash and cash equivalents, end of period	$ 8,449	$ 2,906
Non-cash activities:		
Change in redemption value of noncontrolling interest	$ (19,547)	$ 14,454

The accompanying notes are an integral part of the unaudited condensed consolidated financial statements.

Note 1: Description of Business, Basis of Presentation and Going Concern

Description of Business

vTv Therapeutics Inc. (the "Company," the "Registrant," "we" or "us") was incorporated in the state of Delaware in April 2015. The Company is a clinical-stage pharmaceutical company focused on treating metabolic diseases to minimize their long-term complications through end-organ protection.

Principles of Consolidation

vTv Therapeutics Inc. is a holding company and its principal asset is a controlling equity interest in vTv Therapeutics LLC ("vTv LLC"), the Company's principal operating subsidiary, which is a clinical-stage pharmaceutical company focused on treating metabolic diseases to minimize their long-term complications through end-organ protection.

The Company has determined that vTv LLC is a variable-interest entity ("VIE") for accounting purposes and that vTv Therapeutics Inc. is the primary beneficiary of vTv LLC because (through its managing member interest in vTv LLC and the fact that the senior management of vTv Therapeutics Inc. is also the senior management of vTv LLC) it has the power and benefits to direct all of the activities of vTv LLC, which include those that most significantly impact vTv LLC's economic performance. vTv Therapeutics Inc. has therefore consolidated vTv LLC's results pursuant to Accounting Standards Codification Topic 810, "Consolidation" in its Condensed Consolidated Financial Statements. As of March 31, 2021, various holders own non-voting interests in vTv LLC, representing a 28.6% economic interest in vTv LLC, effectively restricting vTv Therapeutics Inc.'s interest to 71.4% of vTv LLC's economic results, subject to increase in the future, should vTv Therapeutics Inc. purchase additional non-voting common units ("vTv Units") of vTv LLC, or should the holders of vTv Units decide to exchange such units (together with shares of Class B Common Stock) for shares of Class A Common Stock (or cash) pursuant to the Exchange Agreement (as defined in Note 10). vTv Therapeutics Inc. has provided financial and other support to vTv LLC in the form of its purchase of vTv Units with the net proceeds of the Company's initial public offering ("IPO") in 2015 and its registered direct offering in March 2019, its agreeing to be a co-borrower under the Venture Loan and Security Agreement (the "Loan Agreement") with Horizon Technology Finance Corporation and Silicon Valley Bank (together, the "Lenders") which was entered into in 2016, and its entrance into the letter agreements with MacAndrews and Forbes Group LLC ("M&F Group"), a related party and an affiliate of MacAndrews & Forbes Incorporated (together with its affiliates "MacAndrews"), in December 2017, July 2018, December 2018, March 2019, September 2019 and December 2019 (the "Letter Agreements"), the Controlled Equity Offering℠ Sales Agreement (the "Sales Agreement") with Cantor Fitzgerald & Co. ("Cantor Fitzgerald") (the "ATM Offering"), and the purchase agreement with Lincoln Park Capital Fund, LLC ("Lincoln Park") (the "LPC Purchase Agreement"). vTv Therapeutics Inc. will not be required to provide financial or other support for vTv LLC. However, vTv Therapeutics Inc. will control its business and other activities through its managing member interest in vTv LLC, and its management is the management of vTv LLC. Nevertheless, because vTv Therapeutics Inc. will have no material assets other than its interests in vTv LLC, any financial difficulties at vTv LLC could result in vTv Therapeutics Inc. recognizing a loss.

Going Concern and Liquidity

To date, the Company has not generated any product revenue and has not achieved profitable operations. The continuing development of our drug candidates will require additional financing. From its inception through March 31, 2021, the Company has funded its operations primarily through a combination of private placements of common and preferred equity, research collaboration agreements, upfront and milestone payments for license agreements, debt and equity financings and the completion of its IPO in August 2015. As of March 31, 2021, the Company had an accumulated deficit of $274.7 million and has generated net losses in each year of its existence.

As of March 31, 2021, the Company's liquidity sources included cash and cash equivalents of $8.4 million and remaining availability of $5.5 million under our Controlled Equity Offering℠ Sales Agreement (the "Sales Agreement") with Cantor Fitzgerald & Co. ("Cantor Fitzgerald") pursuant to which the Company may offer and sell, from time to time shares of the Company's Class A Common Stock (the "ATM Offering"). See Note 10 for further details.

As of March 31, 2021, the Company also had the ability to sell an additional 441,726 shares of Class A Common Stock under the LPC Purchase Agreement based on the number of shares initially registered. The extent to which the Company utilizes the LPC Purchase Agreement as a source of funding will depend on a number of factors, including the prevailing market price of and the volume of trading in the Company's Class A Common Stock and the extent to which the Company is able to secure funds from other

sources. The number of shares that the Company may sell to Lincoln Park under the purchase agreement on any given day and during the term of the agreement is limited. Additionally, the Company and Lincoln Park may not effect any sales of shares of our Class A Common Stock under the LPC Purchase Agreement during the continuance of an event of default under the LPC Purchase Agreement.

Based on the Company's current operating plan, management believes that its current cash and cash equivalents, the amounts raised under the LPC Purchase Agreement through May 5, 2021 and the remaining availability under the ATM Offering, will allow the Company to meet its liquidity requirements through the end of the third quarter, which is less than twelve months from the issuance of these Condensed Consolidated Financial Statements. These conditions raise substantial doubt about the Company's ability to continue as a going concern. The Company is evaluating several financing strategies to provide continued funding which may include additional direct equity investments or future public offerings of our common stock. The timing and availability of such financing is not yet known and we cannot be certain that additional financing will be available on acceptable terms, or at all. Even if we are able to obtain additional debt or equity financing, it may contain restrictions on our operations or cause substantial dilution to our stockholders.

The Company's financial statements have been prepared assuming the Company will continue as a going concern, which contemplates, among other things, the realization of assets and satisfaction of liabilities in the normal course of business. The Condensed Consolidated Financial Statements do not include adjustments to reflect the possible future effects on the recoverability and classification of recorded assets or the amounts of liabilities that might be necessary should the Company be unable to continue as a going concern.

Note 2: Summary of Significant Accounting Policies

Unaudited Interim Financial Information

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The accompanying Condensed Consolidated Balance Sheet as of March 31, 2021, Condensed Consolidated Statements of Operations for the three months ended March 31, 2021 and 2020, Condensed Consolidated Statement of Changes in Redeemable Noncontrolling Interest and Stockholders' Deficit for the three months ended March 31, 2021 and 2020 and Condensed Consolidated Statements of Cash Flows for the three months ended March 31, 2021 and 2020 are unaudited. These unaudited financial statements have been prepared in accordance with the rules and regulations of the United States Securities and Exchange Commission ("SEC") for interim financial information. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. These financial statements should be read in conjunction with the audited financial statements and the accompanying notes for the year ended December 31, 2020 contained in the Company's Annual Report on Form 10-K. The unaudited interim financial statements have been prepared on the same basis as the annual financial statements and, in the opinion of management, reflect all adjustments (consisting of normal recurring adjustments) necessary to state fairly the Company's financial position as of March 31, 2021, the results of operations for the three months ended March 31, 2021 and 2020 and cash flows for the three months ended March 31, 2021 and 2020. The December 31, 2020 Condensed Consolidated Balance Sheet included herein was derived from the audited financial statements but does not include all disclosures or notes required by GAAP for complete financial statements.

The financial data and other information disclosed in these notes to the financial statements related to the three months ended March 31, 2021 and 2020 are unaudited. Interim results are not necessarily indicative of results for an entire year.

The Company does not have any components of other comprehensive income recorded within its Condensed Consolidated Financial Statements, and, therefore, does not separately present a statement of comprehensive income in its Condensed Consolidated Financial Statements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

On an ongoing basis, the Company evaluates its estimates, including those related to the grant date fair value of equity awards, the fair value of warrants to purchase shares of its Class A Common Stock, the fair value of the Class B Common Stock, the useful lives of property and equipment, the fair value of derivative liabilities, and the fair value of the Company's debt, among others. The Company bases its estimates on historical experience and on various other assumptions that it believes to be reasonable, the results of which form the basis for making judgments about the carrying value of assets and liabilities.

Concentration of Credit Risk

Financial instruments that potentially expose the Company to concentrations of credit risk consist principally of cash on deposit with multiple financial institutions. The balances of these cash accounts frequently exceed insured limits.

One and two customers represented 100% of the revenue earned during the three months ended March 31, 2021 and March 31, 2020, respectively.

Cash and Cash Equivalents

The Company considers any highly liquid investments with an original maturity of three months or less to be cash and cash equivalents.

Investments

The Company holds equity investments without readily determinable market values. The Company has elected to measure these investments at cost minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for the identical or similar investment.

Revenue Recognition

The Company uses the revenue recognition guidance established by ASC Topic 606, "Revenue From Contracts With Customers" ("ASC Topic 606").

The majority of the Company's revenue results from its license and collaboration agreements associated with the development of investigational drug products. The Company accounts for a contract when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. For each contract meeting these criteria, the Company identifies the performance obligations included within the contract. A performance obligation is a promise in a contract to transfer a distinct good or service to the customer. The Company then recognizes revenue under each contract as the related performance obligations are satisfied.

The transaction price under the contract is determined based on the value of the consideration expected to be received in exchange for the transferred assets or services. Development, regulatory and sales milestones included in the Company's collaboration agreements are considered to be variable consideration. The amount of variable consideration expected to be received is included in the transaction price when it becomes probable that the milestone will be met. For contracts with multiple performance obligations, the contract's transaction price is allocated to each performance obligation using the Company's best estimate of the standalone selling price of each distinct good or service in the contract. The primary method used to estimate standalone selling price is the expected cost plus margin approach. Revenue is recognized over the related period over which the Company expects the services to be provided using a proportional performance model or a straight-line method of recognition if there is no discernable pattern over which the services will be provided.

Research and Development

Major components of research and development costs include cash and share-based compensation, costs of preclinical studies, clinical trials and related clinical manufacturing, costs of drug development, costs of materials and supplies, regulatory and compliance costs, fees paid to consultants and other entities that conduct certain research and development activities on the Company's behalf, facilities costs, and overhead costs. Research and development costs are expensed as incurred.

The Company records accruals based on estimates of the services received, efforts expended, and amounts owed pursuant to contracts with numerous contract research organizations. In the normal course of business, the Company contracts with third parties to perform various clinical study activities in the ongoing development of potential products. The financial terms of these agreements are subject to negotiation and variation from contract to contract and may result in uneven payment flows. Payments under the contracts depend on factors such as the achievement of certain events and the completion of portions of the clinical study or similar conditions. The objective of the Company's accrual policy is to match the recording of expenses in its financial statements to the actual services received and efforts expended. As such, expense accruals related to clinical studies are recognized based on the Company's estimate of the degree of completion of the event or events specified in the specific clinical study.

The Company records nonrefundable advance payments it makes for future research and development activities as prepaid expenses. Prepaid expenses are recognized as expense in the Condensed Consolidated Statements of Operations as the Company receives the related goods or services.

Research and development costs that are reimbursed under a cost-sharing arrangement are reflected as a reduction of research and development expense.

Recently Issued Accounting Pronouncements

There have been no recently accounting pronouncements which are expected to have a material impact on the Company's financial statements.

Note 3: Collaboration Agreements

Reneo License Agreement

The Company is party to a license agreement with Reneo Pharmaceuticals, Inc. ("Reneo") (the "Reneo License Agreement"), under which Reneo obtained an exclusive, worldwide, sublicensable license to develop and commercialize the Company's peroxisome proliferation activated receptor delta (PPAR-δ) agonist program, including the compound *HPP593*, for therapeutic, prophylactic or diagnostic application in humans.

The Company has fully allocated the transaction price to the license and the technology transfer services, which represents a single combined performance obligation because they were not capable of being distinct on their own. The revenue related to this performance obligation was recognized on a straight-line basis over the technology transfer service period.

The revenue related to this performance obligation has been fully recognized and no revenue related to this performance obligation was recognized for the three months ended March 31, 2021 and 2020. There have been no adjustments to the transaction price for the performance obligations under the Reneo License Agreement during the three months ended March 31, 2021 and 2020.

Huadong License Agreement

The Company is party to a License Agreement with Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd. ("Huadong") (the "Huadong License Agreement"), under which Huadong obtained an exclusive and sublicensable license to develop and commercialize the Company's glucagon-like peptide-1 receptor agonist ("GLP-1r") program, including the compound *TTP273*, for therapeutic uses in humans or animals, in China and certain other pacific rim countries, including Australia and South Korea (collectively, the "Huadong License Territory"). Additionally, under the Huadong License Agreement, the Company obtained a non-exclusive, sublicensable, royalty-free license to develop and commercialize certain Huadong patent rights and know-how related to the Company's GLP-1r program for therapeutic uses in humans or animals outside of the Huadong License Territory.

On January 14, 2021, the Company entered into the First Huadong Amendment which eliminated the Company's obligation to sponsor a multi-region clinical trial (the "Phase 2 MRCT"), and corresponding obligation to contribute up to $3.0 million in support of such trial. The amendment also reduced the total potential development and regulatory milestone payments by $3.0 million.

Prior to the First Amendment, the Company had allocated a portion of the transaction price to the obligation to sponsor and conduct a portion of the Phase 2 MRCT. Upon the removal of this performance obligation, the Company evaluated the impact of the modification under the provisions of ASC Topic 606 and performed a reallocation of the transaction price among the remaining performance obligations. This resulted in the recognition of approximately $1.0 million of revenue on a cumulative catch up basis. The majority of the transaction price originally allocated to the Phase 2 MRCT performance obligation was reallocated to the license and technology transfer services combined performance obligation discussed below, which had already been completed. The reallocation of the purchase price in connection with the First Huadong Amendment was made based on the relative estimated selling prices of the remaining performance obligations.

The significant performance obligations under this license agreement, as amended, were determined to be (i) the exclusive license to develop and commercialize the Company's GLP-1r program, (ii) technology transfer services related to the chemistry and manufacturing know-how for a defined period after the effective date, (iii) the Company's obligation to participate on a joint development committee (the "JDC"), and (iv) other obligations considered to be de minimis in nature.

The Company has determined that the license and technology transfer services related to the chemistry and manufacturing know-how represent a combined performance obligation because they were not capable of being distinct on their own. The Company also determined that there was no discernable pattern in which the technology transfer services would be provided during the transfer service period. As such, the Company recognized the revenue related to this combined performance obligation using the straight-line method over the transfer service period. The revenue related to this combined performance obligation has been fully recognized as of March 31, 2021. In connection with the First Huadong Amendment, the Company recognized approximately $1.0 million of revenue related to this performance obligation during the three months ended March 31, 2021 due to the reallocation of the transaction price among the performance obligations remaining after the First Huadong Amendment. No revenue related to this combined performance obligation was recognized during the three months ended March 31, 2020.

The portion of the transaction price allocated to the obligation to participate in the joint development committee (the "JDC") to oversee the development of products and the Phase 2 MRCT in accordance with the development plan remained deferred as of March 31, 2021 and revenue will be recognized using the proportional performance model over the period of the Company's

participation on the JDC. The unrecognized amount of the transaction price allocated to this performance obligation as of March 31, 2021 was $0.1 million. An immaterial amount of revenue for this performance obligation has been recognized during the three months ended March 31, 2021.

There have been no adjustments to the transaction price for the performance obligations under the Huadong License Agreement during the three months ended March 31, 2021 other than the reallocation of the original transaction price among the performance obligations in connection with the First Huadong Amendment as discussed above.

Newsoara License Agreement

The Company is party to a license agreement with Newsoara Biopharma Co., Ltd., ("Newsoara") (the "Newsoara License Agreement") under which Newsoara obtained an exclusive and sublicensable license to develop and commercialize the Company's phosphodiesterase type 4 inhibitors ("PDE4") program, including the compound *HPP737*, in China, Hong Kong, Macau, Taiwan and other pacific rim countries (collectively, the "Newsoara License Territory"). Additionally, under the Newsoara License Agreement, the Company obtained a non-exclusive, sublicensable, royalty-free license to develop and commercialize certain Newsoara patent rights and know-how related to the Company's PDE4 program for therapeutic uses in humans outside of the Newsoara License Territory.

The Company has fully allocated the transaction price to the license and the technology transfer services which represents a single performance obligation because they were not capable of being distinct on their own. The Company recognized revenue for this performance obligation using the straight-line method over the transfer service period. The revenue for this performance obligation has been fully recognized as of March 31, 2021. No revenue related to this performance obligation was recognized and there have been no changes to the transaction price during the three months ended March 31, 2021.

Anteris License Agreement

On December 11, 2020, we entered into a license agreement with Anteris Bio, Inc. ("Anteris") (the "Anteris License Agreement"), under which Anteris obtained a worldwide, exclusive and sublicensable license to develop and commercialize the Company's Nrf2 activator, *HPP971*.

Under the terms of the Anteris License Agreement, Anteris paid the Company an initial license fee of $2.0 million. The Company is eligible to receive additional potential development, regulatory, and sales-based milestone payments totaling up to $151.0 million. Anteris is also obligated to pay vTv royalty payments at a double-digit rate based on annual net sales of licensed products. Such royalties will be payable on a licensed product-by-licensed product basis until the latest of expiration of the licensed patents covering a licensed product in a country, expiration of data exclusivity rights for a licensed product in a country, or a specified number of years after the first commercial sale of a licensed product in a country. As additional consideration, the Company received preferred stock representing a minority ownership interest in Anteris.

