# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**Washington, DC 20549**

# SCHEDULE 14A
**(Rule 14A-101)**
**PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE SECURITIES EXCHANGE ACT OF 1934**

Filed by the Registrant ☒

Filed by a Party other than the Registrant ☐

Check the appropriate box:

☐ Preliminary Proxy Statement

☐ Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

☐ Definitive Proxy Statement

☒ Definitive Additional Materials

☐ Soliciting Material under § 240.14a-12

## Athira Pharma, Inc.
**(Name of Registrant as Specified in its Charter)**

**(Name of Person(s) Filing Proxy Statement, if other than the Registrant)**

Payment of Filing Fee (Check all boxes that apply):

☒ No fee required

☐ Fee paid previously with preliminary materials

☐ Fee computed on table in exhibit required by Item 25(b) per Exchange Act Rules 14a-6(i)(1) and 0-11


Athira
PHARMA
Maximizing Long-Term
Value for All Shareholders
April 2022
ADVANCING NEW THERAPIES FOR NEURONAL HEALTH

# Disclaimer

This presentation 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 impact of a contested election at Athira's annual meeting; the 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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# Executive Summary

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# Executive Summary

| | |
|---|---|
| **Successfully executing strategic drug development priorities for Alzheimer's Disease and other dementias with large patient populations that have significant unmet need and market potential** | • Poised to report topline results from Phase 2 ACT-AD study by end of 2Q22<br>• Expect to complete enrollment for expanded LIFT-AD Phase 3 study by 3Q22, with larger sample size enhancing potential for single pivotal clinical study<br>• Dosed first patient in SHAPE Phase 2 clinical trial of fosgonimeton in Parkinson's disease dementia and Dementia with Lewy bodies in January 2022; positive results from this proof-of-concept trial would strengthen the potential pan dementia utility of fosgonimeton and increase confidence in the mode of action<br>• Launched Phase 1 clinical trial for ATH-1020<br>• Successful execution reflected in stock price performance – from the day of public announcement that Dr. Kawas resigned and Dr. Litton was appointed CEO (October 21, 2021) through the day that Athira filed its preliminary proxy statement publicly disclosing Mr. Kayne's director nominations (March 25, 2022), our stock price increased by ~32%, while the SPDR S&P Biotech ETF (XBI) index decreased by ~28% over the same period |
| **Strong management team led by CEO Mark Litton with deep industry, R&D and commercialization expertise to drive future shareholder value** | • CEO Mark Litton, PhD, MBA has 25+ years experience in the biopharma industry, including C-suite roles at 3 publicly traded companies<br>– Previously served as President and COO of Alpine Immune Sciences. Prior to Alpine, spent 14 years at Alder Biopharmaceuticals, where he was co-founder and Chief Business Officer directly responsible for raising ~$1B in equity capital and led negotiations for numerous corporate alliances with biotech and pharmaceutical companies prior to its sale to Lundbeck for ~$2B<br>• COO Rachel Lenington, MBA has 20+ years of strategic and operational leadership experience in drug development, commercialization and launch<br>• Chief Medical Officer Hans Moebius, MD, PhD, ECPM, FAAN is an internationally recognized expert in neuropsychiatry, with 30+ years of experience in drug R&D and regulatory strategy, and has led several CNS projects to successful approval, including Namenda, the second leading AD therapy worldwide<br>• CFO Glenna Mileson has 25+ years of financial and business management experience at biopharmaceutical and other companies |
| **The right board with diverse and curated skillsets to oversee Athira's growth during pivotal chapter** | • Highly qualified, experienced board with the right skills for Athira: clinical development, regulatory approval, commercialization, finance & financial planning, capital allocation, BD, legal & risk management and investment management<br>• Record of systematically and thoughtfully adding experience and expertise, including 2 new independent directors YTD in 2022 and 3 in the past year |
| **Mr. Kayne's self-serving campaign is misguided and detrimental to the interests of all shareholders** | • Mr. Kayne has rebuffed multiple attempts by our board to constructively engage in order to avoid a costly, unnecessary proxy contest<br>• Mr. Kayne has pushed an agenda to appoint himself to the board and terminate our CEO, and also have us resume a relationship with our former CEO, Dr. Kawas<br>• Messrs. Kayne and Bickerstaff are generalists; they do not add to the skills that are already well represented on the board |

**This proxy contest is a needless distraction at a time when Athira should be focused on delivering the results of the Phase 2 ACT-AD study**

# An Introduction to Athira

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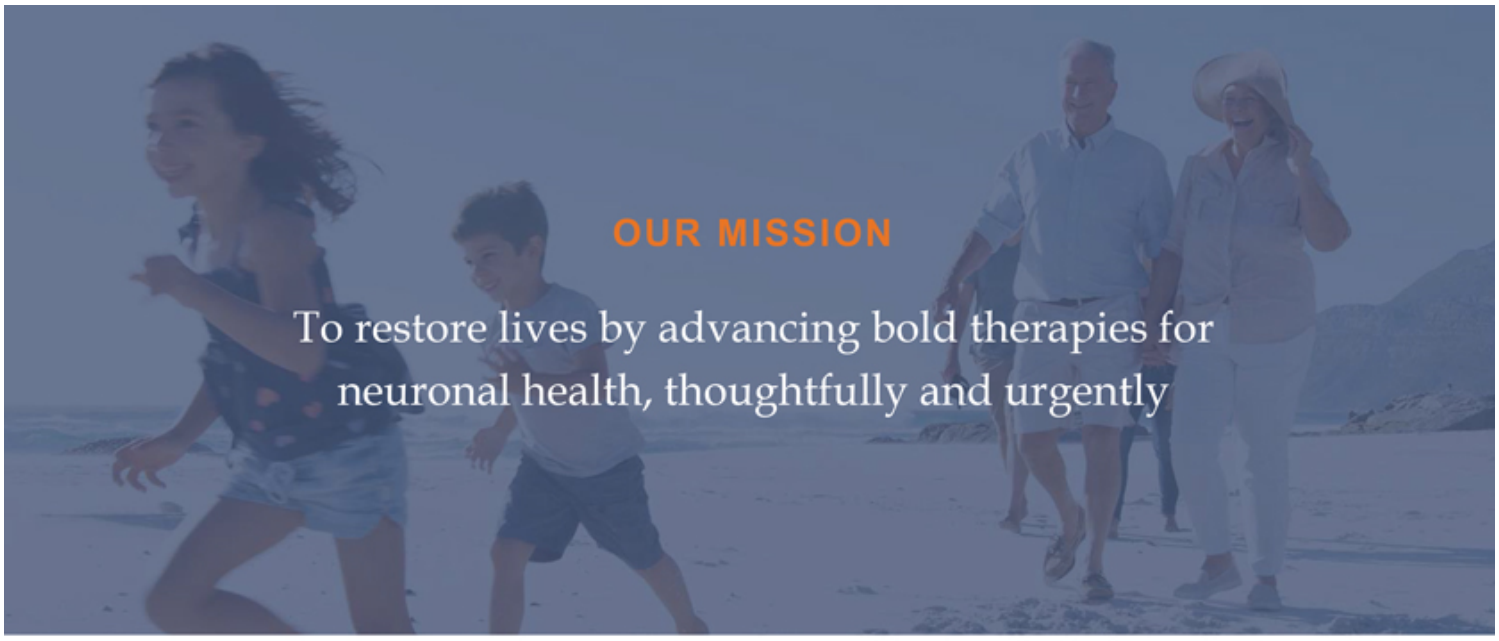


