Cassava Announces Agreement to Settle Securities Class Action Litigation

Dec 23, 2025

AUSTIN, Texas, Dec. 23, 2025 (GLOBE NEWSWIRE) -- Cassava Sciences, Inc. (NASDAQ: SAVA, “Cassava”, the “Company”), a biotechnology company focused on developing novel, investigational treatments for central nervous system (CNS) disorders such as Tuberous Sclerosis Complex (TSC)-related epilepsy, today announced that it has reached a definitive agreement to resolve the previously disclosed consolidated securities class action litigation pending in the United States District Court for the Western District of Texas Austin Division (*In re Cassava Sciences, Inc. Securities Litigation, No. 1:21-cv-00751-DAE*) (the “Consolidated Securities Action”). This lawsuit was originally filed in 2021.

Under the agreement, Cassava will pay $31.25 million to achieve a complete settlement and release of all claims and causes of action that have been or could be asserted by the plaintiffs and the plaintiff class, which is defined as all purchasers or acquirers of Company common stock or call options on Company common stock or sellers of put options on Company common stock between September 14, 2020 and October 12, 2023 (subject to certain exclusions). The court will decide whether later-filed securities class action litigation should be consolidated into the Consolidated Securities Action. The settlement is not an admission of fault or wrongdoing by the Company.

Cassava fully reserved a loss contingency of $31.25 million in the second quarter of 2025 relating to the Consolidated Securities Action.

“We are pleased to announce that we have reached an agreement to resolve our most significant, legacy litigation,” said **Rick Barry, President and Chief Executive Officer** of Cassava. “With this agreement, we can dedicate our attention and resources to the continued development of simufilam as a potential treatment for TSC-related epilepsy.”

About Simufilam

Simufilam is a proprietary, investigational oral small molecule believed to modulate activity of the filamin A protein, which regulates diverse aspects of neuronal development[1].

About Cassava Sciences, Inc.

Cassava Sciences, Inc. (NASDAQ: SAVA), is a biotechnology company focused on developing novel, investigational treatments, including simufilam, for central nervous system disorders, such as tuberous sclerosis complex (TSC)-related epilepsy, and potentially other indications. Simufilam is a proprietary, investigational oral small molecule believed to modulate activity of the filamin A protein, which regulates diverse aspects of neuronal development[1]. The Company is planning a Phase 2 proof-of-concept study to evaluate simufilam in patients with TSC-related epilepsy, collaborating closely with the TSC Alliance and key opinion leaders. The program is based on a method of treatment patent issued in 2025 and in-licensed from Yale University. Cassava is based in Austin, Texas.

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

References:

1. *Zhang L, Bartley CM, Gong X, Hsieh, LS.; LinTV, Feliciano DM, Bordey A. "MEK-ERK1/2-Dependent FLNA Overexpression Promotes Abnormal Dendritic Patterning in Tuberous Sclerosis Independent of mTOR. Neuron (2014) 84 (1), 78-91. DOI: 10.1016/j.neuron.2014.09.009*

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Cautionary Note Regarding Forward-Looking Statements:

This news release contains forward-looking statements that may include but are not limited to statements regarding: the potential resolution of certain securities litigation and our loss contingency estimates related thereto, plans to conduct clinical studies with simufilam, our plans to conduct additional preclinical studies of simufilam relating to seizures in TSC, the potential for simufilam as a treatment for TSC-related epilepsy and other potential indications, the timing of anticipated milestones, the timing of payment of an estimated loss contingency related to the settlement of the Consolidated Securities Action, recorded in second quarter 2025, and expected cash balances and cash use in future periods. These statements may be identified by words such as “anticipate”, “before”, “believe”, “could”, “expect”, “forecast”, “intend”, “may”, ”pending”, “plan”, “possible”, “potential”, “prepares for”, “will”, and other words and terms of similar meaning.

Such statements are based 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 advance preclinical and clinical studies related to TSC-related epilepsy, and other potential indications, the ability to successfully carry out the Company's obligations under the Yale License Agreement, the ability to initiate an initial proof-of-concept study of simufilam in TSC-related epilepsy, and other risks inherent in drug discovery and development or specific to Cassava Sciences, Inc., as described in the section entitled "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2024 and Quarterly Report on Form 10-Q for the period ended September 30, 2025, and subsequent 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. 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.

All of our pharmaceutical assets under development are investigational product candidates. These have not been approved for use in any medical indication by any regulatory authority in any jurisdiction and their safety, efficacy or other desirable attributes, if any, have not been established in any patient population. Consequently, none of our product candidates is approved or available for sale anywhere in the world.

Our clinical results from earlier-stage clinical trials or preclinical studies may not be indicative of future results from later-stage 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.

We are in the business of new drug discovery and development. Our research and development activities are long, complex, costly and involve a high degree of risk. Holders of our common stock should carefully read our Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q in their entirety, including the risk factors therein. Because risk is fundamental to the process of drug discovery and development, you are cautioned to not invest in our publicly traded securities unless you are prepared to sustain a total loss of the money you have invested.

Source: Cassava Sciences, Inc.