Pursuant to the terms of the Anteris License Agreement, the Company was required to provide technology transfer services for a 30 day period after the effective date. In accordance with ASC Topic 606, the Company identified all of the performance obligations at the inception of the Anteris License Agreement. The significant obligations were determined to be the license and the technology transfer services. The Company has determined that the license and technology transfer services represent a single performance obligation because they were not capable of being distinct on their own. The transaction price has been fully allocated to this combined performance obligation. As of December 31, 2020, the transaction price consisted of the $2.0 million initial license payment as well as the fair value of the equity interest received in Anteris of $4.2 million. The remaining milestone payments that the Company is eligible to receive were not included in the transaction price as of December 31, 2020, as it was not considered probable that such payments will be received. The revenue related to this performance obligation was fully recognized as of December 31, 2020 as the technology transfer services were considered complete. No revenue related to this performance obligation was recognized and there have been no changes to the transaction price during the three months ended March 31, 2021 and 2020

JDRF Agreement

In August 2017, the Company entered into a research and collaboration agreement with JDRF International (the "JDRF Agreement") to support the funding of the Simplici-T1 Study, a Phase 2 study to explore the effects of *TTP399* in patients with type 1 diabetes. According to the terms of the JDRF Agreement, JDRF will provide research funding of up to $3.0 million based on the achievement of research and development milestones, with the total funding provided by JDRF not to exceed approximately one-half of the total cost of the project. Additionally, the Company has the obligation to make certain milestone payments to JDRF upon the commercialization, licensing, sale or transfer of *TTP399* as a treatment for type 1 diabetes.

Payments that the Company receives from JDRF under this agreement will be recorded as restricted cash and current liabilities and recognized as an offset to research and development expense, based on the progress of the project, and only to the extent that the restricted cash is utilized to fund such development activities. As of March 31, 2021, the Company had received funding under this

agreement of $3.0 million. Research and development costs have been offset by a total of $3.0 million over the course of this agreement.

Contract Liabilities

Contract liabilities related to the Company's collaboration agreements consisted of the following (in thousands):

	March 31, 2021	December 31, 2020
Current portion of contract liabilities	$ 35	$ 31
Contract liabilities, net of current portion	18	1,009
Total contract liabilities	$ 53	$ 1,040

The change in the Company's contract liabilities for the three months ended March 31, 2021 was due to the recognition of amounts included in the contract liability at the beginning of the period caused by the reallocation of the transaction price in connection with the First Huadong Amendment discussed above.

Note 4: Share-Based Compensation

The Company has issued non-qualified stock option awards to certain employees of the Company. These option awards vest ratably over a three-year period and the option awards expire after a term of ten years from the date of grant. As of March 31, 2021, the Company had total unrecognized stock-based compensation expense for its outstanding stock option awards of approximately $3.3 million, which is expected to be recognized over a weighted average period of 2.4 years. There were no options granted during the three months ended March 31, 2021 and 2020. The aggregate intrinsic value of the in-the-money awards outstanding at March 31, 2021 was $2.0 million.

The following table summarizes the activity related to the stock option awards for the three months ended March 31, 2021:

	Number of Shares	Weighted-Average Exercise Price
Awards outstanding at December 31, 2020	4,453,357	$ 4.41
Exercised	(20,833)	2.24
Forfeited	(28,121)	15.00
Awards outstanding at March 31, 2021	4,404,403	$ 4.35
Options exercisable at March 31, 2021	2,135,504	$ 6.74
Weighted average remaining contractual term	6.1 Years	
Options vested and expected to vest at March 31, 2021	4,157,649	$ 4.49
Weighted average remaining contractual term	7.7 Years	

Compensation expense related to the grants of stock options is included in research and development and general and administrative expense as follows (in thousands):

	Three Months Ended March 31,	
	2021	2020
Research and development	$ 176	$ 133
General and administrative	260	247
Total share-based compensation expense	$ 436	$ 380

Note 5: Investments

In connection with the Reneo and Anteris License Agreements, the Company has received equity interests representing a minority equity interest in each investee. In each case, the Company's investment is measured at cost less impairment, adjusted for any changes in observable prices, because the Company owns less than 20% of the voting equity and does not have the ability to exercise significant influence over the investees. The investments were initially recognized at fair value and are classified as long-term investments in the Company's Consolidated Balance Sheets.

As of December 31, 2020, the Company's equity investments without readily determinable fair values assessed under the measurement alternative consist of the following:

	March 31, 2021	December 31, 2020
Reneo common stock	$ 2,480	$ 2,480
Anteris preferred stock	4,245	4,245
Total	$ 6,725	$ 6,725

No adjustments have been made to the value of the Company's investment in either Reneo or Anteris since their initial measurement either due to impairment or based on observable price changes.

Note 6: Notes Payable

In October 2016, the Company entered into the Loan Agreement with Horizon Technology Finance Corporation and Silicon Valley Bank, under which the Company and vTv LLC borrowed $20.0 million. On April 1, 2020, the Company entered into an amendment to the Loan Agreement (the "Second Amendment") and on July 29, 2020, the Company entered into the Third Amendment to the Loan Agreement. These amendments extended the maturity dates of the loans and adjusted the minimum cash balance and, in certain instances, provided for interest only payments for certain periods. The Company fully repaid the amounts due under the Loan Agreement in December 2020 in accordance with the stated terms of the agreement as amended and the agreement was then terminated.

Each loan tranche bore interest at a floating rate equal to 10.5% plus the amount by which the one-month London Interbank Offer Rate ("LIBOR") exceeds 0.5%.

The Company borrowed the first tranche of $12.5 million upon close of the Loan Agreement in October 2016. As amended, the first tranche required only monthly interest payments until May 1, 2018 followed by monthly payments of principal plus accrued interest through the amended maturity date on September 1, 2020. In addition, a final payment for the first tranche loan equal to $0.8 million was due on September 1, 2020, or such earlier date specified in the Loan Agreement, as amended. The Company borrowed the second tranche of $7.5 million in March 2017. The second tranche required only monthly interest payments until October 1, 2018 followed by monthly payments of principal plus accrued interest through the amended maturity date on January 1, 2021. In addition, a final payment for the second tranche loan equal to $0.8 million was due on January 1, 2021, or such earlier date specified in the Loan Agreement as amended.

The Second and Third Amendments were considered modifications to the existing agreement for accounting purposes. As such, the Company determined a new effective interest rate of 21.5% on the debt considering the remaining unamortized cost and the increases to the final payment for the second tranche as a result of these amendments. The related costs were amortized and the final payments for the first and second loan tranches were accrued as additional interest expense, using the effective interest method over the term of the Loan Agreement.

Note 7: Commitments and Contingencies

Legal Matters

From time to time, the Company is involved in various legal proceedings arising in the normal course of business. If a specific contingent liability is determined to be probable and can be reasonably estimated, the Company accrues and discloses the amount. The Company is not currently a party to any material legal proceedings.

Novo Nordisk

In February 2007, the Company entered into an Agreement Concerning Glucokinase Activator Project with Novo Nordisk A/S (the "Novo License Agreement") whereby we obtained an exclusive, worldwide, sublicensable license under certain Novo Nordisk intellectual property rights to discover, develop, manufacture, have manufactured, use and commercialize products for the prevention, treatment, control, mitigation or palliation of human or animal diseases or conditions. As part of this license grant, the Company obtained certain worldwide rights to Novo Nordisk's GKA program, including rights to preclinical and clinical compounds such as *TTP399*. This agreement was amended in May 2019 to create milestone payments applicable to certain specific and non-specific areas of therapeutic use. Under the terms of the Novo License Agreement, the Company has additional potential developmental and regulatory milestone payments totaling up to $9.0 million for approval of a product for the treatment of type 1 diabetes, $50.5 million for approval of a product for the treatment of type 2 diabetes, or $115.0 million for approval of a product in any other indication. The Company may also be obligated to pay an additional $75.0 million in potential sales-based milestones, as well as royalty payments, at mid-single digit royalty rates, based on tiered sales of commercialized licensed products.

Huadong License Agreement

Under the terms of the Huadong License Agreement, prior to its amendment in January 2021, vTv LLC was obligated to act as the sponsor of the Phase 2 MRCT should Huadong require it to do so. The Phase 2 MRCT was to include sites in both US and the Huadong License Territory for the purpose of assessing the safety and efficacy of *TTP273* in patients with type 2 diabetes and was to be designed to satisfy the requirements of the China Food and Drug Administration necessary in order for Huadong to begin a Phase 3 clinical trial in China. vTv LLC was responsible for contributing up to $3.0 million in connection with the Phase 2 MRCT. In connection with the First Huadong Amendment, discussed further in Note 3, the Company's obligation to sponsor and contribute funding to the Phase 2 MRCT was eliminated from the Huadong License Agreement.

Note 8: Leases

The Company leases office space for its headquarters location under an operating lease. This lease commenced in November 2019 after the completion of certain tenant improvements made by the lessor. The lease includes an option to renew for a five-year term as well as an option to terminate after three years, neither of which have been recognized as part of its related right of use assets or lease liabilities as their election is not considered reasonably certain. Further, this lease does not include any material residual value guarantee or restrictive covenants.

At each of March 31, 2021 and December 31, 2020, the weighted average incremental borrowing rate for the operating leases held by the Company was 13.1%. At March 31, 2021 and December 31, 2020, the weighted average remaining lease terms for the operating leases held by the Company were 3.8 years and 4.1 years, respectively.