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# Company Overview

- We are a late clinical-stage biopharmaceutical company developing small molecules to advance new therapies for a broad range of neurological diseases with significant unmet need
- We have a deep understanding of the multifactorial and complex pathologies associated with neurodegeneration
- We are familiar with the regulatory approval process for the treatment of Alzheimer's disease (AD), and know what it takes to earn approval and for successful commercialization
- Our lead program, fosgonimeton (ATH-1017), is based on strong science using a novel approach to leverage a naturally occurring repair mechanism
- Large patient populations with significant unmet need and market potential:
  - Compelling data in mild-to-moderate Alzheimer's patients suggesting improved neuronal connectivity
  - Opportunities to expand into additional indications including Parkinson's Disease Dementia (PDD) and Dementia with Lewy Bodies (DLB)
- Founded in 2011 and headquartered in Bothell, WA

**Expected Key Near Term Catalysts**

ActAD

Topline data by end of 2Q22

LiftAD

Enrollment complete LPI 3Q22
Topline data 1H23

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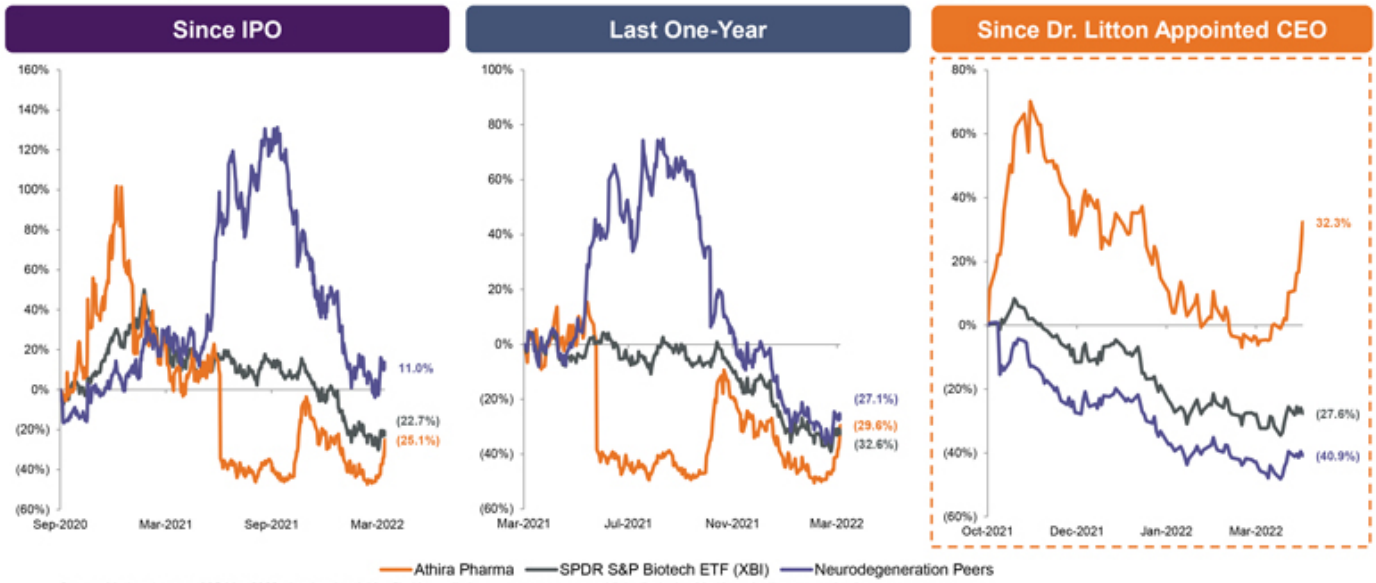
# Athira Has Significantly Outperformed the Biotech Index and Neurodegeneration Peers Since Dr. Litton Was Appointed CEO




Source: Market data as of 25-Mar-2022, the day that Athira filed its preliminary proxy statement publicly disclosing Mr. Kayne's director nominations.
Note: Charts reflect total shareholder return. Athira's IPO occurred on 18-Sep-2020 and chart reflects the return relative to its IPO price of $17 per share. Dr. Litton's appointment was publicly announced on 21-Oct-2021.
Neurodegeneration Peers reflects average performance among AC Immune, Alector, Biogen, Cortexyme, Denali and Prothena.

# Investment Highlights

**Our novel small molecule compounds are designed to act on a naturally occurring mechanism to repair and restore neuronal health**

Potentially pivotal program in Alzheimer's with a growing pipeline addressing neurodegenerative and neuropsychiatric indications

## Late-stage program fosgonimeton (ATH-1017) designed to enhance Hepatocyte Growth Factor (HGF) and its receptor, MET

- Well established HGF/MET pathway is critical to normal brain function and is compromised in Alzheimer's disease (AD) and other neurological diseases
- Topline data for Phase 2 ACT-AD clinical trial expected by end of 2Q22
- Phase 3 LIFT-AD clinical trial expected to complete enrollment in 3Q22 with topline data expected in 1H23
- Compelling Phase 1 data in AD demonstrated statistically significant improvement (p=0.027) of ERP P300 latency, an objective measure of working memory processing speed
- Cognitive improvement in Alzheimer's disease is a multi-billion dollar market opportunity

**Strong balance sheet** to support clinical programs through key inflection points

**Leadership team** with significant CNS product development and approval experience

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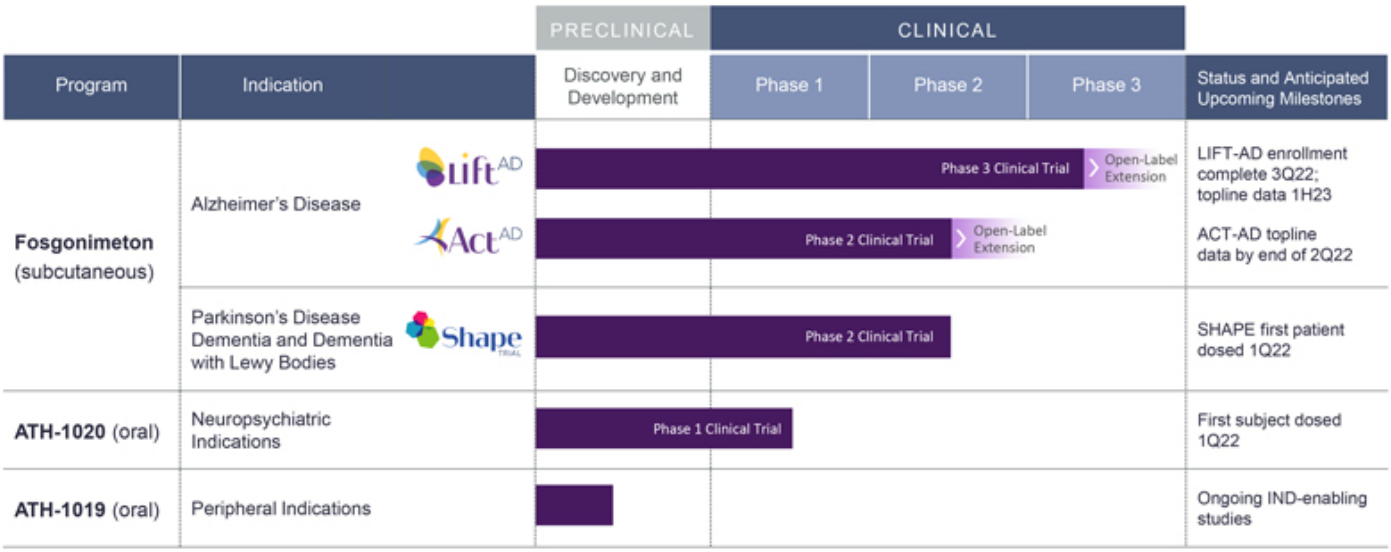
# Therapeutic Potential Across a Broad Range of Clinical Applications



# Alzheimer's Disease Has Significant Market Potential

**35 million**
People living with Alzheimer's dementia today[1]

**Multi-Billion $ Market**
Despite generic entries

**Only One**
New product (Aduhelm™) launched since 2003

**Over 100 million globally by 2050**
~900,000 new patients diagnosed annually in the US alone[1,2]

**6.2 million treatment eligible patients in the US in 2021 based on prevalence data**
Growing at 3% per year[2,3]

**Mild to Moderate comprises 81% of all patients with Alzheimer's Disease**
78.5% of these patients receive Rx therapies[3,4]

**Significant opportunity for fosgonimeton**
Market research suggests favorable reaction and receptivity to fosgonimeton base case target product profile as a potential first-line therapy to improve cognition[5]

[1] https://www.who.int/news--room/factroom/fact--sheets/detail/dementia.
[2] https://www.alz.org/media/documents/alzheimers-facts-and-figures.pdf.
[3] GlobalData AD prevalence data access and analysis.
[4] https://www.nia.nih.gov/news/half-alzheimers-disease-cases-may-be-mild.
[5] ClearView Healthcare Partners Market Research Analysis.

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# Additional Large Market Potential in Parkinson's Disease and Lewy Body Dementia

**Nearly 1 million**
people in the US and more than 10 million people globally are living with Parkinson's disease (PD)[1]

**~50%**
of PD patients experience dementia symptoms[2,4]

**Only One**
treatment option for dementia symptoms of PD[1,3]

**DLB is the third most common cause of dementia**
accounting for 5-15% of all dementia cases globally[2,4]

**PDD and DLB are both types of Lewy body disorder,**
differentiated by onset of dementia symptoms relative to PD diagnosis[3]

**TYPES OF LEWY BODY DISORDER**


**$51.9B**
Economic burden of PD overall in the US, as of 2017[4]

**Significant opportunity for fosgonimeton**
Initial market research suggests fosgonimeton base case target product profile has the potential to address an overlooked and underserved PDD and DLB patient population[5]

[1] https://www.parkinson.org/Understanding-Parkinsons.
[2] https://www.alz.org/alzheimers-dementia/what-is-dementia/types-of-dementia.
[3] Galasko, Neurol Clin 2017.
[4] Yang et al, NPJ Parkinsons Dis 2020.
[5] ClearView Healthcare Partners Market Research Analysis.

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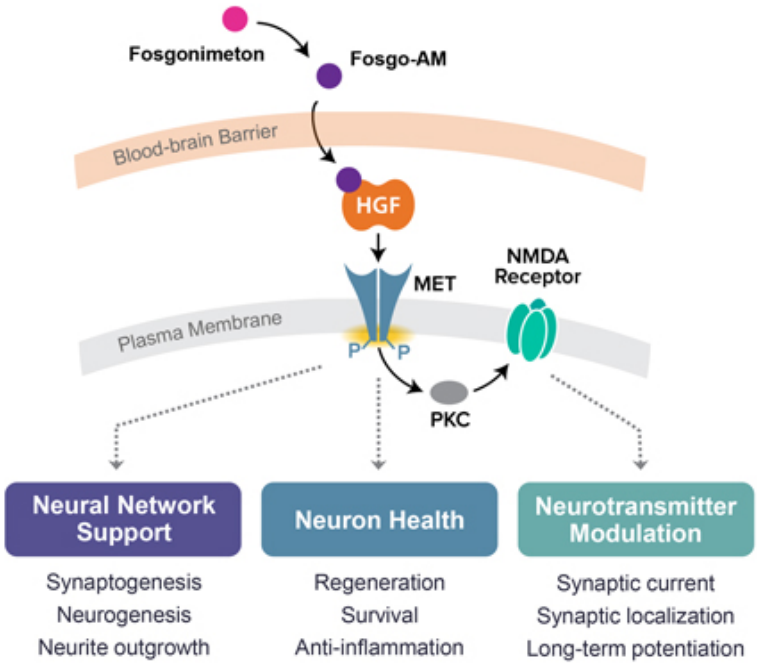
# Our Novel Approach to Brain Health: Positively Augmenting the HGF/MET System

