THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Circular, or as to the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank, solicitor, accountant, fund manager or other appropriate independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended), if you are resident in the United Kingdom or, if not, from another appropriately authorised independent professional adviser in the relevant jurisdiction.

If you sell or have sold or otherwise transferred all of your registered holding of Ordinary Shares in the Company, please immediately forward this Circular to the purchaser or transferee, or to the stockbroker, bank or other agent who arranged the sale or transfer so they can pass this Circular to the person who now holds the Ordinary Shares. However, the Circular should not be forwarded for transmission in or into any jurisdiction in which such act would constitute a violation of the relevant laws of such jurisdiction. If you have sold or otherwise transferred only part of your registered holding of Ordinary Shares in the Company, you should retain this document but immediately contact the stockbroker, bank or other agent through whom the sale was effected. This Circular should not be forwarded to or sent in or into any jurisdiction in which to do so would constitute a breach of the relevant laws of such jurisdiction.

This Circular has been prepared for the purposes of complying with English law and the Listing Rules and the information disclosed may not be the same as that which would have been prepared in accordance with the laws of other jurisdictions outside the United Kingdom. The distribution of this Circular in or into certain jurisdictions other than the United Kingdom may be restricted by law. No action has been or will be taken to permit the possession or distribution of this Circular or the accompanying documents in any jurisdiction, other than the United Kingdom, where action for that purpose may be required. Accordingly, neither this Circular nor any accompanying documents may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Circular and any accompanying documents come should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws or regulations of any such jurisdiction.

PureTech Health plc

(Incorporated and registered in England and Wales under number 09582467)

Circular for information purposes only

Authority to implement potential disposals of shares in Founded Entity

Jefferies International Limited

as Sponsor

This document is not a prospectus but an explanatory circular relating to the Disposals which has been prepared solely for information purposes in accordance with the Listing Rules and approved by the Financial Conduct Authority (the **"FCA"**). No reliance may be placed on this document for any other purpose. This document does not constitute an offer or invitation to purchase or subscribe for any securities or a solicitation of an offer or invitation to purchase or subscribe for any securities.

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of PureTech Health plc which is set out in Part I (*Letter from the Chairman of PureTech Health plc*) of this Circular which sets out certain information relating to the Disposals.

Your attention is also drawn to Part II (*Risk Factors*) of this Circular, which sets out and describes certain risks relating to the Disposals.

Capitalised terms used in this Circular have the meanings ascribed to them in Part VI (*Definitions*) of this Circular.

On 8 April 2020, the FCA published a Statement of Policy aimed at assisting companies required to hold general meetings under the Listing Rules. To address the challenges faced by listed companies during the Covid-19 pandemic, the FCA has temporarily modified the Listing Rules with regards to Class 1 transactions and the requirement to hold a general meeting in certain circumstances.

Pursuant to these modifications to the Listing Rules, the FCA has granted the Company a dispensation from the requirement to hold a general meeting as the Company has obtained written undertakings from Shareholders holding more than 50 per cent. of the Company's issued share capital confirming that they approve of the Disposals and would vote in favour of the Resolution at a general meeting, if such meeting were to be held. On the basis the dispensation has been granted by the FCA upon publication of this Circular, the Company is therefore not proceeding with a general meeting with respect to the Resolution. Accordingly, the Disposals described in this Circular may be implemented promptly following publication of this document. This document does not contain a Notice of a General Meeting of the Company and no further action needs to be taken.

Jefferies International Limited (**"Jefferies"**) which is authorised and regulated in the UK by the FCA, is acting exclusively as Sponsor for the Company in connection with the publication of this document and will not be acting for any other person (whether or not a recipient of this document), or be responsible to any other person for providing the protections afforded to Jefferies' clients or for advising any other person on the contents of this document or any matter, transaction or arrangement referred to herein. Apart from the responsibilities and liabilities, if any, which may be imposed on Jefferies by FSMA or the regulatory regime established thereunder, neither Jefferies nor its subsidiaries, branches or affiliates make any representation or warranty, expressed or implied, as to the contents of this document and accept no responsibility or liability whatsoever for the accuracy, completeness or verification of, or opinions contained in, this document (or for the omission of any material information) and shall not be responsible or liable for the contents of this document or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company. Jefferies and its subsidiaries, branches and affiliates accordingly disclaim all and any responsibility or liability whether direct or indirect and whether arising in tort, contract or otherwise (save as referred to above) in respect of this document or any such statement.

Notice to all Shareholders

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Incorporation by Reference

To the extent that any document or information incorporated by reference or attached to this Circular itself incorporates any document or information by reference, either expressly or impliedly, such document or information will not form part of this Circular, except where such document or information is stated within this Circular as specifically being incorporated by reference or where this Circular is specifically defined as including such document or information. Without prejudice to the documents or information incorporated by reference into this Circular, the contents of the website of the Company, and any website directly or indirectly linked to that website, do not form part of this Circular and should not be relied upon.

This document is dated 26 August 2020

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IMPORTANT INFORMATION

1. Introduction

The contents of this document should not be construed as legal, business or tax advice. This document is for information purposes only. Each Shareholder should consult his, her or its own legal adviser, financial adviser or tax adviser for legal, financial or tax advice.

2. Financial Information

Unless otherwise stated financial information relating to PureTech Health plc has been extracted without material adjustment from the audited consolidated financial statements of the Company. Unless otherwise indicated, financial information in this document has been prepared in accordance with International Financial Reporting Standards and interpretations issued by the International Financial Reporting Interpretations Committee published by the International Accounting Standards Board as adopted by the European Union, and in US dollars.

In this document, any reference to 'pro forma' financial information is to information which has been extracted without material adjustment from the unaudited pro forma financial information contained in Part III (*Section A: Unaudited Pro Forma Financial Information*) of this document.

The unaudited pro forma financial information has been prepared for illustrative purposes only and, by its nature, addresses a hypothetical situation. It does not, therefore, represent the Group's actual financial position.

3. Information on Risk Factors

The risk factors set out in Part II (*Risk Factors*) of this document are those material risk factors of which the Directors are aware. However, these should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties relating to the Disposals. Additional risks and uncertainties that are not at present known to the Directors, or that the Directors currently deem immaterial, may also have a material and adverse effect on the Group's business, financial condition, results of operations and prospects.

4. Forward-looking statements

This document (including the information incorporated by reference into this document) includes statements (including those in Part II (*Risk Factors*)) that are, or may be deemed to be, "forward-looking statements". In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "predicts", "anticipates", "targets", "risk", "aims", "assumes", "positioned", "continues", "expects", "intends", "hopes", "may", "will", "shall", "would", "could" or "should" or, in each case, their negative or other variations or comparable terminology that are predictions of or indicate future events and/or future trends or identify forward-looking statements.

These forward-looking statements include all matters that are not current or historical facts. They appear in a number of places throughout this document and include, but are not limited to, statements regarding the Directors', the Group's and/or the Company's intentions, beliefs or current expectations concerning, amongst other things, the Group's operational results, financial condition, liquidity, prospects, growth, dividend policy, strategies and the industries in which the Group operates. Such statements reflect the Directors' current views with respect to future events and are subject to known and unknown risks, other uncertainties and other factors which may cause the actual results, performance or achievement of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements.

Shareholders should not place undue reliance on forward-looking statements (which speak only as of the date of this document) because they involve known and unknown risks, uncertainties and other factors that are in many cases beyond the control of the Group. By their nature, forward-looking statements involve risk and uncertainty because such statements relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not indicative

of future performance; the actual results of operations and financial condition of the Group, and the development of the industries in which the Group operates, may differ materially from those described in or suggested by the forward-looking statements contained in this document. A number of factors could cause actual results and developments to differ materially from those expressed or implied by the forward-looking statements, including, without limitation: conditions in the markets; the market position of the Group; earnings, financial position, cash flows, return on capital and operating margins of the Group; anticipated investments and capital expenditures of the Group; industry trends; changing business or other market conditions; competition and changes in business strategy; and general economic and business conditions. These and other factors (including those described in Part II (*Risk Factors*) of this document) could adversely affect the outcome and financial effects of the plans and events described herein.

The cautionary statements set out above should be considered in connection with any subsequent written or oral forward-looking statements that the Company, or persons acting on its behalf, may issue.

Forward-looking statements contained in this document based on past trends or activities should not be taken as a representation that such trends or activities will continue in the future and no forward-looking statement contained in this document is intended to provide any representation, assurance or guarantee as to future events or results. The market price of the Ordinary Shares may go up or down depending on market and economic conditions.

The Company will comply with its obligations to publish updated information as required by the Prospectus Regulation Rules, the Listing Rules, the Disclosure Guidance and Transparency Rules and the Market Abuse Regulation (EU No. 596/2014) or otherwise required by law and/or by any regulatory authority, but assumes no further obligation to publish additional information. Subject to any requirement under the Prospectus Regulation Rules, the Listing Rules, the Disclosure Guidance and Transparency Rules and the Market Abuse Regulation (EU No. 596/2014) or other applicable legislation or regulation, the Company undertakes no obligation to update or revise any forward-looking statements or other information, whether as a result of new information, future events or otherwise. The Company will not (and expressly disclaims any undertaking or obligation to) publicly release any revisions it may make to any forward-looking statements or other information that may occur due to any change in its expectations or to reflect events or circumstances after the date of this document.

Shareholders should note that this section does not seek to qualify the statement as to working capital set out in paragraph 10 of Part IV (*Additional Information*) of this document.

5. Currency and exchange rate presentation

Unless otherwise indicated, references to pounds sterling, sterling, pounds, pence, p or £ are to the lawful currency of the United Kingdom and reference to US dollars, cents or $ are to the lawful currency of the United States. The rate of exchange used for information in this document is $1.3122 to £1, as published in the Daily Official List of the London Stock Exchange on 25 August 2020.

6. Market, economic and industry data

This document contains information regarding the Company's business and the market in which it operates and competes, which the Company has obtained from various third party sources. Where information in this document has been sourced from third parties, the source of such information has been clearly stated adjacent to the reproduced information. Where information has been sourced from a third party it has been accurately reproduced and, so far as the Company is aware and is able to ascertain from the information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Such information has not been audited or independently verified.