Maturities of lease liabilities for the Company's operating leases as of March 31, 2021 were as follows (in thousands):

2021 (remaining nine months)	$	192
2022		261
2023		268
2024		275
2025		23
Thereafter		—
Total lease payments		1,019
Less: imputed interest		(224)
Present value of lease liabilities	$	795

Operating lease cost and the related operating cash flows for the three months ended March 31, 2021 and 2020 were immaterial amounts.

Note 9: Redeemable Noncontrolling Interest

The Company is subject to the Exchange Agreement with respect to the vTv Units representing the 28.6% noncontrolling interest in vTv LLC outstanding as of March 31, 2021 (see Note 10). The Exchange Agreement requires the surrender of an equal number of vTv Units and Class B Common Stock for (i) shares of Class A Common Stock on a one-for-one basis or (ii) cash (based on the fair market value of the Class A Common Stock as determined pursuant to the Exchange Agreement), at the Company's option (as the managing member of vTv LLC), subject to customary conversion rate adjustments for stock splits, stock dividends and reclassifications. The exchange value is determined based on a 20-day volume weighted average price of the Class A Common Stock as defined in the Exchange Agreement, subject to customary conversion rate adjustments for stock splits, stock dividends and reclassifications.

The redeemable noncontrolling interest is recognized at the higher of (1) its initial fair value plus accumulated earnings/losses associated with the noncontrolling interest or (2) the redemption value as of the balance sheet date. At March 31, 2021 and December 31, 2020, the redeemable noncontrolling interest was recorded based on the redemption value as of the balance sheet date of $62.6 million and $83.9 million, respectively.

Changes in the Company's ownership interest in vTv LLC while the Company retains its controlling interest in vTv LLC are accounted for as equity transactions, and the Company is required to adjust noncontrolling interest and equity for such changes. The following is a summary of net income attributable to vTv Therapeutics Inc. and transfers to noncontrolling interest:

	For the Three Months Ended March 31,	
	2021	2020
Net loss attributable to vTv Therapeutics Inc. common shareholders	$ (4,241)	$ (4,724)
Increase in vTv Therapeutics Inc. accumulated deficit for purchase of LLC Units as a result of common stock issuances	(2,410)	(2,423)
Change from net loss attributable to vTv Therapeutics Inc. common shareholders and transfers to noncontrolling interest	$ (6,651)	$ (7,147)

Note 10: Stockholders' Equity

ATM Offering

In April 2020, the Company entered into the Sales Agreement with Cantor as the sales agent, pursuant to which the Company may offer and sell, from time to time, through Cantor, shares of its Class A Common Stock, par value $0.01 per share, having an aggregate offering price of up to $13.0 million by any method deemed to be an "at the market offering" as defined in Rule 415(a)(4) under the Securities Act (the "ATM Offering"). The shares are offered and sold pursuant to the Company's shelf registration statement on Form S-3.

On January 14, 2021, the Company filed a prospectus supplement in connection with the ATM Offering to increase the size of the at-the-market offering pursuant to which the Company may offer and sell, from time to time, through or to Cantor, as sales agent or principal, shares of the Company's Class A Common Stock, by an aggregate offering price of $5.5 million.

During the three months ended March 31, 2021 and 2020, the Company did not sell any shares under the ATM Offering.

Lincoln Park Capital Transaction

On November 24, 2020, the Company entered into the LPC Purchase Agreement and a registration rights agreement (the "Registration Rights Agreement"), pursuant to which the Company has the right to sell to Lincoln Park shares of the Company's Class A Common Stock having an aggregate value of up to $47.0 million, subject to certain limitations and conditions set forth in the LPC Purchase Agreement. The Company will control the timing and amount of any sales of shares to Lincoln Park. pursuant to the LPC Purchase Agreement. During the three months ended March 31, 2021, the Company sold 3,500,000 shares under the LPC Purchase Agreement for total proceeds of $8.0 million.

Note 11: Related-Party Transactions

MacAndrews & Forbes Incorporated

As of March 31, 2021, subsidiaries and affiliates of MacAndrews & Forbes Incorporated (collectively "MacAndrews") indirectly controlled 23,084,267 shares of the Company's Class B Common Stock and 36,606,212 shares of the Company's Class A Common Stock. As a result, MacAndrews' holdings represent approximately 74.0% of the combined voting power of the Company's outstanding common stock.

The Company has entered into several agreements with MacAndrews or its affiliates as further detailed below:

Letter Agreements

The Company has entered into the Letter Agreements with MacAndrews. Under the terms of the Letter Agreements, the Company has the right to sell to MacAndrews shares of its Class A Common Stock at a specified price per share, and MacAndrews has the right (exercisable up to three times) to require the Company to sell to it shares of Class A Common Stock at the same price. In addition, in connection with and as a commitment fee for the entrance into certain of these Letter Agreements, the Company also issued MacAndrews warrants (the "Letter Agreement Warrants") to purchase additional shares of the Company's Class A Common Stock.

Certain terms of the December 23, 2019 Letter Agreement are set forth in the table below:

	December 23, 2019 Letter Agreement
Aggregate dollar value to be sold under agreement	$10.0 million
Specified purchase price per share	$ 1.60
Expiration date of letter agreement	December 23, 2020
Shares available to be issued under related warrants	365,472
Exercise price of related warrants	$ 1.84
Expiration date of related warrants	December 23, 2026
Total shares issued as of March 31, 2021	6,250,000
Remaining shares to be issued as of March 31, 2021	—

The Letter Agreement Warrants have been recorded as warrant liability, related party within the Company's Condensed Consolidated Balance Sheets based on their fair value. The issuance of the Letter Agreement Warrants was considered to be a cost of equity recorded as a reduction to additional paid-in capital.

Exchange Agreement

The Company and MacAndrews are party to an exchange agreement (the "Exchange Agreement") pursuant to which the vTv Units (along with a corresponding number of shares of the Class B Common Stock) are exchangeable for (i) shares of the Company's Class A Common Stock on a one-for-one basis or (ii) cash (based on the fair market value of the Class A Common Stock as determined pursuant to the Exchange Agreement), at the Company's option (as the managing member of vTv LLC), subject to customary conversion rate adjustments for stock splits, stock dividends and reclassifications. Any decision to require an exchange for cash rather than shares of Class A Common Stock will ultimately be determined by the entire board of directors of vTv Therapeutics Inc. (the "Board of Directors"). As of March 31, 2021, MacAndrews had not exchanged any shares under the provisions of the Exchange Agreement.

Tax Receivable Agreement

The Company and MacAndrews are party to a tax receivable agreement (the "Tax Receivable Agreement"), which provides for the payment by the Company to M&F TTP Holdings Two LLC ("M&F"), as successor in interest to vTv Therapeutics Holdings, LLC ("vTv Therapeutics Holdings"), and M&F TTP Holdings LLC (or certain of its transferees or other assignees) of 85% of the amount of cash savings, if any, in U.S. federal, state and local income tax or franchise tax that the Company actually realizes (or, in some circumstances, the Company is deemed to realize) as a result of (a) the exchange of Class B Common Stock, together with the corresponding number of vTv Units, for shares of the Company's Class A Common Stock (or for cash), (b) tax benefits related to imputed interest deemed to be paid by the Company as a result of the Tax Receivable Agreement and (c) certain tax benefits attributable to payments under the Tax Receivable Agreement.

As no shares have been exchanged by MacAndrews pursuant to the Exchange Agreement (discussed above), the Company has not recognized any liability nor has it made any payments pursuant to the Tax Receivable Agreement as of March 31, 2021.

Investor Rights Agreement

The Company is party to an investor rights agreement with M&F, as successor in interest to vTv Therapeutics Holdings (the "Investor Rights Agreement"). The Investor Rights Agreement provides M&F with certain demand, shelf and piggyback registration rights with respect to its shares of Class A Common Stock and also provides M&F with certain governance rights, depending on the size of its holdings of Class A Common Stock. Under the Investor Rights Agreement, M&F was initially entitled to nominate a majority of the members of the Board of Directors and designate the members of the committees of the Board of Directors.

Note 12:Income Taxes

The Company is subject to U.S. federal income taxes as well as state taxes. The Company's income tax provision for the three months ended March 31, 2021 was a de minimis amount related to foreign withholding taxes. The Company did not record an income tax provision for the three months ended March 31, 2020.

Management has evaluated the positive and negative evidence surrounding the realization of its deferred tax assets, including the Company's history of losses, and under the applicable accounting standards determined that it is more-likely-than-not that the deferred tax assets will not be realized. The difference between the effective tax rate of the Company and the U.S. statutory tax rate of 21% at March 31, 2021 is due to the valuation allowance against the Company's expected net operating losses.

As discussed in Note 10, the Company is party to a tax receivable agreement with a related party which provides for the payment by the Company to M&F (or certain of its transferees or other assignees) of 85% of the amount of cash savings, if any, in U.S. federal, state and local income tax or franchise tax that the Company actually realizes (or, in some circumstances, the Company is deemed to realize) as a result of certain transactions. As no transactions have occurred which would trigger a liability under this agreement, the Company has not recognized any liability related to this agreement as of March 31, 2021.