**MET is one of the most stably expressed genes in the adult human brain**

*Stable MET expression is a signature of the healthy adult brain*[1]

**Fosgonimeton positively modulates HGF/MET**

- Small molecule prodrug that is immediately converted to an active metabolite (Fosgo-AM) in plasma
- Crosses the blood-brain barrier
- Positively modulates HGF/MET
- Administered via subcutaneous injection




[1] Hawrylycz et al, *Nature Neuroscience* 2015
HGF/MET signaling and downstream effects described in: Desole et al, *Frontiers in Cell and Dev Bio* 2021 Funakoshi and Nakamura, *Current Signal Transduction Therapy* 2011

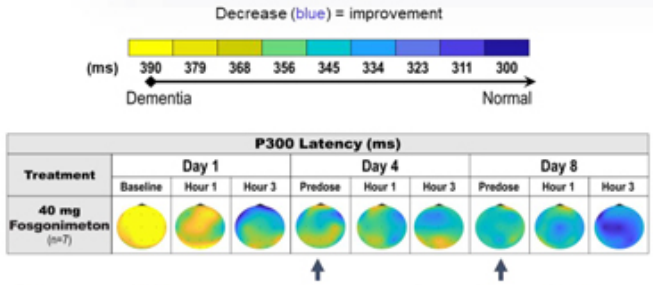
# Fosgonimeton Has Achieved Early Proof of Concept in Phase 1

N=11
Randomized, Placebo, Fosgonimeton (40 mg) Subcutaneous, Daily, 8 days

## ERP OBSERVATIONS

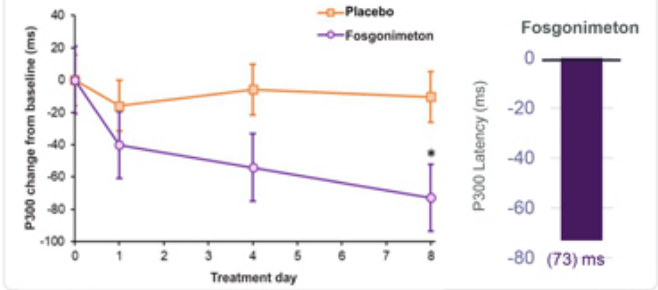
ERP analysis to-date suggests treatment effects on P300 latency in AD subjects

- Gradual decrease in latency over time in the treated group (N=7)
- Short-term, rapid improvements are indicative of neurotransmitter, NMDA receptor modulation
- Lasting effects may be indicative of connectivity and structural improvements




**Decreased latency on pre-dose recordings (arrows) taken 24 hours after the last dose on the previous day may be indicative of sustained improvement**

## P300 LATENCY: ACTIVE v PLACEBO TREATED AD SUBJECTS




***Significant change from baseline observed on Day 8***

Note: P300 data from FZ, CZ, and PZ electrodes. Data plotted as mean +/- SE. *p=0.027 with MMRM.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# Athira is Successfully Progressing its Business

## Achieving targeted milestones and well-positioned for the future

**1 Effective and Experienced Leadership Team**

- ☑ Executed against the company's strategic priorities and poised to report topline results from the Phase 2 ACT-AD study by the end of the second quarter of 2022
- ☑ Systematically and thoughtfully added experience and expertise to our board and management team in support of advancing our strategy
- ☑ Experience overseeing both approval and commercialization of novel therapeutics
- ☑ Prudent balance sheet management and strategic allocation of capital

**2 Executed on Lead Candidate**

- ☑ Initiated an open label extension of our LIFT-AD and ACT-AD trials to allow all eligible patients to receive treatment with fosgonimeton for up to an additional 26 weeks
- ☑ Completed enrollment of 77 patients in our ACT-AD study in October 2021, with topline data expected by the end of 2Q22
- ☑ Targeting full enrollment of the LIFT-AD Phase 3 study for 3Q22, with topline data expected in the first half of 2023. The company opportunistically increased the sample size of the LIFT-AD study to strengthen the statistical power of key co-secondary endpoints and enhance the potential for a single pivotal clinical study
- ☑ Dosed first patient in our SHAPE Phase 2 clinical trial of fosgonimeton in Parkinson's disease dementia and Dementia with Lewy bodies
- ☑ Presented preclinical data that demonstrated that the mechanism of action of the active metabolite of fosgonimeton is through positive modulation of HGF/MET
- ☑ Presented baseline Event Related Potential (ERP) P300 latency data from our ACT-AD study at the AD/PD™ conference that showed that the study patient population enrolled in the Phase 2 trial is representative of the mild-to-moderate AD population and is appropriate to evaluate the effects of fosgonimeton on ERP P300 latency

**3 Progressed Pipeline**

- ☑ Launched a Phase 1 clinical trial for ATH-1020, our novel, orally available, brain-penetrant small molecule, after receiving U.S. Food and Drug Administration clearance for the Investigational New Drug application in January 2022
- ☑ Presented preclinical data at the American Society for Experimental Neurotherapeutics (ASENT) showing that ATH-1020 demonstrated neuroprotective effects, mitigated depression-like behaviors and rescued mismatch negativity response, a translatable measure of event-related potential that shows consistent and robust deficits in both rodent models and schizophrenia patients

