



## Cassava Sciences Reports Third Quarter 2020 Financial Results

November 9, 2020

AUSTIN, Texas, Nov. 09, 2020 (GLOBE NEWSWIRE) -- Cassava Sciences, Inc. (Nasdaq: SAVA), a clinical-stage biotechnology company focused on Alzheimer's disease, today reported financial results for the third quarter ended September 30, 2020.

For the third quarter ended September 30, 2020, net loss was \$1.4 million, or \$0.06 per share, compared to a net loss of \$0.7 million, or \$0.04 per share, for the same period in 2019. Net cash used in operations was \$4.2 million during the first nine months of 2020. Net cash use in full-year 2020 is still expected to be approximately \$5.0 million. The Company's cash and cash equivalents were \$24.1 million as of September 30, 2020, with no debt.

### Financial Highlights for Third Quarter 2020

- At September 30, 2020, cash and cash equivalents were \$24.1 million, compared to \$23.1 million at December 31, 2019, with no debt.
- Cash balance included \$4.6 million in proceeds from exercise of warrants in the first nine months of 2020. Approximately 0.8 million warrants remain outstanding, each with an exercise price of \$1.25 per share. All warrants expire February 2021.
- Net cash used in operations during the nine months ended September 30, 2020 was \$4.2 million, net of reimbursements received from National Institutes of Health (NIH) research grant awards.
- NIH research grant award reimbursements of \$1.0 million were received and recorded as a reduction in research and development (R&D) expenses in the third quarter of 2020. This compared to \$1.5 million of NIH research grant award reimbursements received for the same period in 2019.
- R&D expenses were \$0.4 million compared to a negative \$0.1 million for the same period in 2019. The increase was due primarily to lower NIH research grant award reimbursements compared to the prior year.
- General and administrative (G&A) expenses were \$1.0 million compared to \$0.8 million for the same period in 2019. The increase was due primarily to higher insurance expenses compared to the prior year.

### About Cassava Sciences, Inc.

Cassava Sciences' mission is to discover and develop innovations for chronic, neurodegenerative conditions. Over the past 10 years, Cassava Sciences has combined state-of-the-art technology with new insights in neurobiology to develop novel solutions for Alzheimer's disease. For more information, please visit: <https://www.CassavaSciences.com>

### For More Information Contact:

Eric Schoen, Chief Financial Officer  
Cassava Sciences, Inc.  
[eschoen@CassavaSciences.com](mailto:eschoen@CassavaSciences.com)  
(512) 501-2450

**Cautionary Note Regarding Forward-Looking Statements:** This press release contains "forward-looking statements" for purposes of the Private Securities Litigation Reform Act of 1995 (the Act). Cassava Sciences claims the protection of the Safe Harbor for forward-looking statements contained in the Act. All statements other than statements of historical fact contained in this press release including, but not limited to, expected cash use in future periods are forward-looking statements. Such statements are based largely on the Company's current expectations and projections about future events. Such statements speak only as of the date of this press 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, the severity and duration of health care precautions given the COVID-19 pandemic, any unanticipated impacts of the pandemic on our business operations, and including those described in the section entitled "Risk Factors" in Cassava Sciences' Annual Report on Form 10-K for the year ended December 31, 2019 and future reports to be filed with the SEC. In light of these risks, uncertainties and assumptions, the forward-looking statements discussed in this press 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, the Company disclaims any intention or responsibility for updating or revising any forward-looking statements contained in this press 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](http://www.sec.gov).

– Financial Tables Follow –

CASSAVA SCIENCES, INC.  
CONDENSED STATEMENTS OF OPERATIONS  
(unaudited, in thousands, except per share amounts)

|   | Three months ended September 30, |            | Nine months ended September 30, |             |
|---|----------------------------------|------------|---------------------------------|-------------|
|   | 2020                             | 2019       | 2020                            | 2019        |
| Operating expenses  |                                  |            |                                 |             |
| Research and development, net of grant reimbursement                            | \$ 399                           | \$ (52 )   | \$ 1,534                        | \$ 830      |
| General and administrative  | 1,038                            | 831        | 2,634                           | 2,553       |
| Gain on sale of property and equipment  | —                                | —          | (346 )                          | —           |
| Total operating expenses  | 1,437                            | 779        | 3,822                           | 3,383       |
| Operating loss  | (1,437 )                         | (779 )     | (3,822 )                        | (3,383 )    |
| Interest income   | 7                                | 82         | 106                             | 268         |
| Net loss  | \$ (1,430 )                      | \$ (697 )  | \$ (3,716 )                     | \$ (3,115 ) |
| Net loss per share, basic and diluted   | \$ (0.06 )                       | \$ (0.04 ) | \$ (0.15 )                      | \$ (0.18 )  |
| Weighted-average shares used in computing net loss per share, basic and diluted | 24,972                           | 17,162     | 24,745                          | 17,162      |

CONDENSED BALANCE SHEETS  
(unaudited, in thousands)

|   | September 30, 2020 | December 31, 2019 |
|---|--------------------|-------------------|
| <b>Assets</b>                               |                    |                   |
| Current assets                              |                    |                   |
| Cash and cash equivalents                   | \$ 24,074          | \$ 23,081         |
| Other current assets                        | 997                | 268               |
| Total current assets                        | 25,071             | 23,349            |
| Property and equipment, net                 | 12                 | 47                |
| Operating lease right-of-use assets         | 316                | 90                |
| Total assets                                | \$ 25,399          | \$ 23,486         |
| <b>Liabilities and stockholders' equity</b> |                    |                   |
| Current liabilities                         |                    |                   |
| Accounts payable                            | \$ 465             | \$ 453            |
| Accrued development expense                 | 558                | 777               |
| Accrued compensation and benefits           | 80                 | 58                |
| Operating lease liabilities, current        | 58                 | 90                |
| Other current liabilities                   | 7                  | 9                 |
| Total current liabilities                   | 1,168              | 1,387             |
| Operating lease liabilities, non-current    | 258                | —                 |
| Total liabilities                           | 1,426              | 1,387             |
| Stockholders' equity                        |                    |                   |
| Common Stock and additional paid-in-capital | 196,276            | 190,686           |
| Accumulated deficit                         | (172,303 )         | (168,587 )        |
| Total stockholders' equity                  | 23,973             | 22,099            |
| Total liabilities and stockholders' equity  | \$ 25,399          | \$ 23,486         |



Source: Cassava Sciences, Inc.