Note 13:Net Loss per Share

Basic loss per share is computed by dividing net loss attributable to vTv Therapeutics Inc. by the weighted-average number of shares of Class A Common Stock outstanding during the period. Diluted loss per share is computed giving effect to all potentially dilutive shares. Diluted loss per share for all periods presented is the same as basic loss per share as the inclusion of potentially issuable shares would be antidilutive.

A reconciliation of the numerator and denominator used in the calculation of basic and diluted net loss per share of Class A Common Stock is as follows (in thousands, except share and per share amounts):

	For the Three Months Ended March 31,	
	2021	2020
Numerator:		
Net loss	$ (5,942)	$ (7,165)
Less: Net loss attributable to noncontrolling interests	(1,701)	(2,441)
Net loss attributable to common shareholders of vTv Therapeutics Inc., basic and diluted	(4,241)	(4,724)
Denominator:		
Weighted-average vTv Therapeutics Inc. Class A Common Stock, basic and diluted	56,472,535	43,462,551
Net loss per share of vTv Therapeutics Inc. Class A Common Stock, basic and diluted	$ (0.08)	$ (0.11)

Potentially dilutive securities not included in the calculation of diluted net loss per share are as follows:

	March 31, 2021	March 31, 2020
Class B Common Stock (1)	23,093,860	23,094,221
Common stock options granted under the Plan	4,404,403	2,531,143
Common stock options granted under Letter Agreements	—	2,500,000
Common stock warrants	2,014,503	2,014,503
Total	29,512,766	30,139,867

(1) Shares of Class B Common Stock do not share in the Company's earnings and are not participating securities. Accordingly, separate presentation of loss per share of Class B Common Stock under the two-class method has not been provided. Each share of Class B Common Stock (together with a corresponding vTv Unit) is exchangeable for one share of Class A Common Stock.

Note 14:Fair Value of Financial Instruments

The carrying amount of certain of the Company's financial instruments, including cash and cash equivalents, net accounts receivable, accounts payable and other accrued liabilities approximate fair value due to their short-term nature.

The fair value of the Company's Loan Agreement is considered to approximate its carrying value because it bears interest at a variable interest rate.

The Company measures the value of its equity investments at cost minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for the identical or similar investment. During the three months ended March 31, 2021 and 2020, there were no observable price changes in identical or similar investments, nor were there any indications of impairment. As such, the value of the Company's equity investments was not remeasured.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The Company evaluates its financial assets and liabilities subject to fair value measurements on a recurring basis to determine the appropriate level in which to classify them for each reporting period. This determination requires significant judgments. The following table summarizes the conclusions reached regarding fair value measurements as of March 31, 2021 and December 31, 2020 (in thousands):

	Balance at March 31, 2021	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Warrant liability, related party (1)	$ 4,519	$ —	$ —	$ 4,519
Total	$ 4,519	$ —	$ —	$ 4,519

	Balance at December 31, 2020	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Warrant liability, related party (1)	$ 2,871	$ —	$ —	$ 2,871
Total	$ 2,871	$ —	$ —	$ 2,871

(1) Fair value determined using the Black-Scholes option pricing model. Expected volatility is based on historical volatility of its own stock as well as a portfolio of selected stocks of companies believed to have market and economic characteristics similar to its own. The risk-free rate is based on the U.S. Treasury yield curve in effect at the time of the valuation.

	Changes in Level 3 instruments for the three months ended March 31,				
	Balance at January 1	Net Change in fair value included in earnings	Purchases / Issuance	Sales / Repurchases	Balance at March 31,
2021					
Warrant liability, related party	$ 2,871	$ 1,648	$ —	$ —	$ 4,519
Total	$ 2,871	$ 1,648	$ —	$ —	$ 4,519
2020					
Warrant liability, related party	$ 2,601	$ 363	$ —	$ —	$ 2,964
Total	$ 2,601	$ 363	$ —	$ —	$ 2,964

During the three months ended March 31, 2021 and 2020, the Company recognized a loss of $1.6 million and a loss of $0.4 million, respectively, related to the change in fair value of the Letter Agreement Warrants. These amounts were recognized as a component of other (expense) income – related party in the Condensed Consolidated Statements of Operations. Significant inputs utilized in the valuation of the Letter Agreement Warrants as of March 31, 2021 and December 31, 2020 were:

	March 31, 2021		December 31, 2020	
	Range	Weighted Average	Range	Weighted Average
Expected volatility	124.11% - 148.12%	132.12%	120.53% - 142.07%	128.16%
Risk-free interest rate	0.55% - 1.10%	0.87%	0.26% - 0.50%	0.39%

The weighted average expected volatility and risk-free interest rate was based on the relative fair values of the warrants.

Changes in the unobservable inputs noted above would impact the amount of the liability for the Letter Agreement Warrants. Increases (decreases) in the estimates of the Company's annual volatility would increase (decrease) the liability and an increase (decrease) in the annual risk-free rate would increase (decrease) the liability.

Note 15:Subsequent Events

Subsequent to March 31, 2021, the Company has issued an additional 441,726 shares of Class A common stock under the LPC Purchase Agreement for total gross proceeds of approximately $1.0 million.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

As used in this Quarterly Report on Form 10-Q, the "Company", the "Registrant", "we" or "us" refer to vTv Therapeutics Inc. and "vTv LLC" refers to vTv Therapeutics LLC. The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our financial statements and related notes that appear elsewhere in this report. In addition to historical financial information, the following discussion contains forward-looking statements that reflect our plans, estimates, assumptions and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to these differences include those discussed below and elsewhere in this report under "Part II, Other Information—Item 1A, Risk Factors." Forward-looking statements include information concerning our possible or assumed future results of operations, business strategies and operations, financing plans, potential growth opportunities, potential market opportunities, potential results of our drug development efforts or trials, and the effects of competition. Forward-looking statements include all statements that are not historical facts and can be identified by terms such as "anticipates," "believes," "could," "seeks," "estimates," "expects," "intends," "may," "plans," "potential," "predicts," "projects," "should," "will," "would" or similar expressions and the negatives of those terms. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Also, forward-looking statements represent our management's plans, estimates, assumptions and beliefs only as of the date of this report. Except as required by law, we assume no obligation to update these forward-looking statements publicly or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future.

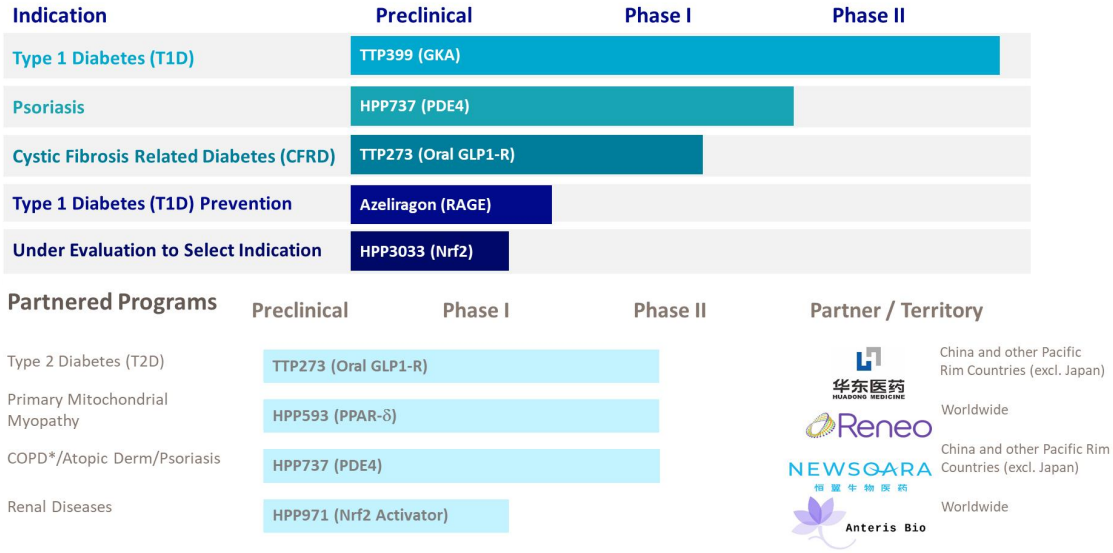
Overview

We are a clinical-stage pharmaceutical company focused on treating metabolic and inflammatory diseases to minimize their long-term complications and improve the lives of patients. We have an innovative pipeline of first-in-class small molecule clinical and pre-clinical drug candidates for the treatment of a wide range of diseases. Our pipeline is led by our programs for the treatment of type 1 diabetes (*TTP399*) and for psoriasis (*HPP737*). We completed the Simplici-T1 Study, an adaptive Phase 1b/2 study supported by JDRF International ("JDRF"), to explore the effects of *TTP399* in patients with type 1 diabetes at the beginning of 2020. In February 2020, we reported positive results from the Phase 2 - Part 2 confirming phase of this study which achieved its primary objective by demonstrating statistically significant improvements in HbA1c (long-term blood sugar) for *TTP399* compared to placebo. In April 2021, we announced that the U.S. Food and Drug Administration granted Breakthrough Therapy designation to TTP399 for the treatment of type 1 diabetes. We are working on the design for pivotal and registrational studies for *TTP399* and are seeking input from the FDA in connection with the grant of Breakthrough Therapy designation. In addition to the pivotal studies of *TTP399*, we are currently conducting a Phase 1 mechanistic study of *TTP399* in patients with type 1 diabetes to determine the impact of *TTP399* on ketone body formation during a period of acute insulin withdrawal.

We are also conducting a multiple ascending dose Phase 1 study of *HPP737*, an orally administered phosphodiesterase type 4 ("PDE4") inhibitor, to assess the pharmacokinetics, pharmacodynamics, safety and tolerability of *HPP737* in healthy volunteers as part of our psoriasis program. The goal of this study is to confirm the maximum tolerated dose with minimal or no gastrointestinal ("GI") intolerance in the form of nausea, vomiting or diarrhea. We expect to complete this study in the third quarter of 2021.

In addition to our internal development programs, we are furthering the clinical development of four other programs: a small molecule GLP-1r agonist, the PDE4 inhibitor, *HPP737*, a PPAR-δ agonist, and an Nrf2 activator through partnerships with pharmaceutical partners via licensing arrangements.

The following table summarizes our current drug candidates and their respective stages of development:



* Chronic obstructive pulmonary disease

Our Type 1 Diabetes Program –TTP399

We are conducting a phase 1 mechanistic study of *TTP399* in patients with type 1 diabetes to determine the impact of *TTP399* on ketone body formation during a period of acute insulin withdrawal. We proposed the mechanistic study to the FDA and the FDA recommended that the study be performed in support of the planned pivotal trials. The results of this mechanistic study will provide additional evidence to support the effects of *TTP399* on diabetic ketoacidosis ("DKA") in patients with type 1 diabetes. We expect to report top-line results in the third quarter of 2021.

On April 13, 2021, we announced that the FDA has granted Breakthrough Therapy designation for *TTP399* as an adjunctive therapy to insulin for the treatment of type 1 diabetes. This designation provides a sponsor with added support and the potential to expedite development and review timelines for a promising new investigational medicine. Based on the receipt of this designation, we are engaging with the FDA to discuss the continued development of *TTP399* as a potential treatment of type 1 diabetes. The results of such discussions will inform our pivotal study trial design.

Our Psoriasis Program - HPP737

We are conducting a multiple ascending dose Phase 1 study of *HPP737*, an orally administered phosphodiesterase type 4 ("PDE4") inhibitor, to assess the pharmacokinetics, pharmacodynamics, safety and tolerability of *HPP737* in healthy volunteers as part of our psoriasis development program. The goal of this study is to continue multiple-dose escalation to define a maximum tolerated dose characterized by minimal or no gastrointestinal intolerance (i.e., nausea, vomiting or diarrhea). We expect to report top-line results from this study in the third quarter of 2021. Based upon the outcome of the multiple-dose escalation study, we plan to initiate a phase 2 study to investigate *HPP737* as a potential treatment of moderate to severe plaque psoriasis.

Holding Company Structure

vTv Therapeutics Inc. is a holding company, and its principal asset is a controlling equity interest in vTv Therapeutics LLC ("vTv LLC"), the principal operating subsidiary. We have determined that vTv LLC is a variable-interest entity ("VIE") for accounting purposes and that vTv Therapeutics Inc. is the primary beneficiary of vTv LLC because (through its managing member interest in vTv LLC and the fact that the senior management of vTv Therapeutics Inc. is also the senior management of vTv LLC) it has the power to direct all of the activities of vTv LLC, which include those that most significantly impact vTv LLC's economic performance. vTv Therapeutics Inc. has therefore consolidated vTv LLC's results under the VIE accounting model in its consolidated financial statements.

Financial Overview

Revenue

To date, we have not generated any revenue from drug sales. Our revenue has been primarily derived from up-front proceeds and research fees under collaboration and license agreements.

In the future, we may generate revenue from a combination of product sales, license fees, milestone payments and royalties from the sales of products developed under licenses of our intellectual property. We expect that any revenue we generate will fluctuate from quarter to quarter as a result of the timing and amount of license fees, milestone and other payments, and the amount and timing of payments that we receive upon the sale of our products, to the extent any are successfully commercialized. If we fail to complete the development of our drug candidates in a timely manner or obtain regulatory approval for them, our ability to generate future revenue and our results of operations and financial position will be materially adversely affected.

Research and Development Expenses

Since our inception, we have focused our resources on our research and development activities, including conducting preclinical studies and clinical trials, manufacturing development efforts and activities related to regulatory filings for our drug candidates. We recognize research and development expenses as they are incurred. Our direct research and development expenses consist primarily of external costs such as fees paid to investigators, consultants, central laboratories and clinical research organizations ("CRO(s)") in connection with our clinical trials, and costs related to acquiring and manufacturing clinical trial materials. Our indirect research and development costs consist primarily of cash and share-based compensation costs, the cost of employee benefits and related overhead expenses for personnel in research and development functions. Since we typically use our employee and infrastructure resources across multiple research and development programs such costs are not allocated to the individual projects.

From our inception, including our predecessor companies, through March 31, 2021, we have incurred approximately $594.1 million in research and development expenses.

Our research and development expenses by project for the three months ended March 31, 2021 and 2020 were as follows (in thousands):

	Three Months Ended March 31,	
	2021	2020
Direct research and development expense:		
Azeliragon	$ 712	$ 2,401
TTP399	268	400
HPP737	1,055	44
Other projects	76	26
Indirect research and development expense	993	1,333
Total research and development expense	$ 3,104	$ 4,204

We plan to continue to incur significant research and development expenses for the foreseeable future as we continue the development of *TTP399* and *HPP737* and further advance the development of our other drug candidates, subject to the availability of additional funding.

The successful development of our clinical and preclinical drug candidates is highly uncertain. At this time, we cannot reasonably estimate the nature, timing or costs of the efforts that will be necessary to complete the remainder of the development of any of our clinical or preclinical drug candidates or the period, if any, in which material net cash inflows from these drug candidates may commence. This is due to the numerous risks and uncertainties associated with the development of our drug candidates, including:

- the uncertainty of the scope, rate of progress and expense of our ongoing, as well as any additional, clinical trials and other research and development activities;
- the potential benefits of our candidates over other therapies;
- our ability to market, commercialize and achieve market acceptance for any of our drug candidates that we are developing or may develop in the future;
- future clinical trial results;
- our ability to enroll patients in our clinical trials;
- the timing and receipt of regulatory approvals, if any; and

- the filing, prosecuting, defending and enforcing of patent claims and other intellectual property rights, and the expense of doing so.

A change in the outcome of any of these variables with respect to the development of a drug candidate could mean a significant change in the costs and timing associated with the development of that drug candidate. For example, if the FDA or another regulatory authority were to require us to conduct clinical trials beyond those that we currently anticipate will be required for the completion of clinical development of a drug candidate, or if we experience significant delays in enrollment in any of our clinical trials, we could be required to expend significant additional financial resources and time with respect to the development of that drug candidate.

General and Administrative Expenses

General and administrative expenses consist primarily of salaries, benefits and related costs for employees in executive, finance, corporate development, human resources and administrative support functions. Other significant general and administrative expenses include accounting and legal services, expenses associated with obtaining and maintaining patents, cost of various consultants, occupancy costs and information systems.

Interest Expense

Interest expense primarily consists of cash and non-cash interest expense related to our Venture Loan and Security Agreement (the "Loan Agreement") with Horizon Technology Finance Corporation and Silicon Valley Bank. Cash interest on the Loan Agreement is recognized at a floating interest rate equal to 10.5% plus the amount by which the one-month London Interbank Offer Rate ("LIBOR") exceeds 0.5%. Non-cash interest expense represents the amortization of the costs incurred in connection with the Loan Agreement, the allocated fair value of the warrants to purchase shares of our Class A Common Stock issued in connection with the Loan Agreement (the "Warrants") and the accretion of the final interest payments (which are required to be paid in cash upon maturity), all of which are recognized in our Condensed Consolidated Statement of Operations using the effective interest method.

Results of Operations

Comparison of the three months ended March 31, 2021 and 2020

The following table sets forth certain information concerning our results of operations for the periods shown:

(dollars in thousands) Statement of operations data:	Three Months Ended March 31, 2021	 2020	 Change
Revenue	$ 987	$ 8	$ 979
Operating expenses:			
Research and development	3,103	4,204	(1,101)
General and administrative	2,164	2,450	(286)
Total operating expenses	5,267	6,654	(1,387)
Operating loss	(4,280)	(6,646)	2,366
Interest income	1	12	(11)
Interest expense	—	(168)	168
Other expense, net	(1,648)	(363)	(1,285)
Loss before income taxes	(5,927)	(7,165)	1,238
Income tax provision	15	—	15
Net loss before noncontrolling interest	(5,942)	(7,165)	1,223
Less: net loss attributable to noncontrolling interest	(1,701)	(2,441)	740
Net loss attributable to vTv Therapeutics Inc.	$ (4,241)	$ (4,724)	$ 483

Revenue

Revenue for the three months ended March 31, 2021 relates to the reallocation of revenue to the license and technology transfer performance obligation made in connection with the First Huadong Amendment. Revenue for the three months ended March 31, 2020 was insignificant.