# 1 Competitive Strength: Experienced and Proven Management Team

| | | Experience | Years of Experience | C-suite / Exec. Experience | Clinical Development | CNS Experience |
|---|---|---|---|---|---|---|
|  | **Mark Litton** *President and CEO* | • Has been with Athira since joining as COO in 2019<br>• Previously served as President and COO of Alpine Immune Sciences<br>• Prior to Alpine, spent 14 years at Alder Biopharmaceuticals, where he was co-founder and CBO directly responsible for raising ~$1B in equity capital and led negotiations for numerous corporate alliances with biotech and pharmaceutical companies prior to its sale to Lundbeck for ~$2B | 25+ | ✓ | ✓ | ✓ |
|  | **Rachel Lenington** *COO* | • Extensive strategic and operational leadership experience in drug development, commercialization and launch<br>• Played an instrumental role in the development of, and multiple global approvals and launches for, Prolia®, ADCETRIS®, PADCEV®, and TUKYSA® at Amgen and Seagen<br>• Also drove drug, vaccine and diagnostic development and approvals for neglected diseases at the Bill & Melinda Gates Foundation | 20+ | ✓ | ✓ | ✓ |
|  | **Hans Moebius** *CMO* | • Previously co-founded Exciva GmbH and served as its Chief Executive Officer and Chief Medical Officer<br>• Also served as scientific advisory board member and Chief Medical Officer at Rodin Therapeutics<br>• Prior to that, he served as Executive Vice President of Clinical Research at CHASE Pharmaceuticals | 30+ | ✓ | ✓ | ✓ |
|  | **Glenna Mileson** *CFO* | • Has broad industry experience with companies of all sizes from small, privately owned businesses to large, publicly traded companies.<br>• Previously served as the Chief Financial Officer for Pregenen, a biotech company developing gene editing and cell signaling technologies | 25+ | ✓ | | |
|  | **Kevin Church** *EVP, Research* | • Has been a bench scientist for several small biotechnology companies<br>• Has held several positions at Athira including Senior Research Scientist, Director, and Vice President of Discovery<br>• Expertise in the translational biomarker ERP P300 | 10+ | ✓ | ✓ | |
|  | **Mark Worthington** *General Counsel* | • Has advised private and public life sciences and other companies on a wide range of strategic business and legal matters<br>• Previously practiced corporate and securities law at Summit Law Group where he chaired the corporate/securities practice and served as the co-managing partner | 25+ | ✓ | | |
|  | **Simon Daggett** *VP Clinical Operations* | • Brings more than 30 years drug development experience, including 19 years at Allergan<br>• Has considerable global expertise leading all aspects of clinical studies from pre-IND through Phase 3 to approval | 30+ | | ✓ | |
|  | **Lana Gloukhova** *M.D, VP Drug Safety and Pharmacovigilance* | • Has a proven track record leading global safety and clinical teams at multinational pharmaceutical companies including CSL Behring, AbbVie, Merck and Schering-Plough | 30+ | | ✓ | |

 

# 1 Competitive Strength: Dr. Litton is the Right Leader for Athira

***Dr. Mark Litton***

**Lifetime of Experience in Biotechnology**

- **Executive Leadership -** Chief Operating Officer of Athira from June 2019 to October 2021. President and Chief Operating Officer of Alpine Immune Sciences from August 2018 to April 2019. Chief Business Officer of Alder Biopharma from 2004 to 2018
- **Strategic Navigation -** At Alder, directly responsible for raising over ~$1B in equity capital and led negotiations for numerous corporate alliances between biotech and pharmaceutical companies until successfully sold to Lundbeck A/S in October 2019
- **Clinical Development -** At Athira, has overseen progression of ATH-1017 to Phase 3
- **Commercialization -** Vice President of Business Development for Celltech Group, responsible for securing, commercializing and partnering on numerous novel discoveries and therapeutic programs
- **Scientific Background -** PhD in immunology from Stockholm University, an MBA from Santa Clara University and a BA in Biochemistry and Molecular Biology from UC Santa Cruz
- **Board Experience -** Board Member of Lumen Bioscience since October 2020

**Experienced Executive** | **Commercial Skillset** | **Clinical Background**

 

# 2 Competitive Strength: Continued Progression of the Fosgonimeton Phase 2 Trial (ACT-AD)

**PROOF-OF-CONCEPT TRIAL TO HELP BETTER UNDERSTAND NATURE OF NOVEL INTERVENTION**

| POPULATION | TREATMENT DURATION | ENDPOINTS AND TIMELINE |
|---|---|---|
| **ACT-AD: N=77 (recruitment complete) mild-to-moderate AD dementia subjects** (55-85 years; CDR 1 and 2; MMSE 14-24 incl.) | **26-week randomized, double-blind treatment, + optional 26-week OLEX** | **PRIMARY ENDPOINT**<br>• Change of P300 latency<br>• Safety |
| **Potential Pathways to success:**<br>• Achieves statistical significance on primary endpoint<br>• Key secondary endpoints trending<br>• Functions as interim analysis for LIFT-AD without statistical penalty | Fosgonimeton (40 mg)<br>Fosgonimeton (70 mg)<br>Placebo<br>**Randomization (1:1:1)** | **SECONDARY ENDPOINTS**<br>• Cognition: ADAS-Cog11<br>• Global clinical change: ADCS CGIC - Clinician<br>• Function: ADCS-ADL23<br>**TIMELINE**<br>• Topline data expected by end of 2Q22 |

✓ *Successfully completed enrollment in October 2021*

✓ *Topline data expected by end of 2Q22*

# 2 Competitive Strength: Key Strategic Decisions to Conduct and Increase Fosgonimeton Phase 3 Trial (LIFT-AD)

## TRIAL MAY PROVIDE PIVOTAL EVIDENCE TO SUPPORT PRODUCT REGISTRATION

### POPULATION

**LIFT-AD: Target N=~420**
**mild-to-moderate AD dementia subjects**
(55-85 years; CDR 1 and 2; MMSE 14-24 incl.)

**Potential Pathways to success:**

- Achieves statistical significance on primary endpoint
- Achieves statistical significance on two key secondary endpoints, which may support approval with a single pivotal study

### TREATMENT DURATION

**26-week randomized, double-blind treatment, + optional 26-week OLEX**

- Fosgonimeton (40 mg)
- Fosgonimeton (70 mg)
- Placebo

Randomization (1:1:1)

### ENDPOINTS AND TIMELINE

**PRIMARY ENDPOINT**

- Global Statistical Test (GST) – unbiased composite, fed by data from two key secondaries
- Safety

**SECONDARY ENDPOINTS**

- Cognition: ADAS-Cog11
- Global clinical change: ADCS CGIC - Clinician
- Function: ADCS-ADL23

**TIMELINE**

- Complete enrollment expected 3Q22
- Topline data expected 1H23

✓ *Strong enrollment to-date*

# 2 Competitive Strength: Executing on Our Phase 2 Trial in PDD and DLB

Shape TRIAL

**PROOF-OF-CONCEPT TRIAL TO UNDERSTAND THE POTENTIAL OF ATH-1017 BEYOND ALZHEIMER'S DISEASE**

| POPULATION | TREATMENT DURATION | ENDPOINTS AND TIMELINE |
|---|---|---|
| **N=~75 mild-to-moderate PDD or DLB subjects** (MOCA 11-23 at baseline) | **26-week randomized, double-blind treatment**<br>Fosgonimeton (40 mg)<br>Fosgonimeton (70 mg)<br>Placebo<br>Randomization (1:1:1) | **PRIMARY ENDPOINT**<br>• Global Statistical Test (combining P300 and ADAS-Cog13)<br>• Safety<br>**SECONDARY ENDPOINTS**<br>• P300 Latency<br>• Cognition: ADAS-Cog13<br>• Global clinical change: ADCS CGIC - Clinician<br>• Function: ADCS-ADL23<br>• Motor Function: MDS-UPDRS (Exploratory)<br>**TIMELINE**<br>• First patient dosed 1Q22<br>• Actively enrolling |

**Potential Pathways to success:**

- Achieves statistical significance on primary endpoint
- Shows trends on either cognition and/or motor function

✓ ***First patient dosed in Phase 2 SHAPE trial 1Q22***

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# 3 Competitive Strength: Executed on Our Pipeline by Initiating a Phase 1 Study for ATH-1020

## PHYSIOLOGICAL CHANGES IN THE BRAIN AFFECT BEHAVIOR AND EMOTION

Our novel approach is focused on restoring neuronal health and function to repair disruptions in neuronal connectivity found in a variety of neuropsychiatric diseases

- Preclinical data demonstrate **enhancing HGF/MET activity has anti-depressant and anxiolytic effects**[1,2]
- Human clinical trials also show an association between **reduced HGF/MET expression levels and depression/anxiety**[3-7]
- **ATH-1020**
  - A brain-penetrant small molecule positive modulator of HGF/MET
  - Demonstrated improvements in depression and schizophrenia in preclinical animal models
  - Convenient once-daily oral dosing
  - ***Phase 1 first-in-human studies launched, first subject dosed 1Q22***

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[1] Isogawa et al, *Neuropsychobiology* 2005
[2] Wakatsuki et al, *Neuropeptides* 2007
[3] Russo, *Biomarker Insights* 2010
[4] Ciuculete et al, *Epigenetics* 2019
[5] Ramsey et al, *PLoS ONE* 2016
[6] Russo, *Proteomic Insights* 2010
[7] Burdick et al, *AM J Psychiatry 2010*

# Achievements and Upcoming Milestones

## RECENT ACHIEVEMENTS

- ✓ Enrollment completed for Phase 2 ACT-AD trial in Oct 2021
- ✓ Strong enrollment to-date in Phase 3 LIFT-AD trial
- ✓ Open label extension trial underway for ACT-AD and LIFT-AD
- ✓ First patient dosed in Phase 2 SHAPE trial 1Q22
- ✓ First subject dosed with first oral molecule, ATH-1020, in Phase 1 trial as a potential treatment candidate for neuropsychiatric indications in 1Q22
- ✓ Continued to strengthen IP portfolio including issuance of fosgonimeton (ATH-1017) US patent
- ✓ Strong balance sheet – cash of $319.7M as of 12/31/21 and no debt

## LOOKING AHEAD

- → **Phase 2 ACT-AD Trial:** Topline data expected by end of 2Q22
- → **Phase 3 LIFT-AD Trial:** Complete enrollment expected in 3Q22; Topline data expected 1H23
- → **SHAPE** enrollment ongoing
- → Ongoing IND-enabling studies of ATH-1019 in peripheral indications

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# We Are Executing on Our Strategy as Articulated at IPO

| Strategy at IPO | Actions / Accomplishments |
| --- | --- |
| Advance fosgonimeton (ATH-1017) through clinical development for AD | Phase 2 ACT-AD, Phase 3 LIFT-AD and open-label extension progressed |
| Expand the development of fosgonimeton to include additional indications and delivery methods | Phase 2 SHAPE trial for Parkinson's initiated |
| Focus on translational and functional endpoints to efficiently develop product candidates | ERP P300 applied to ongoing trials |
| Continue developing additional pipeline programs and utilize our ATH platform for further drug discovery | Successful IND for oral molecule ATH-1020 and additional IND-enabling studies |
| Optimize the value of fosgonimeton and other candidates in major markets | Continuously expanding IP portfolio |

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# Wall Street Analysts Support Athira's Potential

## Analysts see significant upside in Stock Price


## Large Opportunity Evidenced by Peak Sales Opportunity

**Projected Product Sales (Unadjusted)**

| Analyst | Proj. Sales ($ bn) |
|---|---|
| Analyst A | $7.3 (2037) |
| Analyst B | 6.4 (2037) |
| Analyst C | 5.5 (2037) |
| Analyst D | 5.4 (2034) |
| Analyst E | 5.2 (2032) |
| **Median** | **$5.5** |

## Selected Commentary

"We view ATHA's approach to treating Alzheimer's disease as **differentiated with the potential to expand to other forms of dementia**, which we believe the market is missing."

*- Analyst D, 21-Apr-2022*

**"The data we've seen to-date supports a statistically significant benefit on change in P300 latency** in the ACT-AD study, as our assessment of the available P300 data in Alzheimer's disease suggests that the **Phase 1b results were not random, but rather due to drug effect…"**

*- Analyst C, 28-Mar-2022*

"Underlying our cautiously optimistic view in the backdrop of many failures in the AD space, **Athira has generated promising EEG data** in a small number of Alzheimer's patients…"

*- Analyst E, 09-Feb-2022*

"We are **confident in Mr. Litton's leadership expertise**, noting his extensive public company leadership, including as Chief Business Officer at Alder Pharmaceuticals."

*- Analyst B, 17-Jun-2021*

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Source: Wall street research and market data as of 22-Apr-2022 Note: Projected sales represent unadjusted product sales.

 


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# Effective and Engaged Board Oversight

## Executing Successfully Against our Strategy

Directors have the right skills and experience needed to support Athira at this critical time

The right board in place to oversee Athira during this pivotal chapter

## Positioning for the Future

Actively engaged board:

- Guides our highest priority – securing regulatory approval for the treatment of Alzheimer's disease (AD)
- Oversees pipeline built from our proprietary drug discovery platform

## Navigating Hard Challenges

Track record of navigating hard challenges and fostering sustainable long-term value creation for all shareholders

# Distinguished Board with Deep Industry, R&D and Commercialization Expertise and Experience

**Relevant Skills & Experience:** Clinical Development; Regulatory Approval Process; Drug Commercialization; Finance and Financial Planning; Capital Allocation; Business Development; Legal and Risk Management; Investment Management

Independent director appointed since Mar. 2021

## Standing for Election

**Joseph Edelman (Since May 2020)**
- ***Current Position:*** Founder and CEO, Perceptive Advisors
- ***Other Public Boards:*** Arya Sciences Acq. Corp V (NASDAQ: ARYE); Arya Sciences Acq. Corp. IV (NASDAQ: ARYD)
- ***Selected Investments***: Acerta Pharma, Alnylam Pharmaceuticals (NASDAQ: ALNY), Sarepta Therapeutics (NASDAQ: SRPT)

**John Fluke, Jr. (Since Dec. 2014)**
- ***Current Position:*** Founder and Chairman, Fluke Capital Management, L.P.
- ***Selected Prior Experience:*** Previously on boards of PACCAR Inc. (NASDAQ: PCAR), CellCyte Genetics Corporation, Cell Therapeutics, Primus International, American Seafoods Group

**Grant Pickering (Since Jan. 2022)**
- ***Current Position:*** Co-founder, CEO, and director of Vaxcyte, Inc. (NASDAQ: PCVX)
- ***Selected Prior Experience:*** CEO, Mymetics Corp. (OTC: MYMX); CEO and director, Juvaris BioTherapeutics
- ***Other Public Boards:*** Vaxcyte, Inc. (NASDAQ: PCVX)

## Other Directors

**Kelly Romano (Since Dec. 2020)**
**Chairwoman**
- ***Current Position:*** Founder and CEO, BlueRipple Capital; Operating Partner, AE Industrial Partners
- ***Selected Prior Experience:*** Leadership positions in operations, business development, M&A and sales & marketing at United Technologies Corp. (NYSE: UTX)[1]
- ***Other Public Boards:*** UGI (NYSE: UGI); Dorman Products (NASDAQ: DORM)

**James Johnson (Since Aug. 2020)**
- ***Selected Prior Experience:*** Former CFO of Nohla Therapeutics; NanoString Technologies (NASDAQ: NSTG); Relypsa (NASDAQ: RLYP); ZymoGenetics (NASDAQ: ZGEN); Targeted Genetics

**Mark Litton, M.B.A., Ph.D.**
**(Since Oct. 2021)**
- ***Current Position:*** President and CEO, Athira
- ***Selected Prior Experience:*** President and Chief Operating Officer, Alpine Immune Sciences (NASDAQ: ALPN); Co-founder and Chief Business Officer, Alder Biopharmaceuticals (NASDAQ: ALDR); Vice President of Business Development for Celltech Group

**Barbara Kosacz (Since Mar. 2021)**
- ***Current Position:*** Chief Operating Officer and General Counsel, Kronos Bio, Inc. (NASDAQ: KRON)
- ***Selected Prior Experience:*** Partner and Head of the International Life Sciences Practice at Cooley LLP
- ***Other Public Boards:*** XOMA Corp (NASDAQ: XOMA); Phoenix Biotech Acq. Corp. (NASDAQ: PBAX)

**Michael Panzara, M.D., M.P.H. (Since Mar. 2022)**
- ***Current Position:*** Chief Medical Officer and Head of Therapeutics Discovery and Development, Wave Life Sciences (NASDAQ: WVE)
- ***Selected Prior Experience:*** Head of Multiple Sclerosis, Neurology and Ophthalmology Therapeutic Areas in Global Development, Sanofi Genzyme (ENXTPA: SAN); Vice President and Chief Medical Officer in Neurology, Biogen (NASDAQ: BIIB)

[1] Now Carrier Global, Otis Global and Raytheon Technologies.

# Our Highly Qualified Nominees

**Joseph Edelman**
*Director Since: May 2020*

- **20+ years of experience** as a highly respected investor and advisor to small- and mid-size biotech companies
- Grew Perceptive Advisors' AUM **from $6 million to approximately $9.5 billion**
- **Track record of success as a board member and investor in many successful biotechnology companies**

**Selected Experience**

PERCEPTIVE ADVISORS
Paramount Capital Asset Management
Prudential

**John M. Fluke, Jr.**
*Director Since: December 2014*

- **40+ years of executive leadership and board experience** at many successful companies
- **Founder and Chairman** of Fluke Capital Management, L.P.
- **Extensive background as an investor in many successful companies**

**Selected Experience**

PACCAR
CellCyte Genetics
cti BIOPHARMA
Primus International

**Grant Pickering**
*Director Since: January 2022*

- **30+ years of experience** across vaccine and immunotherapeutic drug development and commercialization
- Led the **successful formation and financing of multiple platform companies,** including vaccine innovation company Vaxcyte, Inc. (NASDAQ: PCVX), which he co-founded and where he currently serves as CEO
- Appointed to the board in January 2022 after he was **identified to Athira by Mr. Kayne**

**Selected Experience**

VAXCYTE
MYMETICS
KLEINER PERKINS
JUVARIS BIOTHERAPEUTICS, INC.

