

GIVING LIFE TO SCIENCE™



PureTech Receives \$200 Million from Sale of a Minority Portion of Affiliate Shares

January 23, 2020

PureTech Health plc (LSE: PRTC) ("PureTech" or the "Company"), a clinical stage biotechnology company dedicated to discovering, developing and commercialising highly differentiated medicines for devastating diseases, today announces that it has sold 2.1 million shares of its affiliate Karuna Therapeutics ("Karuna," Nasdaq: KRTX) for a cash consideration of approximately \$200 million to Goldman Sachs & Co. LLC (the "Transaction"). PureTech intends to use the proceeds from the Transaction to fund its operations and growth for the foreseeable future and to further expand and advance its clinical stage, wholly owned pipeline.

Following the Transaction, PureTech continues to hold 5,295,397 shares of Karuna common stock, which is equal to 20.4% of Karuna's outstanding shares, and has a right to royalty payments on net sales of any commercialised product covered by a license granted by PureTech to Karuna.

Daphne Zohar, founder and chief executive officer of PureTech said:

"As a founder of Karuna and co-inventor of the KarXT program, we are delighted to continue to be a major shareholder of Karuna going forward. With multiple efficacy studies validating both xanomeline and KarXT, Karuna is well-positioned to be a major player in the neuropsychiatry field. We are particularly enthusiastic about the potential for patients to have a new and differentiated treatment option for schizophrenia and related diseases. This is an area that – despite a large market where branded therapies have been blockbuster products – has been lacking innovation for decades. We have a high degree of confidence in the team, who have an impressive track record, to unlock the full potential of the growth opportunities that may be available to them.

"This sale of a minority of our holdings in Karuna provides us with additional cash resources to fund our operational growth, including our rapidly growing wholly owned pipeline, for the foreseeable future. We believe that this realisation of value provides additional validation of PureTech's overall business strategy."

The Transaction constitutes a class 2 transaction for the purposes of the UK Financial Conduct Authority's Listing Rules.

About Karuna

Karuna is a clinical-stage biopharmaceutical company committed to developing and delivering first-in-class therapies with the potential to transform the lives of people with CNS disorders – which remain among the most disabling and potentially fatal disorders worldwide. Galvanized by the understanding that today's neuropsychiatric and pain management patients deserve better, Karuna's mission is to harness the untapped potential of the brain's complex biology in pursuit of novel therapeutic pathways that will advance the standard of care. For more information, please visit karunatx.com.

About PureTech Health

PureTech is a clinical stage biotechnology company dedicated to discovering, developing and commercialising highly differentiated medicines for devastating diseases, including intractable cancers, lymphatic and gastrointestinal diseases, central nervous system disorders, and inflammatory and immunological diseases, among others. The Company has created a broad and deep pipeline through the expertise of its experienced research and development team and its extensive network of scientists, clinicians and industry leaders. This pipeline, which is being advanced both internally and through PureTech's affiliates, is comprised of 23 product candidates and one product that has been cleared by the US Food and Drug Administration (FDA). All of the underlying programmes and platforms that resulted in this pipeline of product candidates were initially identified or discovered and then advanced by the PureTech team through key validation points based on the Company's unique insights into the biology of the brain, immune, and gut, or BIG, systems and the interface between those systems, referred to as the BIG Axis.

For more information, visit www.puretechhealth.com or connect with us on Twitter @puretechh.

Forward Looking Statement

This press release contains statements that are or may be forward-looking statements, including statements that relate to the company's future prospects, developments, and strategies. The forward-looking statements are based on current expectations and are subject to known and unknown risks and uncertainties that could cause actual results, performance and achievements to differ materially from current expectations, including, but not limited to, those risks and uncertainties described in the risk factors included in the regulatory filings for PureTech Health plc. These forward-looking statements are based on assumptions regarding the present and future business strategies of the company and the environment in which it will operate in the future. Each forward-looking statement speaks only as at the date of this press release. Except as required by law and regulatory requirements, neither the company nor any other party intends to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise.