Statement by Cassava Sciences Regarding an Internal CUNY Report Leaked to the Press

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- CUNY's report makes no findings of data manipulation.
- The "*egregious misconduct*" cited in the report relates to internal record-keeping failures at CUNY.
- CUNY's report finds that internal record-keeping failures "*prevented us [CUNY] from making an objective assessment*" of research misconduct.
- Leak of CUNY report preceded by massive increase in short selling.

AUSTIN, Texas, Oct. 12, 2023 (GLOBE NEWSWIRE) -- Cassava Sciences, Inc. (Nasdaq: SAVA), a clinical-stage biotechnology company focused on Alzheimer's disease, today issued the following statement regarding an internal report purportedly prepared by City University of New York (CUNY). This report was leaked to the press. The leak of the CUNY report was preceded by a 40% increase in short selling activity in the stock of Cassava Sciences.

Beginning August 2021, short sellers executed a brutal, widely publicized "short-and-distort" campaign against Cassava Sciences. The short-sellers alleged that Cassava Sciences and its academic researcher at CUNY had engaged in data manipulation and other forms of research misconduct. In response to these allegations, CUNY initiated an internal investigation in Fall 2021. In 2022, Cassava Sciences filed a lawsuit against certain individuals who participated in the short-and-distort campaign, identifying over 1,000 false and defamatory statements.

On October 12, 2023, *Science* reported that it had obtained a copy of CUNY's report from "*a person who requested anonymity because they are not authorized to share it.*" The *Science* article quotes a person paid by a lawyer for certain short-sellers, but does not indicate what role, if any, short-sellers had in the leak. According to *Science*, CUNY completed its investigation in May 2023. The short interest in Cassava Sciences' stock jumped 40%, to over 14 million shares, between June 30, 2023, and September 29, 2023, according to NASDAQ.

CUNY's report makes no findings of data manipulation. Rather, the "*egregious misconduct*" cited in the report relates exclusively to internal record-keeping failures at CUNY. The report also finds that internal record-keeping failures "*prevented us [CUNY] from making an objective assessment*" of the allegations of research misconduct.

"We remain confident in the underlying science for simufilam, our lead drug candidate," said Remi Barbier, President & CEO. "We intend to continue to translate our passion for science into a novel drug for people living with Alzheimer's disease. Our Phase 3 clinical program continues."

Cassava Sciences played no role in CUNY's investigation. The university turned down all requests for information and offers of assistance from Cassava. Because CUNY did not interview any employee of Cassava Sciences, the university has no legitimate basis on which to make accusations against the Company or its employees.

CUNY has not responded to an inquiry Cassava Sciences made yesterday regarding the authenticity of the leaked report.

Importantly, Cassava Sciences does not rely exclusively on research at CUNY. The science underlying simufilam, Cassava Sciences' lead drug candidate, is supported by the work of scientists at academic institutions that have no connection to CUNY, including:

- In September 2023, Cassava Sciences announced the publication of new research that confirms the biological activity of simufilam. Researchers at the Cochin Institute (Paris, France) used a highly precise cell-based assay to show that simufilam interrupts amyloid binding to the α7 nicotinic acetylcholine receptor. Cassava Sciences believes this protein interaction underlies simufilam's mechanism of action in Alzheimer's disease. The research appears in a special issue of *International Journal of Molecular Sciences, a* peer-reviewed scientific publication, and is currently available on-line at: https://www.mdpi.com/1422-0067/24/18/13927
- In May 2023, Cassava Sciences announced the publication of new data that highlights the biological activity of simufilam on Filamin A. Researchers at the University of Milan (Italy) showed a functional interaction between simufilam, filamin A (FLNA) and somatostatin receptors. Specifically, the researchers showed that simufilam treatment significantly reduced levels of phosphorylation at a site on FLNA in human pituitary tumor cells. The research was presented at the *25th European Congress of Endocrinology* and is currently available on-line at: https://www.endocrine-abstracts.org/ea/0090/ea0090oc7.5

Company Profile

Cassava Sciences, Inc.
Industry: Pharmaceuticals
Website:
https://paintrials.com

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About Cassava Sciences, Inc.

Cassava Sciences is a clinical-stage biotechnology company based in Austin, Texas. Our mission is to detect and treat neurodegenerative diseases, such as Alzheimer's disease. Our product candidates have not been approved by any regulatory authority, and their safety, efficacy or other desirable attributes have not been established in humans.

For more information, please visit: https://www.CassavaSciences.com

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Cautionary Note Regarding Forward-Looking Statements:

This news release contains forward-looking statements, including statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, relating to: the continuation of our Phase 3 clinical program; results of research relating to simufilam and to the mechanism of action underlying simufilam; the treatment of patients with Alzheimer's disease dementia; comments made by our employees regarding the purported CUNY report, our science or simufilam and the treatment of Alzheimer's disease; the continued development of simufilam; and potential benefits, if any, of our product candidates. These statements may be identified by words such as "may," "anticipate," "believe," "could," "expect," "look forward," "would", "forecast," "intend," "plan," "possible," "potential," and other words, phrases, and terms of similar meaning.

Simufilam is our investigational product candidate. Its safety, efficacy or science has not reviewed or approved by any regulatory authority in any jurisdiction and its desirable clinical attributes, if any, have not been established in patients.

Drug development involves a high degree of risk, and only a small number of research and development programs result in regulatory approval and commercialization of a product. Clinical results from our prior studies may not be indicative of results of future or larger scale clinical trials and do not ensure regulatory approval. You should not place undue reliance on these statements or any scientific data we present or publish.

Such statements are based largely on our current expectations and projections about future events. Such statements speak only as of the date of this news release and are subject to a number of risks, uncertainties and assumptions, including, but not limited to, those risks relating to the ability to conduct or complete clinical studies on expected timelines, to demonstrate the specificity, safety, efficacy or potential health benefits of our product candidates, any unanticipated impacts of inflation on our business operations, and including those described in the section entitled "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2022, and future reports to be filed with the SEC. The foregoing sets forth many, but not all, of the factors that could cause actual results to differ from expectations in any forward-looking statement. In light of these risks, uncertainties and assumptions, the forward-looking statements and events discussed in this news release are inherently uncertain and may not occur, and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. Accordingly, you should not rely upon forward-looking statements as predictions of future events. Except as required by law, we disclaim any intention or responsibility for updating or revising any forward-looking statements contained in this news release. For further information regarding these and other risks related to our business, investors should consult our filings with the SEC, which are available on the SEC's website at www.sec.gov.

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