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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2022

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

For the transition period from to

COMMISSION FILE NUMBER 001-35558

CARDIFF ONCOLOGY, INC.
(Exact Name of registrant as specified in its charter)

Delaware	**27-2004382**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
11055 Flintkote Avenue, San Diego, California	**92121**
(Address of principal executive offices)	(Zip Code)

(858) 952-7570
(Registrant's telephone number, including area code)

Title of each class:	**Trading Symbol(s)**	**Name of each exchange on which registered:**
Common Stock	CRDF	Nasdaq Capital Market

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

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

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

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

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

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

As of July 28, 2022, the issuer had 43,334,919 shares of Common Stock issued and outstanding.

CARDIFF ONCOLOGY, INC.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CARDIFF ONCOLOGY, INC.
CONDENSED BALANCE SHEETS
(in thousands, except par value)
(Unaudited)

	June 30, 2022	December 31, 2021
Assets		
Current assets:		
Cash and cash equivalents	$ 20,965	$ 11,943
Short-term investments	101,041	128,878
Accounts receivable and unbilled receivable	551	535
Prepaid expenses and other current assets	4,857	4,771
Total current assets	127,414	146,127
Property and equipment, net	1,138	382
Operating lease right-of-use assets	2,524	2,796
Other assets	185	239
Total Assets	$ 131,261	$ 149,544
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 1,522	$ 1,439
Accrued liabilities	6,279	4,527
Operating lease liabilities	670	551
Other current liabilities	10	42
Total current liabilities	8,481	6,559
Operating lease liabilities, net of current portion	2,306	2,568
Total Liabilities	10,787	9,127
Commitments and contingencies (Note 7)		
Stockholders' equity		
Preferred stock, 20,000 shares authorized; (Note 6)	—	1
Common stock, $0.0001 par value, 150,000 shares authorized; 43,306 and 41,964 shares issued and outstanding at June 30, 2022 and December 31, 2021, respectively	4	4
Additional paid-in capital	402,710	400,503
Service receivables	—	(139)
Accumulated other comprehensive loss	(982)	(142)
Accumulated deficit	(281,258)	(259,810)
Total stockholders' equity	120,474	140,417
Total liabilities and stockholders' equity	$ 131,261	$ 149,544

See accompanying notes to the unaudited condensed financial statements.

CARDIFF ONCOLOGY, INC.
CONDENSED STATEMENTS OF OPERATIONS
(in thousands, except per share amounts)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Royalty revenues	$ 91	$ 68	$ 165	$ 140
Costs and expenses:				
Research and development	7,448	4,119	14,656	7,398
Selling, general and administrative	3,086	2,838	7,026	5,073
Total operating expenses	10,534	6,957	21,682	12,471
Loss from operations	(10,443)	(6,889)	(21,517)	(12,331)
Other income (expense), net:				
Interest income, net	253	71	383	115
Gain (loss) from change in fair value of derivative financial instruments—warrants	—	61	—	268
Other income (expense), net	(253)	—	(302)	12
Total other income (expense), net	—	132	81	395
Net loss	(10,443)	(6,757)	(21,436)	(11,936)
Preferred stock dividend payable on Series A Convertible Preferred Stock	(6)	(6)	(12)	(12)
Net loss attributable to common stockholders	$ (10,449)	$ (6,763)	$ (21,448)	$ (11,948)
Net loss per common share — basic and diluted	$ (0.24)	$ (0.17)	$ (0.50)	$ (0.31)
Weighted-average shares outstanding — basic and diluted	43,306	38,761	43,269	37,967

See accompanying notes to the unaudited condensed financial statements.

CARDIFF ONCOLOGY, INC.
CONDENSED STATEMENTS OF COMPREHENSIVE LOSS
(in thousands)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Net loss	$ (10,443)	$ (6,757)	$ (21,436)	$ (11,936)
Other comprehensive loss:				
Unrealized gain (loss) on securities available-for-sale	(234)	57	(840)	(10)
Total comprehensive loss	(10,677)	(6,700)	(22,276)	(11,946)
Preferred stock dividend payable on Series A Convertible Preferred Stock	(6)	(6)	(12)	(12)
Comprehensive loss attributable to common stockholders	$ (10,683)	$ (6,706)	$ (22,288)	$ (11,958)

See accompanying notes to the unaudited condensed financial statements.

CARDIFF ONCOLOGY, INC.
CONDENSED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands)
(Unaudited)

	Preferred Stock Shares	Preferred Stock Amount	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Service Receivable	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Stockholders' Equity
Balance, January 1, 2022	716	$ 1	41,964	$ 4	$ 400,503	$ (139)	$ (142)	$ (259,810)	$ 140,417
Stock-based compensation	—	—	—	—	1,152	—	—	—	1,152
Other comprehensive loss	—	—	—	—	—	—	(606)	—	(606)
Issuance of common stock upon conversion of Series E Convertible Preferred Stock	(328)	(1)	1,342	—	—	—	—	—	(1)
Preferred stock dividend	—	—	—	—	—	—	—	(6)	(6)
Release of clinical trial funding commitment	—	—	—	—	—	139	—	—	139
Net loss	—	—	—	—	—	—	—	(10,993)	(10,993)
Balance, March 31, 2022	388	—	43,306	4	401,655	—	(748)	(270,809)	130,102
Stock-based compensation	—	—	—	—	1,055	—	—	—	1,055
Other comprehensive loss	—	—	—	—	—	—	(234)	—	(234)
Preferred stock dividend	—	—	—	—	—	—	—	(6)	(6)
Net loss	—	—	—	—	—	—	—	(10,443)	(10,443)
Balance, June 30, 2022	388	$ —	43,306	$ 4	$ 402,710	$ —	$ (982)	$ (281,258)	$ 120,474

CARDIFF ONCOLOGY, INC.
CONDENSED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands)
(Unaudited)

	Preferred Stock Shares	Preferred Stock Amount	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Service Receivable	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Stockholders' Equity
Balance, January 1, 2021	716	$ 1	36,781	$ 4	$ 361,819	$ (2,171)	$ —	$ (231,495)	$ 128,158
Stock-based compensation	—	—	—	—	268	—	—	—	268
Issuance of common stock upon exercise of warrants	—	—	771	—	1,263	—	—	—	1,263
Other comprehensive loss	—	—	—	—	—	—	(67)	—	(67)
Preferred stock dividend	—	—	—	—	—	—	—	(6)	(6)
Release of clinical trial funding commitment	—	—	—	—	—	380	—	—	380
Net loss	—	—	—	—	—	—	—	(5,179)	(5,179)
Balance, March 31, 2021	716	1	37,552	4	363,350	(1,791)	(67)	(236,680)	124,817
Stock-based compensation	—	—	—	—	1,036	—	—	—	1,036
Sale of common stock, net of expenses[(1)]	—	—	2,000	—	19,225	—	—	—	19,225
Other comprehensive gain	—	—	—	—	—	—	57	—	57
Preferred stock dividend	—	—	—	—	—	—	—	(6)	(6)
Release of clinical trial funding commitment	—	—	—	—	—	546	—	—	546
Net loss	—	—	—	—	—	—	—	(6,757)	(6,757)
Balance, June 30, 2021	716	$ 1	39,552	$ 4	$ 383,611	$ (1,245)	$ (10)	$ (243,443)	$ 138,918

(1) Net of expenses of $0.8 million.

See accompanying notes to the unaudited condensed financial statements.

CARDIFF ONCOLOGY, INC.
CONDENSED STATEMENTS OF CASH FLOWS
(in thousands)
(Unaudited)

	Six Months Ended June 30,	
	2022	2021
Operating activities		
Net loss	$ (21,436)	$ (11,936)
Adjustments to reconcile net loss to net cash used in operating activities:		
Loss on disposal of assets	—	1
Depreciation	69	228
Stock-based compensation expense	2,207	1,304
Amortization of premiums on short-term investments	557	698
Change in fair value of derivative financial instruments—warrants	—	(268)
Release of clinical trial funding commitment	139	926
Changes in operating assets and liabilities:		
Other assets	54	141
Accounts receivable and unbilled receivable	(16)	12
Prepaid expenses and other assets	18	68
Operating lease right-of-use assets	272	165
Accounts payable and accrued expenses	1,367	(1,121)
Operating lease liabilities	(143)	(461)
Other liabilities	(32)	58
Net cash used in operating activities	(16,944)	(10,185)
Investing activities:		
Capital expenditures	(483)	—
Insurance proceeds from casualty loss	71	—
Maturities of short-term investments	48,801	5,510
Purchases of short-term investments	(57,309)	(141,948)
Sales of short-term investments	34,886	5,735
Net cash provided by (used in) investing activities	25,966	(130,703)
Financing activities:		
Proceeds from sales of common stock, net of expenses of $0 and $776, respectively	—	19,225
Proceeds from exercise of warrants	—	1,263
Net cash provided by financing activities	—	20,488
Net change in cash and cash equivalents	9,022	(120,400)
Cash and cash equivalents—Beginning of period	11,943	130,981
Cash and cash equivalents—End of period	$ 20,965	$ 10,581
Supplementary disclosure of cash flow activity:		
Cash paid for taxes	$ 1	$ 1
Supplemental disclosure of non-cash investing and financing activities:		
Acquisition of property and equipment included in accounts payable and accrued expenses	$ 456	$ 27
Acquisition of property and equipment included in insurance proceeds receivable	$ 43	$ —
Preferred stock dividend payable on Series A Convertible Preferred Stock	$ 12	$ 12

See accompanying notes to the unaudited condensed financial statements.

CARDIFF ONCOLOGY, INC.
NOTES TO CONDENSED FINANCIAL STATEMENTS
(Unaudited)

1. Organization and Basis of Presentation

Business Organization and Overview

Cardiff Oncology, Inc. (“Cardiff Oncology” or the “Company”) headquartered in San Diego, California, is a clinical-stage biotechnology company leveraging Polo-like Kinase 1 (“PLK1”) inhibition to develop novel therapies across a range of cancers with the greatest unmet medical need, including KRAS-mutated metastatic colorectal cancer, metastatic pancreatic cancer and metastatic castration-resistant prostate cancer. The Company's common stock is listed on the Nasdaq Capital Market under the ticker symbol "CRDF".

Basis of Presentation

The accompanying unaudited interim condensed financial statements of Cardiff Oncology have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) and the rules and regulations of the Securities and Exchange Commission (“SEC”) related to a quarterly report on Form 10-Q. Certain information and note disclosures normally included in annual financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to those rules and regulations. The unaudited interim condensed financial statements reflect all adjustments consisting of normal recurring adjustments which, in the opinion of management, are necessary for a fair statement of the Company’s financial position and the results of its operations and cash flows for the periods presented. The unaudited condensed balance sheet at December 31, 2021, has been derived from the audited financial statements at that date but does not include all of the information and disclosures required by GAAP for annual financial statements. The operating results presented in these unaudited interim condensed financial statements are not necessarily indicative of the results that may be expected for any future periods. These unaudited interim condensed financial statements should be read in conjunction with the audited financial statements and the notes thereto for the year ended December 31, 2021, included in the Company’s annual report on Form 10-K filed with the SEC on February 24, 2022.

Liquidity

The Company has incurred net losses since its inception and has negative operating cash flows. As of June 30, 2022, the Company had $122.0 million in cash, cash equivalents and short-term investments and believes it has sufficient cash to meet its funding requirements for at least the next 12 months following the issuance date of these financial statements.

For the foreseeable future, the Company expects to continue to incur losses and require additional capital to further advance its clinical trial programs and support its other operations. The Company cannot be certain that additional funding will be available on acceptable terms, or at all. To the extent that the Company can raise additional funds by issuing equity securities, the Company’s stockholders may experience additional dilution.

2. Summary of Significant Accounting Policies

During the six months ended June 30, 2022, there have been no changes to the Company’s significant accounting policies as described in its Annual Report on Form 10-K for the fiscal year ended December 31, 2021.

Net Loss Per Share

Basic and diluted net loss per common share is determined by dividing net loss applicable to common stockholders by the weighted-average common shares outstanding during the period. Preferred dividends are included in net loss attributable to common stockholders in the computation of basic and diluted earnings per share.

The following table sets forth the outstanding potentially dilutive securities that have been excluded in the calculation of diluted net loss per share because their effect was anti-dilutive:

	June 30,	
	2022	2021
Options to purchase Common Stock	5,131,195	2,966,843
Warrants to purchase Common Stock	4,490,159	4,490,159
Series A Convertible Preferred Stock	877	877
Series E Convertible Preferred Stock	1,342,250	2,684,607
	10,964,481	10,142,486

Recently Adopted Accounting Pronouncement

In May 2021, the FASB issued ASU No. 2021-04 ("ASU 2021-04"), Earnings Per Share (Topic 260), Debt—Modifications and Extinguishments (Subtopic 470-50), Compensation—Stock Compensation (Topic 718), and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40): Issuer's Accounting for Certain Modifications or Exchanges of Freestanding Equity-Classified Written Call Options (a consensus of the FASB Emerging Issues Task Force). The amendments in this update are effective for all entities for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. The Company has prospectively adopted this standard as of January 1, 2022 for periods presented after the adoption. The adoption of ASU 2021-04 did not have a material impact on the Company's financial statements.

Recent Accounting Pronouncement Not Yet Adopted

In August 2020, the FASB issued ASU No. 2020-06 ("ASU 2020-06"), Debt - Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging - Contracts in Entity's Own Equity (Subtopic 815-40) ("ASU 2020-06"). ASU 2020-06 eliminates the beneficial conversion and cash conversion accounting models for convertible instruments. It also amends the accounting for certain contracts in an entity's own equity that are currently accounted for as derivatives because of specific settlement provisions. In addition, ASU 2020-06 modifies how particular convertible instruments and certain contracts that may be settled in cash or shares impact the diluted EPS computation. The amendments in this update are effective for public business entities for fiscal years beginning after December 15, 2021 (or December 15, 2023, for companies who meet the SEC definition of Smaller Reporting Companies), and interim periods within those fiscal years. The amendment is to be adopted through either a fully retrospective or modified retrospective method of transition. Early adoption is permitted. The Company is currently evaluating the impact of this standard on its financial statements and related disclosures.

3. Fair Value Measurements

The following table presents the Company's assets and liabilities that are measured and recognized at fair value on a recurring basis classified under the appropriate level of the fair value hierarchy as of June 30, 2022 and December 31, 2021:

	Fair Value Measurements at June 30, 2022			
(in thousands)	Quoted Prices in Active Markets for Identical Assets and Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Assets:				
Money market fund	$ 20,089	$ —	$ —	$ 20,089
Total included in cash and cash equivalents	20,089	—	—	20,089
Available for sale investments:				
Certificate of deposit	—	12,860	—	12,860
Corporate debt securities	—	63,386	—	63,386
Commercial paper	—	10,135	—	10,135
U.S. treasury securities	14,660	—	—	14,660
Total available for sale investments (1)	14,660	86,381	—	101,041
Total assets measured at fair value on a recurring basis	$ 34,749	$ 86,381	$ —	$ 121,130

	Fair Value Measurements at December 31, 2021			
(in thousands)	Quoted Prices in Active Markets for Identical Assets and Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Assets:				
Money market fund	$ 10,990	$ —	$ —	$ 10,990
Total included in cash and cash equivalents	10,990	$ —	—	10,990
Available for sale investments:				
Certificate of deposit	—	1,260	—	1,260
Corporate debt securities	—	88,390	—	88,390
Commercial paper	—	14,454	—	14,454
Non U.S. government	—	728	—	728
U.S. treasury securities	24,046	—	—	24,046
Total available for sale investments (1)	24,046	104,832	—	128,878
Total assets measured at fair value on a recurring basis	$ 35,036	$ 104,832	$ —	$ 139,868

(1) Included in short-term investments in the accompanying balance sheets.

The Company's policy is to recognize transfers between levels of the fair value hierarchy on the date of the event or change in circumstances that caused the transfer. There were no transfers into or out of Level 3 during the six months ended June 30, 2022.

4. Supplementary Balance Sheet Information

Investments available for sale

Investments available for sale consist of the following:

(in thousands)	As of June 30, 2022 Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Market Value
Maturity less than 1 year:				
Certificate of deposit	$ 12,922	$ 1	$ (63)	$ 12,860
Corporate debt securities	59,453	—	(626)	58,827
Commercial paper	10,228	—	(93)	10,135
U.S. treasury securities	13,034	—	(133)	12,901
Total maturity less than 1 year	95,637	1	(915)	94,723
Maturity 1 to 2 years:				
Corporate debt securities	4,616	—	(57)	4,559
U.S. treasury securities	1,770	—	(11)	1,759
Total maturity 1 to 2 years	6,386	—	(68)	6,318
Total short-term investments	$ 102,023	$ 1	$ (983)	$ 101,041

(in thousands)	As of December 31, 2021 Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Market Value
Maturity less than 1 year:				
Certificate of deposit	$ 1,260	$ —	$ —	$ 1,260
Corporate debt securities	58,822	2	(38)	58,786
Commercial paper	14,453	4	(3)	14,454
Non U.S. government	728	—	—	728
U.S. treasury securities	20,380	—	(24)	20,356
Total maturity less than 1 year	95,643	6	(65)	95,584
Maturity 1 to 2 years:				
Corporate debt securities	29,676	1	(73)	29,604
U.S. treasury securities	3,701	—	(11)	3,690
Total maturity 1 to 2 years	33,377	1	(84)	33,294
Total short-term investments	$ 129,020	$ 7	$ (149)	$ 128,878

Unrealized losses in investments available for sale debt securities at June 30, 2022, were primarily due to increases in interest rates, not due to increased credit risks associated with specific securities. We do not intend to sell these investments and it is not more likely than not that we will be required to sell the investments before recovery of their amortized cost bases, which may be at maturity.

Property and equipment

Property and equipment consist of the following:

(in thousands)	As of June 30, 2022	As of December 31, 2021
Furniture and office equipment	$ 1,212	$ 955
Leasehold improvements	2,445	1,962
Laboratory equipment	956	906
	4,613	3,823
Less—accumulated depreciation and amortization	(3,475)	(3,441)
Property and equipment, net	$ 1,138	$ 382

Accrued Liabilities

Accrued liabilities consisted of the following:

(in thousands)	As of June 30, 2022	As of December 31, 2021
Accrued compensation	$ 1,304	$ 1,435
Preferred stock dividend	426	414
Clinical trials	1,780	1,639
Research agreements and services	1,697	726
Director fees	122	141
Professional fees and outside services	28	63
Patent, license and other fees	40	43
Other accrued liabilities	882	66
Total accrued liabilities	$ 6,279	$ 4,527

5. Leases

As a lessee, the Company's current leases include its master facility lease and immaterial equipment leases, all of which are considered operating leases.

Master Facility Lease

The Company currently leases 12,300 square feet of office and lab space in San Diego that expires on February 28, 2027. The lease currently requires monthly payments of approximately $60,000 per month with 3% annual escalation.

Facility Subleases

As a result of corporate restructurings in previous years, the Company vacated a portion of its facility and subleased the space to third parties under three separate sublease agreements, which all expired on December 31, 2021. Prior to the expiration of the sublease agreements, the Company as a sublessor was leasing approximately 16,600 square feet of space to third parties.

The components of lease expense were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in thousands)	2022	2021	2022	2021
Operating lease cost	$ 190	$ 92	$ 381	$ 187
Operating sublease income	—	(101)	—	(202)
Net operating lease cost	$ 190	$ (9)	$ 381	$ (15)

Supplemental balance sheet information related to leases was as follows:

(in thousands)	As of June 30, 2022	As of December 31, 2021
Operating lease ROU assets	$ 2,524	$ 2,796
Current operating lease liabilities	$ 670	$ 551
Non-current operating lease liabilities	2,306	2,568
Total operating lease liabilities	$ 2,976	$ 3,119
Weighted-average remaining lease term–operating leases	4.7 years	5.2 years
Weighted-average discount rate–operating leases	7.0 %	7.0 %

Supplemental cash flow and other information related to leases was as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in thousands)	2022	2021	2022	2021
Cash paid for amounts included in the measurement of lease liabilities:				
Operating cash flows from operating leases	$ 180	$ 243	$ 251	$ 483

Total remaining annual commitments under non-cancelable lease agreements for each of the years ended December 31 are as follows:

(in thousands) Year Ending December 31,	Operating Leases
2022 (excluding the six months ended June 30, 2022)	$ 300
2023	737
2024	754
2025	775
2026	796
Thereafter	137
Total future minimum lease payments	3,499
Less imputed interest	(523)
Total	$ 2,976

6. Stockholders' Equity

Stock Options

Stock-based compensation expense related to Cardiff Oncology equity awards have been recognized in operating results as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in thousands)	2022	2021	2022	2021
Included in research and development expense	$ 126	$ 72	$ 460	$ 112
Included in selling, general and administrative expense	929	964	1,747	1,192
Total stock-based compensation expense	$ 1,055	$ 1,036	$ 2,207	$ 1,304

The unrecognized compensation cost related to non-vested stock options outstanding at June 30, 2022, net of estimated forfeitures, was $10.8 million, which is expected to be recognized over a weighted-average remaining vesting period of 3.0 years. The weighted-average remaining contractual term of outstanding options as of June 30, 2022, was approximately 7.9

years. The total fair value of stock options vested during the six months ended June 30, 2022 and 2021, were $3.0 million and $1.2 million, respectively.

The estimated fair value of stock option awards was determined on the date of grant using the Black-Scholes option valuation model with the following weighted-average assumptions during the following periods indicated:

	Six Months Ended June 30,	
	2022	2021
Risk-free interest rate	1.87 %	0.94 %
Dividend yield	0 %	0 %
Expected volatility of Cardiff Oncology common stock	106 %	108 %
Expected term	6.0 years	6.0 years

A summary of stock option activity and changes in stock options outstanding is presented below:

	Total Options	Weighted-Average Exercise Price Per Share	Intrinsic Value
Balance outstanding, December 31, 2021	3,771,984	$ 7.13	$ 6,405,258
Granted	1,731,136	$ 3.15	
Canceled / Forfeited	(371,125)	$ 4.77	
Expired	(800)	$ 165.84	
Balance outstanding, June 30, 2022	5,131,195	$ 5.93	$ 80,809
Exercisable at June 30, 2022	2,030,219	$ 7.49	$ 34,443
Vested and expected to vest at June 30, 2022	5,042,299	$ 5.95	$ 77,880

2021 Equity Incentive Plan

In June 2021 the Company's stockholders approved the 2021 Omnibus Equity Incentive Plan ("2021 Plan"). The number of authorized shares in the 2021 Plan is equal to the sum of (i) 3,150,000 shares, plus (ii) the number of shares of Common Stock reserved, but unissued under the 2014 Plan; and (iii) the number of shares of Common Stock underlying forfeited awards under the 2014 Plan. On June 9, 2022 the shareholders approved an increase of shares authorized in the 2021 Plan to 5,150,000 from 3,150,000. As of June 30, 2022, there were 3,055,281 shares available for issuance under the 2021 Plan.

2014 Equity Incentive Plan

Subsequent to the adoption of the 2021 Plan, no additional equity awards can be made under the terms of the 2014 Plan.

Inducement Grants

In July 2021, the Company began issuing equity awards to certain new employees as inducement grants outside of its 2021 Plan. As of June 30, 2022, an aggregate of 920,208 shares were issuable upon the exercise of inducement grant stock options approved by the Company.

Modification of Stock Options

In June 2022 one of the Company's directors did not seek another term on the Board of Directors. At the time of departure, the Compensation Committee passed a resolution to extend the expiration date of the vested stock options, and to immediately accelerate the vesting of the unvested options. The Company recorded incremental reduction to stock compensation expense of $0.1 million during the three months ended June 30, 2022, related to the modifications.

Warrants

A summary of warrant activity and changes in warrants outstanding, including both liability and equity classifications is presented below:

	Total Warrants	Weighted-Average Exercise Price Per Share	Weighted-Average Remaining Contractual Term
Balance outstanding, December 31, 2021	4,490,159	$ 5.80	3.0 years
Balance outstanding, June 30, 2022	4,490,159	$ 5.80	2.5 years

Preferred Stock

A summary of our Company's classes of preferred stock is presented below:

Class	Par value	Shares designated	Liquidation preference	Shares outstanding	
				As of June 30, 2022	As of December 31, 2021
Series A Convertible Preferred Stock	$ 0.001	277,100	$ 606,000	60,600	60,600
Series B Convertible Preferred Stock	$ 0.001	8,860	None	—	—
Series C Convertible Preferred Stock	$ 0.001	200,000	None	—	—
Series D Convertible Preferred Stock	$ 0.0001	154,670	None	—	—
Series E Convertible Preferred Stock	$ 0.001	865,824	None	327,509	655,044

7. Commitments and Contingencies

Executive Agreements

Certain executive agreements provide for severance payments in case of terminations without cause or certain change of control scenarios.

Research and Development Agreements

In March 2017, the Company entered into a license agreement with Nerviano which granted the Company development and commercialization rights to NMS-1286937, which Cardiff Oncology refers to as onvansertib. Onvansertib, an investigational drug, is an oral, and a highly selective adenosine triphosphate competitive inhibitor of the serine/threonine PLK1. The Company is developing onvansertib in cancer indications with the greatest medical need for new treatment options. Terms of the agreement provide for the Company to pay development milestones and royalties based on sales volume.

The Company is a party to various agreements under which it licenses technology on an exclusive basis in the field of oncology therapeutics. These agreements include License fees, Royalties and Milestone payments. The Company also has a legacy license agreement in the field of oncology diagnostics under which royalty payments are due. These royalty payments are calculated as a percent of revenue. For the six months ended June 30, 2022 and 2021, payments have not been material.

Litigation

Cardiff Oncology does not believe that it has legal liabilities that are probable or reasonably possible that require either accrual or disclosure. From time to time, the Company may become involved in various lawsuits and legal proceedings that arise in the ordinary course of business. Litigation is subject to inherent uncertainties, and an adverse result in matters may arise from time to time that may harm the Company’s business. As of the date of this report, management believes that there are no claims against the Company, which it believes will result in a material adverse effect on the Company’s business or financial condition.

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

Forward-Looking Statements

This Quarterly Report on Form 10-Q includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements other than statements of historical facts contained in this Quarterly Report, including statements regarding the future financial position, business strategy and plans and objectives of management for future operations, are forward-looking statements. The words "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "should," "plan," "expect," and similar expressions, as they relate to us, are intended to identify forward-looking statements. We have based these forward-looking statements largely on current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. These forward-looking statements are subject to a number of risks, uncertainties and assumptions.

In addition, our business and financial performance may be affected by the factors that are discussed under "Risk Factors" in the Annual Report on Form 10-K for the year ended December 31, 2021, filed on February 24, 2022. Moreover, we operate in a very competitive and rapidly changing environment. New risk factors emerge from time to time and it is not possible for us to predict all risk factors, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

You should not rely upon forward-looking statements as predictions of future events. We cannot assure you that the events and circumstances reflected in the forward-looking statements will be achieved or occur. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements.

The following discussion and analysis is qualified in its entirety by, and should be read in conjunction with, the more detailed information set forth in the financial statements and the notes thereto appearing elsewhere in this Quarterly Report on Form 10-Q. This discussion should not be construed to imply that the results discussed herein will necessarily continue into the future, or that any conclusion reached herein will necessarily be indicative of actual operating results in the future. Such discussion represents only the best present assessment of our management.

Overview

We are a clinical-stage biotechnology company leveraging PLK1 inhibition to develop novel therapies across a range of cancers with the greatest unmet medical need. Our goal is to target tumor vulnerabilities with treatment combinations that overcome disease resistance, improve disease response to standard treatment regimens and increase overall survival. We are developing onvansertib, an oral and highly selective PLK1 inhibitor, in combination with standard-of-care chemotherapy and targeted therapeutics. Our clinical development programs incorporate tumor genomics and biomarker assays to refine assessment of patient response to treatment.

Our Drug Candidate, Onvansertib

Onvansertib, our lead compound, is a novel, highly potent, highly selective PLK1 inhibitor. PLK1, a serine/threonine kinase, has a well-understood mechanism of action within tumor cell proliferation and is overexpressed in a number of tumors (including colorectal, pancreatic, prostate, ovarian, breast and lung cancer). In particular, PLK1's activity in various phases of the cell cycle provide multiple targets for a PLK1 inhibitor to inhibit DNA repair and interrupt cell division, thereby killing tumor cells.

PLK1 inhibition has been considered an attractive target of cancer therapeutics for the last two decades, however past PLK1 drug candidates have failed to show acceptable tolerability and efficacy. We believe the attributes of onvansertib described below, as well as clinical evidence of favorable safety and efficacy, with expected on-target, easy to manage and reversible side effects, may prove beneficial in addressing clinical therapeutic needs across a variety of cancers:

- Onvansertib is highly potent and highly selective against the PLK1 enzyme (IC_{50} = 2nM; IC_{50} is the concentration for 50% inhibition), compared to prior PLK1 inhibitors that were pan-inhibitors of several PLK targets. Low or no

activity of onvansertib was observed on a panel of 63 kinases (IC50>500 nM), including the PLK members PLK2 and PLK3 (IC_{50}>10,000 nM).

- Onvansertib has a relatively short drug half-life of 24 hours, compared to a half-life of approximately 5 days for prior PLK1 inhibitors. A short half-life allows for flexible dosing and improved managing of drug concentrations to reduce dose-related toxicities.

- Onvansertib is orally bioavailable, compared to prior PLK1 inhibitors that were delivered intravenously, allowing for relative ease and flexibility of dosing.

In vitro studies have shown synergistic effects when onvansertib was administered in combination with different cytotoxic agents including antimicrotubule agents, topoisomerase 1 inhibitors, antimetabolites, alkylating agents, proteasome inhibitors, kinase inhibitors, BCL-2 inhibitors, and androgen biosynthesis inhibitors.

In addition, *in vivo* combination studies have confirmed the positive results obtained *in vitro* and synergistic effects have been observed in xenograft models of onvansertib in combination with irinotecan, 5-fluorouracil ("5-FU"), abiraterone, PARP inhibitors, venetoclax, and paclitaxel, while additive effects in combination with cytarabine or bevacizumab have been demonstrated.

There are three ongoing clinical trials in onvansertib in combination treatment: second line treatment in patients with KRAS-mutated Metastatic Colorectal Cancer ("mCRC"), second line treatment in patients with Metastatic Pancreatic Ductal Adenocarcinoma ("mPDAC"), and in patients with Metastatic Castration-Resistant Prostate Cancer ("mCRPC") showing early signs of resistance to abiraterone.

Phase 1b/2 Clinical Trial in KRAS-mutated mCRC

TROV-054 is a Phase 1b/2 open-label multi-center clinical trial of onvansertib in combination with standard of care FOLFIRI and bevacizumab (Avastin®) for the second line treatment of patients with KRAS-mutated mCRC, which is being conducted at seven clinical trial sites across the U.S. - USC Norris Comprehensive Cancer Center, The Mayo Clinic Cancer Centers (Arizona, Minnesota, and Florida), Kansas University Medical Center, Inova Schar Cancer Institute and CARTI Cancer Center.

The primary objectives of this trial are to evaluate the Dose-Limiting Toxicities ("DLTs"), maximum tolerated dose ("MTD") and recommended Phase 2 dose ("RP2D") of onvansertib in combination with FOLFIRI and bevacizumab (Phase 1b) and to continue to assess the safety and preliminary efficacy of onvansertib in combination with FOLFIRI and bevacizumab (Phase 2).

The scientific rationale for this clinical trial is based on the two key principles of synthetic lethality and synergy, with the objective of demonstrating a proof-of-concept of clinical benefit within this phase1b/2 trial. Synthetic lethality refers to a critical vulnerability to tumor cell death by way of PLK1 inhibition within CRC tumor cells harboring KRAS mutations versus KRAS wild-type isogenic cells. Synergy occurs when the combination of two drugs results in an unexpected greater activity than an expected additive effect of the two drugs. Onvansertib in combination with two DNA-damaging agents, irinotecan, and 5-FU (two components of FOLFIRI), demonstrated synergy in colorectal cancer cell lines and both combinations have demonstrated significantly greater tumor growth inhibition than either drug alone in CRC *in vivo* models. We believe this synergy occurs because PLK1 can promote the repair of DNA damage caused by chemotherapeutic agents and by inhibiting PLK1, onvansertib leaves damaged tumor cells unable to replicate.

Data we presented on January 18, 2022 provided an update of the ongoing phase 1b/2 clinical trial in KRAS-mutated metastatic colorectal cancer.

- 34% (12 of 35) of patients treated per protocol at the RP2D in combination with FOLFIRI and bevacizumab achieved a Complete Response ("CR") or Partial Response ("PR") (CR: 1 patient; PR: 11 patients);

- 35% (17 of 48) of patients across all dose levels achieved a CR or PR. Historically, Objective Response Rates ("ORR") of 5-13% have been reported in similar second line patient populations treated with various different drug combinations, including the standard of care chemotherapy of FOLFIRI with bevacizumab;

- 10% (5 of 48) of patients discontinued the trial to pursue potentially curative metastasis-directed therapy (surgical resection or microwave ablation);

- Median Progression-Free Survival ("mPFS") across all response-evaluable patients (n=48) is 9.4 months and has not yet been reached in those treated per protocol at the RP2D. Historically, mPFS of ~4.5-5.7 months has been reported in a similar patient population treated with standard of care chemotherapy of FOLFIRI with bevacizumab;

- The combination regimen of onvansertib plus FOLFIRI/bevacizumab is well tolerated with no major or unexpected toxicities attributed to onvansertib.

Phase 2 Clinical Trial in mPDAC

CRDF-001 is a Phase 2 open-label multi-center clinical trial of onvansertib in combination with nanoliposomal irinotecan (Onivyde®), leucovorin, and fluorouracil for second line treatment of patients with mPDAC, which is being conducted at six clinical trial sites across the U.S. – The Mayo Clinic Cancer Centers (Arizona, Minnesota, and Florida), Kansas University Medical Center, Inova Schar Cancer Institute, and the University of Nebraska Medical Center. The first patient was dosed in June 2021.

The objective of this trial is to assess the safety and preliminary efficacy of onvansertib in combination with nanoliposomal irinotecan (Onyvide®), 5-FU and leucovorin as a second-line treatment in patients with mPDAC who have failed first-line gemcitabine-based therapy. The trial is expected to enroll approximately 45 patients.

Phase 2 Clinical Trial in mCRPC

TROV-053 is a Phase 2 open-label multi-center clinical trial of onvansertib in combination with abiraterone acetate and prednisone in patients with mCRPC, which is being conducted at three clinical trial sites - Beth Israel Deaconess Medical Center, Dana-Farber Cancer Institute and Massachusetts General Hospital. This trial is now closed for enrollment.

The primary objective of this trial is to observe the effects of onvansertib in combination with abiraterone and prednisone on disease control as assessed by Prostate Specific Antigen ("PSA") decline or stabilization after 12 weeks of treatment in patients with mCRPC showing early signs of resistance to abiraterone.

The rationale for this trial is based on the Mechanism of Action ("MOA") of onvansertib and abiraterone acetate and the synergy of these two drugs when used in combination in pre-clinical experiments. Onvansertib inhibits tumor cell proliferation by inducing G2/M (mitosis) arrest and consequently cell death. The combination of onvansertib and abiraterone acetate synergistically increases mitotic arrest and cell death in prostate cancer cells and has demonstrated significantly greater tumor growth inhibition than either drug alone *in vivo*.

