



Leading Independent Proxy Advisory Firm Glass Lewis Recommends that Athira Shareholders Vote “FOR” All of Athira’s Highly Qualified Director Nominees

May 5, 2022

*Joins Institutional Shareholder Services in Recommending a Vote on Athira’s **WHITE** Proxy Card*

*Athira Urges Shareholders to Vote “FOR” Athira’s Highly Qualified, Independent Director Nominees – Joseph Edelman, John M. Fluke, Jr. and Grant Pickering – on the **WHITE** Proxy Card Today*

BOTHELL, Wash., May 05, 2022 (GLOBE NEWSWIRE) -- [Athira Pharma, Inc.](#) (NASDAQ: ATHA), a late clinical-stage biopharmaceutical company focused on developing small molecules to restore neuronal health and slow neurodegeneration, today announced that leading independent proxy advisory firm Glass, Lewis & Co., LLC (“Glass Lewis”) has recommended that shareholders vote “FOR” all three of Athira’s director nominees – Joseph Edelman, John M. Fluke, Jr. and Grant Pickering – on the **WHITE** proxy card.

In making its recommendations, Glass Lewis stated in its May 5, 2022, report¹:

- “Again, where Mr. Kayne’s platform notionally asserts critical change is needed — in this case, with respect to sector expertise — it appears achievement of that change is ultimately subordinate to Mr. Kayne obtaining a board seat.”
- “analyses disclosed by both Athira and Mr. Kayne suggest the Company has outperformed noted benchmarks since [Mark Litton’s] appointment [as CEO].”
- “As such, we do not consider [Mr. Kayne’s and Mr. Bickerstaff’s] appointments necessarily portend significant, favorable change in this regard, and would, instead, express concern that their elections could be problematically destabilizing at a critical juncture for Athira despite what appear to be good faith efforts by the board to resolve the current contest.”
- “Much to the contrary, we are concerned the current campaign is disconcertingly titled (*sic*) toward offering overly favorable representations of Mr. Kayne’s current business associate and the Company’s former CEO, while providing investors with a very limited plan and a potentially compromised slate.”
- “In this case, having reviewed available arguments, we do not believe the Dissident has provided investors with suitable cause to conclude additional change to the Athira board is necessary at this time.”
- “Accordingly, we recommend shareholders use management’s **WHITE** proxy card to vote FOR all nominees.”

Commenting on the Glass Lewis’s recommendation, the Athira Board of Directors issued the following statement:

We are pleased that Glass Lewis recognizes the talent of our three highly qualified board nominees and the work that our board has done to oversee execution and keep Athira on the right track to deliver value for our shareholders, especially as we enter a critical time for the company.

Athira’s board and leadership team are focused on doing what is right for Athira, our shareholders and our patients and their caregivers. We have the right strategy, as well as the right leadership team and board of directors, to drive Athira’s success in this pivotal chapter. With topline results from the Phase 2 ACT-AD study expected by the end of the second quarter of 2022 and other key clinical event catalysts on the horizon, it is important that our progress not be disrupted.

We are grateful Glass Lewis joined ISS in recognizing the self-serving nature of Richard A. Kayne’s campaign, which is centered on installing Mr. Kayne as a director, and recommending that Athira shareholders vote on the **WHITE** proxy card.

We urge shareholders to follow Glass Lewis’s recommendation and vote “FOR” our highly qualified directors – Joseph Edelman, John M. Fluke, Jr. and Grant Pickering – on the **WHITE** proxy card today.

Athira reminds shareholders that every vote is important. Shareholders are urged to discard any blue proxy materials and only to vote using the **WHITE** proxy card.

YOUR VOTE IS IMPORTANT!

If you have questions about how to vote your shares at the upcoming annual meeting, please call the firm assisting us with the solicitation of proxies, Innisfree M&A Incorporated, at:

1 (877) 456-3510 (toll-free from the U.S. and Canada)

Advisors

Goldman Sachs & Co. LLC is serving as financial advisor to Athira. Wilson Sonsini Goodrich & Rosati, Professional Corporation is serving as legal advisor to Athira.