Research and Development Expenses

Research and development expenses were $3.1 million and $4.2 million for the three months ended March 31, 2021 and 2020, respectively. The decrease in research and development expenses during the period of $1.1 million, or 26.2%, was primarily due to a decrease in clinical trial costs of $1.7 million for *azeliragon* which was mainly driven by discontinuance of its development as a potential treatment of Alzheimer's disease in patients with type 2 diabetes. This decrease was coupled with lower spending on *TTP399* and indirect costs of approximately $0.4 million. However, these decreases were offset by increased spending of $1.0 million related to the multiple ascending dose study for *HPP737*.

General and Administrative Expenses

General and administrative expenses were $2.2 million and $2.5 million for the three months ended March 31, 2021 and 2020, respectively. The decrease of $0.3 million has been primarily driven by the refund of certain foreign taxes paid in connection with license agreements.

Interest Expense

Interest expense was $0.2 million for the three months ended March 31, 2020 and was related to the cash and non-cash interest for our previous Loan Agreement. Since the Loan Agreement was fully repaid in December 2020, the Company did not incur any interest expense during the three months ended March 31, 2021.

Liquidity and Capital Resources

Liquidity and Going Concern

As of March 31, 2021, we have an accumulated deficit of $274.7 million as well as a history of negative cash flows from operating activities. We anticipate that we will continue to incur losses for the foreseeable future as we continue our clinical trials. Further, we expect that we will need additional capital to continue to fund our operations. As of March 31, 2021, our liquidity sources included cash and cash equivalents of $8.4 million and amounts raised under the LPC Purchase Agreement through May 5, 2021. Further, we had remaining availability of $5.5 million under our Controlled Equity Offering℠ Sales Agreement (the "Sales Agreement") with Cantor Fitzgerald & Co. ("Cantor Fitzgerald") pursuant to which the Company could offer and sell, from time to time shares of the Company's Class A Common Stock (the "ATM Offering"). See the "ATM Offering" section below for further details. Based on our current operating plan, we believe that our current cash and cash equivalents, remaining funds available under the ATM Offering, if fully utilized, and amounts sold under the purchase agreement with Lincoln Park Capital Fund, LLC ("Lincoln Park") (the "LPC Purchase Agreement") through May 5, 2021 will allow us to meet our liquidity requirements through the end of the third quarter. These factors raise substantial doubt about our ability to continue as a going concern. In addition to available cash and cash equivalents and available funds discussed above, we are seeking possible additional partnering opportunities for our GKA, GLP-1r and other drug candidates which we believe may provide additional cash for use in our operations and the continuation of the clinical trials for our drug candidates.

ATM Offering

We have entered into the Sales Agreement with Cantor Fitzgerald pursuant to which we may offer and sell, from time to time, through or to Cantor Fitzgerald, as sales agent or principal, shares of our Class A Common Stock having an aggregate offering price of up to $18.5 million. We are not obligated to sell any shares under the Sales Agreement. Under the terms of the Sales Agreement, we will pay Cantor Fitzgerald a commission of up to 3% of the aggregate proceeds from the sale of shares and reimburse certain legal fees or other disbursements. As of March 31, 2021, we have sold $13.0 million worth of Class A Common Stock under the ATM Offering for net proceeds of $12.5 million.

Lincoln Park Purchase Agreement

We have entered into the LPC Purchase Agreement, pursuant to which we have the right to sell to Lincoln Park shares of the Company's Class A Common Stock having an aggregate value of up to $47.0 million. In December 2020, we filed a registration statement to register 5,331,306 shares. As of March 31, 2021, we have issued 4,889,580 of these registered shares and the remaining 441,726 were issued subsequent to March 31, 2021 for gross proceeds of approximately $1.0 million.

Over the 36-month term of the LPC Purchase Agreement, we have the right, but not the obligation, from time to time, in its sole discretion, to direct Lincoln Park to purchase up to 250,000 shares per day (the "Regular Purchase Share Limit") of the Class A Common Stock (each such purchase, a "Regular Purchase"). The Regular Purchase Share Limit will increase to 275,000 shares per day if the closing price of the Class A Common Stock on the applicable purchase date is not below $4.00 per share and will further increase to 300,000 shares per day if the closing price of the Class A Common Stock on the applicable purchase date is not below $5.00 per share. In any case, Lincoln Park's maximum obligation under any single Regular Purchase will not exceed $2,000,000. The

purchase price for shares of Class A Common Stock to be purchased by Lincoln Park under a Regular Purchase will be equal to the lower of (in each case, subject to the adjustments described in the LPC Purchase Agreement): (i) the lowest sale price for the Class A Common Stock on the applicable purchase date and (ii) the arithmetic average of the three lowest closing sales prices for the Class A Common Stock during the 10 consecutive trading days prior to the purchase date.

If we direct Lincoln Park to purchase the maximum number of shares of Class A Common Stock that we may sell in a Regular Purchase, then in addition to such Regular Purchase, and subject to certain conditions and limitations in the LPC Purchase Agreement, we may direct Lincoln Park to make an "accelerated purchase" and an "additional accelerated purchase", each of an additional number of shares of Class A Common Stock which may not exceed the lesser of: (i) 300% of the number of shares purchased pursuant to the corresponding Regular Purchase and (ii) 30% of the total number of shares of the Common Stock traded during a specified period on the applicable purchase date as set forth in the LPC Purchase Agreement. The purchase price for such shares will be the lesser of (i) 97% of the volume weighted average price of the Class A Common Stock over a certain portion of the date of sale as set forth in the LPC Purchase Agreement and (ii) the closing sale price of the Class A Common Stock on the date of sale (an "Accelerated Purchase"). Under certain circumstances and in accordance with the LPC Purchase Agreement, we may direct Lincoln Park to purchase shares in multiple Accelerated Purchases on the same trading day.

The LPC Purchase Agreement also prohibits us from directing Lincoln Park to purchase any shares of its Class A Common Stock if those shares, when aggregated with all other shares of Class A Common Stock then beneficially owned by Lincoln Park and its affiliates, would result in Lincoln Park and its affiliates having beneficial ownership, at any single point in time, of more than 9.99% of the then total outstanding shares of Class A Common Stock as calculated pursuant to Section 13(d) of the Securities Exchange Act of 1934, as amended, and Rule 13d-3 thereunder.

Cash Flows

	Three Months Ended March 31,	
	2021	2020
(dollars in thousands)		
Net cash used in operating activities	$ (5,299)	$ (5,560)
Net cash provided by financing activities	8,001	4,189
Net increase (decrease) in cash and cash equivalents	$ 2,702	$ (1,371)

Operating Activities

For the three months ended March 31, 2021, our net cash used in operating activities decreased $0.3 million from the three months ended March 31, 2020 due primarily to working capital changes.

Investing Activities

There were no cash flows from investing activities for the three months ended March 31, 2021 or 2020.

Financing Activities

For the three months ended March 31, 2021, net cash provided by financing activities increased by $3.8 million from the three months ended March 31, 2020, driven by decreases in payments on loans due to the full repayment of the Loan Agreement in December 2020 and higher sales of shares of our Class A Common Stock during the three months ended March 31, 2021.

Future Funding Requirements

To date, we have not generated any revenue from drug product sales. We do not know when, or if, we will generate any revenue from drug product sales. We do not expect to generate revenue from drug sales unless and until we obtain regulatory approval of and commercialize any of our drug candidates. At the same time, we expect our expenses to continue or to increase in connection with our ongoing development activities, particularly as we continue the research, development and clinical trials of, and seek regulatory approval for, our drug candidates. In addition, subject to obtaining regulatory approval of any of our drug candidates, we expect to incur significant commercialization expenses for product sales, marketing, manufacturing and distribution. We anticipate that we will need substantial additional funding in connection with our continuing operations.

Based on our current operating plan, we believe that our current cash and cash equivalents, availability under the ATM Offering and amounts raised under the LPC Purchase Agreement through May 5, 2021 will allow us to meet our liquidity requirements through the end of the third quarter of 2021. In addition to the available cash and cash equivalents and other sources of liquidity, we are seeking possible additional partnering opportunities for our GKA, GLP-1r and other drug candidates which we believe may provide additional cash for use in our operations and the continuation of the clinical trials for our drug candidates. We are also evaluating several financing strategies to fund the clinical trials of *TTP399* and *HPP737*, including direct equity investments and future public offerings of our common stock. The timing and availability of such financing are not yet known and we cannot be certain that additional financing will be available on acceptable terms, or at all. Even if we are able to obtain additional debt or equity financing, it may contain restrictions on our operations or cause substantial dilution to our stockholders. We have based our estimates on assumptions that may prove to be wrong, and we may use our available capital resources sooner than we currently expect. Because of the numerous risks and uncertainties associated with the development and commercialization of our drug candidates, we are unable to estimate the amounts of increased capital outlays and operating expenditures necessary to complete the development of our drug candidates.

Our future capital requirements will depend on many factors, including:

- The progress, costs, results and timing of our planned trial(s) to evaluate *TTP399* as a potential treatment of type 1 diabetes and our planned trial(s) of *HPP737* as a potential treatment of psoriasis;
- the willingness of the FDA to rely upon our completed and planned clinical and preclinical studies and other work, as the basis for review and approval of our drug candidates;
- the outcome, costs and timing of seeking and obtaining FDA and any other regulatory approvals;
- the number and characteristics of drug candidates that we pursue, including our drug candidates in preclinical development;
- the ability of our drug candidates to progress through clinical development successfully;
- our need to expand our research and development activities;
- the costs associated with securing, establishing and maintaining commercialization capabilities;
- the costs of acquiring, licensing or investing in businesses, products, drug candidates and technologies;
- our ability to maintain, expand and defend the scope of our intellectual property portfolio, including the amount and timing of any payments we may be required to make, or that we may receive, in connection with the licensing, filing, prosecution, defense and enforcement of any patents or other intellectual property rights;
- our need and ability to hire additional management and scientific and medical personnel;
- the effect of competing technological and market developments;
- our need to implement additional internal systems and infrastructure, including financial and reporting systems;
- the economic and other terms, timing and success of our existing licensing arrangements and any collaboration, licensing or other arrangements into which we may enter in the future;
- the amount of any payments we are required to make to M&F TTP Holdings Two LLC in the future under the Tax Receivable Agreement; and
- the impact and duration of the COVID-19 outbreak / pandemic.

Until such time, if ever, as we can generate substantial revenue from drug sales, we expect to finance our cash needs through a combination of equity offerings, debt financings, marketing and distribution arrangements and other collaborations, strategic alliances and licensing arrangements. We do not currently have any committed external source of funds other than those available through the ATM Offering and LPC Purchase Agreement. In addition, we are evaluating several financing strategies to fund the on-going and future clinical trials of *TTP399* and *HPP737*, including direct equity investments and future public offerings of our common stock. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interests of our common stockholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of our common stockholders. Debt financing and preferred equity financing, if available, may involve agreements that include covenants that will further limit or restrict our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. If we raise additional funds through collaborations, strategic alliances or marketing, distribution or licensing arrangements with third parties, we may be required to relinquish valuable rights to our technologies, future revenue streams or drug candidates or grant licenses on terms that may not be favorable to us. If we are unable to obtain additional funding,

we could be forced to delay, reduce or eliminate our research and development programs or commercialization efforts, or pursue one or more alternative strategies, such as restructuring, any of which could adversely affect our business prospects.

Off-Balance Sheet Arrangements

As of March 31, 2021, we did not have outstanding any off-balance sheet arrangements as defined under SEC rules.

Discussion of Critical Accounting Policies

For a discussion of our critical accounting policies and estimates, please refer to Part II, Item 7. “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K for the year ended December 31, 2020. There have been no material changes to our critical accounting policies and estimates in 2021.

Forward-Looking Statements

This quarterly report includes certain forward-looking statements within the meaning of the federal securities laws regarding, among other things, our management’s intentions, plans, beliefs, expectations or predictions of future events, which are considered forward-looking statements. You should not place undue reliance on those statements because they are subject to numerous uncertainties and factors relating to our operations and business environment, all of which are difficult to predict and many of which are beyond our control. Forward-looking statements include information concerning our possible or assumed future results of operations, including descriptions of our business strategy. These statements often include words such as “may,” “will,” “should,” “believe,” “expect,” “outlook”, “anticipate,” “intend,” “plan,” “estimate” or similar expressions. These statements are based upon assumptions that we have made in light of our experience in the industry, as well as our perceptions of historical trends, current conditions, expected future developments and other factors that we believe are appropriate under the circumstances. As you read this quarterly report, you should understand that these statements are not guarantees of performance or results. They involve known and unknown risks, uncertainties and assumptions, including those described under the heading “Risk Factors” under Item 1A of Part I in our Annual Report on Form 10-K and under Item 1A of Part II of this Quarterly Report on Form 10-Q. Although we believe that these forward-looking statements are based upon reasonable assumptions, you should be aware that many factors, including those described under the heading “Risk Factors” under Item 1A of Part I in our Annual Report on Form 10-K and under Item 1A of Part II of this Quarterly Report on Form 10-Q, could affect our actual financial results or results of operations and could cause actual results to differ materially from those in the forward-looking statements.

Our forward-looking statements made herein are made only as of the date of this quarterly report. We expressly disclaim any intent, obligation or undertaking to update or revise any forward-looking statements made herein to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based. All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements contained in this quarterly report.

Effect of Recent Accounting Pronouncements

See discussion of recent accounting pronouncements in Note 2, “Summary of Significant Accounting Policies”, to the Condensed Consolidated Financial Statements in this Form 10-Q.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

We do not currently have any material interest rate exposure.

Market Risk

Our exposure to market risk is limited to our cash and cash equivalents, all of which have maturities of one year or less. The goals of our investment strategy are preservation of capital, fulfillment of liquidity needs and fiduciary control of cash and investments. We also seek to maximize income from our investments without assuming significant risk. To achieve our goals, we maintain a portfolio of cash equivalents and investments in a variety of securities that management believes to be of high credit quality. The securities in our investment portfolio are not leveraged and are, due to their short-term nature, subject to minimal interest rate risk. Because of the short-term maturities of our investments, we do not believe that an increase in market rates would have a material negative impact on the value of our investment portfolio.

Foreign Currency Risk

We do not have any material foreign currency exposure.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, management has evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) of the Securities Exchange Act of 1934) as of March 31, 2021. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of March 31, 2021, our disclosure controls and procedures were effective in causing material information relating to us (including our consolidated subsidiaries) to be recorded, processed, summarized and reported by management on a timely basis and to ensure the quality and timeliness of our public disclosures pursuant to SEC disclosure obligations.

Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures will prevent all errors and all 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. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, with the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error and mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of controls.

The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, a control may become inadequate because of changes in conditions or because the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and may not be detected.

Changes to Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting during our most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Website Availability of Reports and other Corporate Governance Information

The Company maintains a comprehensive corporate governance program, including Corporate Governance Guidelines for its Board of Directors, Board Guidelines for Assessing Director Independence and charters for its Audit Committee, Nominating and Corporate Governance Committee and Compensation Committee. The Company maintains a corporate investor relations website, www.vtvtherapeutics.com, where stockholders and other interested persons may review, without charge, among other things, corporate governance materials and certain SEC filings, which are generally available on the same business day as the filing date with the SEC on the SEC's website http://www.sec.gov. The contents of our website are not made a part of this Quarterly Report on Form 10-Q.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are not currently a party to any material legal proceedings.

ITEM 1A. RISK FACTORS

Our risk factors are set forth under the heading "Risk Factors" under Item 1A of Part I in our Annual Report on Form 10-K for the year ended December 31, 2020. There have been no material changes to our risk factors from those previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2020.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

There were no sales of unregistered equity securities during the three months ended March 31, 2021.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

None.

ITEM 5. OTHER INFORMATION

None.

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ITEM 6. EXHIBITS

Exhibit Number	Description
10.1††	First Amendment to License Agreement, dated as of January 14, 2021 by and between Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd. And vTv Therapeutics LLC (incorporated by reference to Exhibit 10.36 to the Company's Annual Report on Form 10-K filed on February 24, 2021).
31.1*	Certification of President and Chief Executive Officer required by Rule 13a-14(a)/15d-14(a) under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Chief Financial Officer required by Rule 13a-14(a)/15d-14(a) under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of President and Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of 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	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Document
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase

†† Confidential treatment received with respect to portions of this exhibit.
* Filed herewith

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.

Date: May 5, 2021

VTV THERAPEUTICS INC.
(Registrant)

By: /s/ Stephen L. Holcombe
Stephen L. Holcombe
President and Chief Executive Officer

By: /s/ Rudy C. Howard
Rudy C. Howard
Chief Financial Officer

Exhibit 31.1

SECTION 302 CERTIFICATION

I, Stephen L. Holcombe, certify that:

1. I have reviewed this quarterly report on Form 10-Q of vTv Therapeutics Inc. (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(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Securities Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

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

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

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

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

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

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

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

Date: May 5, 2021

By: /s/ Stephen L. Holcombe
Stephen L. Holcombe
President and Chief Executive Officer

Exhibit 31.2

SECTION 302 CERTIFICATION

I, Rudy C. Howard, certify that:

1. I have reviewed this quarterly report on Form 10-Q of vTv Therapeutics Inc. (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(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Securities 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 that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

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

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

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

Date: May 5, 2021

By: /s/ Rudy C. Howard
Rudy C. Howard
Chief Financial Officer

Exhibit 32.1

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

In connection with the Quarterly Report of vTv Therapeutics Inc. (the "Company") on Form 10-Q for the period ended March 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Stephen L. Holcombe, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, in my capacity as an officer of the Company that, to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, 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: May 5, 2021

By: /s/ Stephen L. Holcombe
Stephen L. Holcombe
President and Chief Executive Officer

Exhibit 32.2

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

In connection with the Quarterly Report of vTv Therapeutics Inc. (the "Company") on Form 10-Q for the period ended March 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Rudy C. Howard, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, in my capacity as an officer of the Company that, to my knowledge:

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

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

Date: May 5, 2021

By: /s/ Rudy C. Howard
Rudy C. Howard
Chief Financial Officer