Data presented on April 8, 2022 at American Association for Cancer Research ("AACR") Annual Meeting provided evidence of the safety and efficacy of onvansertib in combination with abiraterone. Disease control increased with increasing dose density of onvansertib from 29% to 45% of patients achieving PSA stabilization and from 53% to 75% of patients with radiographic stable disease; Arm A (n=17) – onvansertib 24mg/m^2 days 1-5 in 21-day cycle to Arm C (n=20) – 12mg/m^2 days 1-14 in 21-day cycle. Median progression-free survival ("mPFS") increased with increasing onvansertib dose density from 4.1 months in Arm A to 13.2 months as of the data cut-off date in Arm C patients. Genomic analysis of ctDNA showed a correlation between alterations in two key genes of the PI3K signaling pathway—MTOR and PTEN, which appears to underly increased pathway activity, and sensitivity to onvansertib/abiraterone combination in mCRPC patients with early abiraterone resistance. The treatment regimen of onvansertib in combination with abiraterone/prednisone has been well tolerated.

Preclinical Data

On April 8, 2022 we announced the results of preclinical studies evaluating the anti-cancer activity of onvansertib in combination with the PARP inhibitor ("PARPi") olaparib in PARPi-resistant patient-derived xenograft (PDX) ovarian cancer models. The results were featured in a poster presentation at the AACR Annual Meeting.

Data showed the combination of onvansertib and olaparib providing statistically significant survival benefits compared to treatment with either agent alone in three PDX ovarian cancer models. Two of the three PDX models studied were cisplatin-

sensitive with a mutated BRCA1 gene, while the third was cisplatin-resistant with wild type BRCA1. The onvansertib-olaparib combination was also shown to be well tolerated in mice.

Critical Accounting Policies

Our accounting policies are described in ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS of our Annual Report on Form 10-K as of and for the year ended December 31, 2021, filed with the SEC on February 24, 2022. There have been no changes to our critical accounting policies since December 31, 2021.

RESULTS OF OPERATIONS

Three Months Ended June 30, 2022 and 2021

Revenues

Total revenues were $91,000 for the three months ended June 30, 2022, as compared to $68,000 for the prior period. Revenues are from our sales-based or usage-based royalties on other intellectual property licenses, unrelated to onvansertib. Revenue recognition of the royalty depends on the timing and overall sales activities of the licensees.

Research and Development Expenses

Research and development expenses consisted of the following:

	Three Months Ended June 30,		
(in thousands)	**2022**	**2021**	**Increase (Decrease)**
Salaries and staff costs	$ 1,069	$ 292	$ 777
Stock-based compensation	126	72	54
Clinical trials, outside services, and lab supplies	5,903	3,606	2,297
Facilities and other	350	149	201
Total research and development	$ 7,448	$ 4,119	$ 3,329

Research and development expenses increased by $3.3 million for the three months ended June 30, 2022, compared to the same period in 2021. The overall increase in expenses was primarily related to chemistry, manufacturing, and controls ("CMC") and clinical pharmacology for studies to support the development of our lead drug candidate, onvansertib. Salaries and staff costs increased primarily due to additional hires in senior management and our clinical operations team.

Selling, General and Administrative Expenses

Selling, general and administrative expenses consisted of the following:

	Three Months Ended June 30,		
(in thousands)	**2022**	**2021**	**Increase (Decrease)**
Salaries and staff costs	$ 792	$ 513	$ 279
Stock-based compensation	929	964	(35)
Outside services and professional fees	673	914	(241)
Facilities and other	692	447	245
Total selling, general and administrative	$ 3,086	$ 2,838	$ 248

Selling, general and administrative expenses increased by $0.2 million for the three months ended June 30, 2022, compared to the same period in 2021. Salaries and staff costs increased due to merit increases and higher headcount. Facilities and other costs increased due to higher insurance costs and the amending of our operating lease. The decrease in outside services and professional fees was due to recruiting fees incurred for the recruitment of officers and directors in the prior period.

Net Loss

Net loss and per share amounts were as follows:

(in thousands, except per share amounts)	Three Months Ended June 30, 2022	2021	Increase (Decrease)
Net loss	$ (10,443)	$ (6,757)	$ 3,686
Preferred stock dividend	(6)	(6)	—
Net loss attributable to common shareholders	$ (10,449)	$ (6,763)	$ 3,686
Net loss per common share — basic and diluted	$ (0.24)	$ (0.17)	$ 0.07
Weighted average shares outstanding — basic and diluted	43,306	38,761	4,545

The $3.7 million increase in net loss attributable to common shareholders was primarily the result of an increase of operating expenses for the three months ended June 30, 2022, compared to the same period in the prior year. The $0.07 decrease in net loss per share was impacted by the increase in basic weighted average shares outstanding resulting primarily from the issuance of approximately 3.8 million shares of common stock and common stock equivalents from July 1, 2021 through June 30, 2022.

Six Months Ended June 30, 2022 and 2021

Revenues

Total revenues were $165,000 for the six months ended June 30, 2022, as compared to $140,000 for the prior period. Revenues are from our sales-based or usage-based royalties on other intellectual property licenses, unrelated to onvansertib. Revenue recognition of the royalty depends on the timing and overall sales activities of the licensees.

Research and Development Expenses

Research and development expenses consisted of the following:

(in thousands)	Six Months Ended June 30, 2022	2021	Increase (Decrease)
Salaries and staff costs	$ 2,130	$ 574	$ 1,556
Stock-based compensation	460	112	348
Clinical trials, outside services, and lab supplies	11,419	6,406	5,013
Facilities and other	647	306	341
Total research and development	$ 14,656	$ 7,398	$ 7,258

Research and development expenses increased by $7.3 million for the six months ended June 30, 2022, compared to the same period in 2021. The overall increase in expenses was primarily related to chemistry, manufacturing, and controls ("CMC") and clinical pharmacology for studies to support the development of our lead drug candidate, onvansertib. Salaries and staff costs increased primarily due to additional hires in senior management and our clinical operations team. The increase in stock-based compensation is primarily due to additional stock option grants to employees granted subsequent to the prior period.

Selling, General and Administrative Expenses

Selling, general and administrative expenses consisted of the following:

	Six Months Ended June 30,		
(in thousands)	**2022**	**2021**	**Increase (Decrease)**
Salaries and staff costs	$ 1,652	$ 1,081	$ 571
Stock-based compensation	1,747	1,192	555
Outside services and professional fees	2,279	1,886	393
Facilities and other	1,348	914	434
Total selling, general and administrative	$ 7,026	$ 5,073	$ 1,953

Selling, general and administrative expenses increased by $2.0 million for the six months ended June 30, 2022, compared to the same period in 2021. Salaries and staff costs increased due to merit increases and higher headcount. The increase in stock-based compensation is primarily due to additional stock option grants to employees granted subsequent to the prior period. Facilities and other costs increased due to higher insurance costs and the amending of our operating lease.

Net Loss

Net loss and per share amounts were as follows:

	Six Months Ended June 30,		
(in thousands, except per share amounts)	**2022**	**2021**	**Increase (Decrease)**
Net loss	$ (21,436)	$ (11,936)	$ 9,500
Preferred stock dividend	(12)	(12)	—
Net loss attributable to common shareholders	$ (21,448)	$ (11,948)	$ 9,500
Net loss per common share — basic and diluted	$ (0.50)	$ (0.31)	$ 0.19
Weighted average shares outstanding — basic and diluted	43,269	37,967	5,302

The $9.5 million increase in net loss attributable to common shareholders was primarily the result of an increase in operating expenses for the six months ended June 30, 2022, compared to the same period in the prior year. The $0.19 increase in basic net loss per share was impacted by the increased net loss attributable to common shareholders and the increase in weighted average shares outstanding resulting primarily from the issuance of approximately 3.8 million shares of common stock from July 1, 2021 through June 30, 2022.

LIQUIDITY AND CAPITAL RESOURCES

Net cash used in operating activities for the six months ended June 30, 2022, was $16.9 million, compared to $10.2 million for the six months ended June 30, 2021. Our use of cash was primarily a result of the net loss of $21.4 million for the six months ended June 30, 2022, adjusted for non-cash items related to stock-based compensation of $2.2 million, amortization of premiums on short-term investments of $0.6 million, and release of clinical trial funding commitment of $0.1 million. The net change in our operating assets and liabilities was $1.5 million increasing cash used in operations. At our current and anticipated level of operating loss, we expect to continue to incur an operating cash outflow for the next several years.

Net cash provided by investing activities was $26.0 million primarily related to sales and maturities in excess of purchases of marketable securities during the six months ended June 30, 2022, compared to net cash used in investing activities of $130.7 million for net purchases of marketable securities during the same period in 2021.

Net cash provided in financing activities was $0 during the six months ended June 30, 2022, compared to $20.5 million of proceeds from the sale of common stock and proceeds from warrant exercises for the same period in 2021.

As of June 30, 2022, and December 31, 2021, we had working capital of $118.9 million and $139.6 million, respectively.

We have incurred net losses since our inception and have negative operating cash flows. As of June 30, 2022, we had $122.0 million in cash, cash equivalents and short-term investments and we believe we have sufficient cash to meet our funding requirements for at least the next 12 months following the issuance date of this Quarterly Report on Form 10-Q.

Our drug development efforts are in their early stages, and we cannot make estimates of the costs or the time that our development efforts will take to complete, or the timing and amount of revenues related to the sale of our drug candidates. The risk of completion of any program is high because of the many uncertainties involved in developing new drug candidates to market, including the long duration of clinical testing, the specific performance of proposed products under stringent clinical trial protocols, extended regulatory approval and review cycles, our ability to raise additional capital, the nature and timing of research and development expenses, and competing technologies being developed by organizations with significantly greater resources.

For the foreseeable future, we expect to continue to incur losses and require additional capital to further advance our clinical trial programs and support our other operations. We cannot be certain that additional funding will be available on acceptable terms, or at all. To the extent that we can raise additional funds by issuing equity securities, our stockholders may experience additional dilution.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We have performed an evaluation under the supervision and with the participation of our management, including our principal executive officer (CEO) and principal financial officer (CFO), of the effectiveness of our disclosure controls and procedures, as defined in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Based on that evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective as of June 30, 2022, to provide reasonable assurance that information required to be disclosed by us in the reports filed or submitted by us under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms.

Our disclosure controls and procedures are designed to provide reasonable assurance of achieving their objectives as specified above. Management does not expect, however, that our disclosure controls and procedures will prevent or detect all errors and fraud. Any control system, no matter how well designed and operated, is based upon certain assumptions and can provide only reasonable, not absolute, assurance that its objectives will be met. Further, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, within our company have been detected.

Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting during the three months ended June 30, 2022, that materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None.

ITEM 1A. RISK FACTORS

There have been no material changes from the risk factors disclosed in our Form 10-K for the year ended December 31, 2021.

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

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibit Number	Description of Exhibit
31.1	Certification of Principal Executive Officer required by Rule 13a-14(a)/15d-14(a) under the Exchange Act.
31.2	Certification of Principal Financial Officer required by Rule 13a-14(a)/15d-14(a) under the Exchange Act.
32.1	Certification of Principal Executive Officer pursuant to 18 U.S.C Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Principal Financial Officer pursuant to 18 U.S.C Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase
104	Cover Page Interactive Data File - the cover page from the Registrant’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2022, is formatted in Inline XBRL

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.

CARDIFF ONCOLOGY, INC.

August 4, 2022

By: /s/ Mark Erlander
Mark Erlander
Chief Executive Officer

CARDIFF ONCOLOGY, INC.

August 4, 2022

By: /s/ James Levine
James Levine
Chief Financial Officer

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

I, Mark Erlander, certify that:

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

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

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

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

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

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

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

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

August 4, 2022

/s/ Mark Erlander

Mark Erlander

Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

I, James Levine, certify that:

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

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

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

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

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

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

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

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

August 4, 2022

/s/ James Levine

James Levine
Chief Financial Officer

Exhibit 32.1

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

In connection with the Quarterly Report of Cardiff Oncology, Inc. (the "Company") on Form 10-Q for the three months ended June 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Mark Erlander, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(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.

August 4, 2022

/s/ Mark Erlander
Mark Erlander
Chief Executive Officer

Exhibit 32.2

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

In connection with the Quarterly Report of Cardiff Oncology, Inc. (the "Company") on Form 10-Q for the three months ended June 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, James Levine, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(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.

August 4, 2022

/s/ James Levine
James Levine
Chief Financial Officer