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# Setting the Facts Straight – The Leen Kawas Investigation

- On June 16, 2021, the board determined to place Leen Kawas on temporary leave pending a review of actions stemming from doctoral research that Dr. Kawas conducted while at Washington State University (WSU). **The board established an independent special committee to undertake this review.**
- During the course of its investigation, the special committee, with the assistance of independent outside counsel, **determined that Dr. Kawas altered images in her 2011 doctoral dissertation and at least four research papers that she co-authored while she was a graduate student at WSU, and published from 2011 to 2014.**
- Among its other findings, the special committee found that **Athira's issued U.S. patent claiming ATH-1017, Athira's lead development candidate, does not cite any paper that the committee found to contain an image altered by Dr. Kawas.**
- Effective October 18, 2021, **Dr. Kawas submitted her resignation** as president and chief executive officer of Athira and as a member of the board of directors.
- **The WSU research misconduct actions are still pending.**


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# Athira Is Well-Positioned to Continue Executing with Strength; Kayne's Platform Is Misguided

## Our Plan

- ✓ Progressing Phase 2 ACT-AD clinical trial, Phase 3 LIFT-AD clinical trial and open-label extension trial
- ✓ Capturing opportunity to expand into additional indications including PDD and DLB
- ✓ Ongoing SHAPE enrollment
- ✓ Ongoing IND-enabling studies of ATH-1019 in peripheral indications
- ✓ Maintaining strong balance sheet to support clinical programs through key inflection points
- ✓ Committed to continuing to build on deep industry, R&D and commercialization expertise of board and leadership
- ✓ Strong, experienced management team

## Kayne's "Platform"

- ✗ No articulated business or operational platform
- ✗ Gain personal representation for Mr. Kayne on the board
- ✗ Slate of directors who do not bring incremental domain expertise that would enhance our already highly qualified board
- ✗ Replace our current CEO
- ✗ Pushed for a substantive role for Dr. Kawas (who is now his business partner)

# Athira Has Engaged in Good Faith with Kayne; Kayne Has Rejected Our Attempts to Find Common Ground

| | |
|---|---|
| **Ongoing Dialogue with Kayne** | • Athira's directors have had ongoing dialogue with Kayne, including frequent conversations over the last several months |
| **Responsiveness to Shareholders** | • Athira has been open to shareholder input, including on directors, and interviewed both Grant Pickering and George Bickerstaff, who were identified by Kayne; the board determined Pickering would be additive and appointed him to the board at Kayne's suggestion<br>• Additionally, in March 2022 the board appointed Michael Panzara, M.D. who brings over 20 years of biopharmaceutical industry experience developing therapies for neurological disorders<br>• The board remains focused on further expanding its deep industry, R&D and commercialization expertise |
| **Openness to Negotiated Resolution** | • Athira has proposed multiple paths forward that would enable the company to avoid a costly, distracting proxy contest<br>• Mr. Kayne has pushed an agenda to appoint himself to the board and terminate our CEO, and also have us resume a relationship with our former CEO, Dr. Kawas |
| **Dr. Litton – The Right Person to Lead Athira** | • Kayne is attempting to replace our CEO, which the board believes is not in the best interest of all shareholders<br>• Dr. Litton has demonstrated exemplary leadership since joining Athira in July 2019, and is the right person to lead our company forward |

 

# Conclusion

| | |
|---|---|
| **Successfully executing strategic drug development priorities for Alzheimer's Disease and other dementias with large patient populations that have significant unmet need and market potential** | • Poised to report topline results from Phase 2 ACT-AD study by end of 2Q22<br>• Expect to complete enrollment for expanded LIFT-AD Phase 3 study by 3Q22, with larger sample size enhancing potential for single pivotal clinical study<br>• Dosed first patient in SHAPE Phase 2 clinical trial of fosgonimeton in Parkinson's disease dementia and Dementia with Lewy bodies in January 2022; positive results from this proof-of-concept trial would strengthen the potential pan dementia utility of fosgonimeton and increase confidence in the mode of action<br>• Launched Phase 1 clinical trial for ATH-1020<br>• Successful execution reflected in stock price performance – from the day of public announcement that Dr. Kawas resigned and Dr. Litton was appointed CEO (October 21, 2021) through the day that Athira filed its preliminary proxy statement publicly disclosing Mr. Kayne's director nominations (March 25, 2022), our stock price increased by ~32%, while the SPDR S&P Biotech ETF (XBI) index decreased by ~28% over the same period |
| **Strong management team led by CEO Mark Litton with deep industry, R&D and commercialization expertise to drive future shareholder value** | • CEO Mark Litton, PhD, MBA has 25+ years experience in the biopharma industry, including C-suite roles at 3 publicly traded companies<br>– Previously served as President and COO of Alpine Immune Sciences. Prior to Alpine, spent 14 years at Alder Biopharmaceuticals, where he was co-founder and Chief Business Officer directly responsible for raising ~$1B in equity capital and led negotiations for numerous corporate alliances with biotech and pharmaceutical companies prior to its sale to Lundbeck for ~$2B<br>• COO Rachel Lenington, MBA has 20+ years of strategic and operational leadership experience in drug development, commercialization and launch<br>• Chief Medical Officer Hans Moebius, MD, PhD, ECPM, FAAN is an internationally recognized expert in neuropsychiatry, with 30+ years of experience in drug R&D and regulatory strategy, and has led several CNS projects to successful approval, including Namenda, the second leading AD therapy worldwide<br>• CFO Glenna Mileson has 25+ years of financial and business management experience at biopharmaceutical and other companies |
| **The right board with diverse and curated skillsets to oversee Athira's growth during pivotal chapter** | • Highly qualified, experienced board with the right skills for Athira: clinical development, regulatory approval, commercialization, finance & financial planning, capital allocation, BD, legal & risk management and investment management<br>• Record of systematically and thoughtfully adding experience and expertise, including 2 new independent directors YTD in 2022 and 3 in the past year |
| **Mr. Kayne's self-serving campaign is misguided and detrimental to the interests of all shareholders** | • Mr. Kayne has rebuffed multiple attempts by our board to constructively engage in order to avoid a costly, unnecessary proxy contest<br>• Mr. Kayne has pushed an agenda to appoint himself to the board and terminate our CEO, and also have us resume a relationship with our former CEO, Dr. Kawas<br>• Messrs. Kayne and Bickerstaff are generalists; they do not add to the skills that are already well represented on the board |

**This proxy contest is a needless distraction at a time when Athira should be focused on delivering the results of the Phase 2 ACT-AD study**


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