About Athira Pharma, Inc.

Athira Pharma Inc., headquartered in the Seattle area, is a late clinical-stage biopharmaceutical company focused on developing small molecules to restore neuronal health and slow neurodegeneration. Athira aims to provide rapid cognitive improvement and alter the course of neurological diseases with its novel mechanism of action. Athira is currently advancing its pipeline therapeutic candidates, targeting the HGF/MET neurotrophic system, for Alzheimer's and Parkinson's disease dementia, Dementia with Lewy bodies and neuropsychiatric indications. For more information, visit www.athira.com. You can also follow Athira on [Facebook](#), [LinkedIn](#) and @athirapharma on [Twitter](#) and [Instagram](#).

Forward-Looking Statements

This communication contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. These forward-looking statements are not based on historical fact and include statements regarding fosgonimeton as a potential treatment for Alzheimer's disease, Parkinson's disease dementia, Dementia with Lewy bodies, and other dementias; Athira's platform technology and potential therapies; future development plans; clinical and regulatory objectives and the timing thereof, including the timing of the ACT-AD and LIFT-AD clinical trials and the timing of the Phase 2 clinical trial of fosgonimeton for treatment of Parkinson's disease dementia; interactions with regulators and the timing thereof, including anticipated timing of IND or equivalent submissions; expectations regarding the potential efficacy and commercial potential of Athira's product candidates; the anticipated reporting of data; and Athira's ability to advance its product candidates into later stages of development. Forward-looking statements generally include statements that are predictive in nature and depend upon or refer to future events or conditions, and include words such as "may," "will," "should," "on track," "would," "expect," "plan," "believe," "intend," "pursue," "continue," and other similar expressions, among others. Any forward-looking statements are based on management's current expectations of future events and are subject to a number of risks and uncertainties that could cause actual results to differ materially and adversely from those set forth in or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to, the proxy contest at Athira's annual meeting; preliminary data for Athira's fosgonimeton product candidate from the Phase 1a/b trials will not continue or persist in current or planned clinical trials; cessation or delay of any of the ongoing clinical trials and/or Athira's development of fosgonimeton and other product candidates may occur; future potential regulatory milestones of fosgonimeton and other product candidates, including those related to current and planned clinical studies may be insufficient to support regulatory submissions or approval; the impact of the COVID-19 pandemic on Athira's business, research and clinical development plans and timelines and results of operations, including impact on Athira's clinical trial sites and contractors who act for or on Athira's behalf, may be more severe and more prolonged than currently anticipated; the regulatory process for Athira product candidates; the outcome of legal proceedings that have been or may in the future be instituted against us and certain of our directors and officers; clinical trials may not demonstrate safety and efficacy of any of Athira's product candidates; Athira's assumptions regarding the sufficiency of its cash, cash equivalents and investments to fund its planned operations may be incorrect; Athira's research and development efforts and its ability to advance product candidates into later stages of development may fail; any one or more of Athira's product candidates may not be successfully developed, approved or commercialized; adverse conditions in the general domestic and global economic markets; the impact of competition; while P300 latency is a functional measure that is highly correlated with cognition, Athira may not successfully establish a connection between these P300 latency results and improved cognition; regulatory agencies may be delayed in reviewing, commenting on or approving any of Athira's clinical development plans as a result of the COVID-19 pandemic, which could further delay development timelines; the impact of competition; the impact of expanded product development and clinical activities on operating expenses; the impact of new or changing laws and regulations; as well as the other risks detailed in Athira's filings with the Securities and Exchange Commission. These forward-looking statements speak only as of the date hereof and Athira undertakes no obligation to update forward-looking statements. Athira may not actually achieve the plans, intentions, or expectations disclosed in its forward-looking statements, and you should not place undue reliance on the forward-looking statements.

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¹ Permission to use quotations neither sought nor obtained.