7. Rounding

Certain data in this document, including financial, statistical and operating information, has been rounded. As a result of rounding, the totals of data presented in this document may vary slightly from the actual arithmetic totals of such data. Percentages have also been rounded and accordingly may not add to 100 per cent.

8. No profit forecast

No statement in this document is intended as a profit forecast or profit estimate and no statement in this document should be interpreted to mean that earnings, earnings per Ordinary Share or income, cash flow from operations or free cash flow for the current or future financial years would necessarily match or exceed the historical published earnings, earnings per Ordinary Share or income, cash flow from operations or free cash flow.

9. No incorporation of website information

Neither the contents of the Company's website nor of any website accessible via hyperlinks from the Company's website are incorporated into, or form part of, this document and Shareholders and prospective investors should not rely on them.

10. No offer or solicitation

This document is not a prospectus and it does not constitute or form part of any offer or invitation to purchase, acquire, subscribe for, sell, dispose of or issue, or any solicitation of any offer to sell, dispose of, purchase, acquire or subscribe for, any security.

11. Defined terms

Defined terms, including all capitalised terms, are defined and explained in Part VI (*Definitions*).

12. Times

All references to time in this document are, unless otherwise stated, references to time in London, United Kingdom.

DIRECTORS, SECRETARY, REGISTERED OFFICE AND ADVISERS

Directors	Mr Christopher Viehbacher (*Non-Executive Chairman*) Ms Daphne Zohar (*Chief Executive Officer and Executive Director*) Mr Stephen Muniz (*Chief Operating Officer and Executive Director*) Dr Raju Kucherlapati, PhD (*Independent Non-Executive Director*) Dr John LaMattina, PhD (*Independent Non-Executive Director*) Dr Robert Langer, PhD (*Non-Executive Director*) Dame Marjorie Scardino (*Senior Independent Director*)
Company Secretary	Stephen Muniz
Principal place of business	6 Tide Street Boston Massachusetts 02210 United States of America
Registered Office	C/O Tmf Group 8th Floor 20 Farringdon Street London EC4A 4AB United Kingdom
Sponsor	Jefferies International Limited 100 Bishopsgate London EC2N 4JL United Kingdom
Legal Advisers to the Company	DLA Piper UK LLP 160 Aldersgate Street London EC1A 4HT United Kingdom
Legal Advisers to the Sponsor	Ashurst LLP London Fruit & Wool Exchange 1 Duval Square London E1 6PW
Auditors and Reporting Accountants	KPMG LLP 15 Canada Square Canary Wharf London E14 5GL United Kingdom
Registrars	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS99 6ZZ United Kingdom

PART I

LETTER FROM THE CHAIRMAN OF PURETECH HEALTH PLC

(Incorporated and registered in England and Wales with registered number 09582467)

Registered office:
C/O Tmf Group 8th Floor
20 Farringdon Street
London
EC4A 4AB
United Kingdom

26 August 2020

Directors:

Mr Christopher Viehbacher (*Non-Executive Chairman*)
Ms Daphne Zohar (*Chief Executive Officer and Executive Director*)
Mr Stephen Muniz (*Chief Operating Officer and Executive Director*)
Dr Raju Kucherlapati, PhD (*Independent Non-Executive Director*)
Dr John LaMattina, PhD (*Independent Non-Executive Director*)
Dr Robert Langer, PhD (*Non-Executive Director*)
Dame Marjorie Scardino (*Senior Independent Director*)

Dear Shareholder,

Authority to implement potential disposals of shares in Founded Entity

1. Introduction

PureTech is a founder of Karuna which 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 central nervous system (CNS) disorders - which remain among the most disabling and potentially fatal disorders worldwide. PureTech is the co-inventor of Karuna's lead program, KarXT. The common stock of Kelvin is admitted to trading on NASDAQ. Karuna has a market capitalisation of approximately $2.24 billion as at 25 August 2020, being the latest practicable date prior to the publication of this Circular.

Following several private rounds of financing, Karuna announced the successful pricing of its initial public offering on NASDAQ in June 2019. Karuna launched under the symbol "KRTX" raising gross proceeds of approximately $102.6 million. Following the initial public offering of Karuna, including the exercise of the underwriters' over-allotment option, PureTech held 7,395,397 shares of common stock representing approximately 31.6 per cent. of Karuna's outstanding shares of common stock.

On 23 January 2020, PureTech announced that it had sold 2.1 million shares of common stock in Karuna at a sale price of $95.67 per share (representing a discount of approximately 17 per cent. against the prevailing market price at the time of that sale) for an aggregate cash consideration of $200.9 million to Goldman Sachs & Co, LLC by way of a block trade whereby Goldman Sachs & Co, LLC agreed to purchase, or procure purchasers of, the common stock in Karuna. The proceeds from this sale were utilised to fund PureTech's operations and growth and further expand and advance its clinical stage, wholly owned pipeline. On 26 May 2020, PureTech announced a further sale of 555,500 shares of common stock in Karuna at a sale price of $81.03 per share (representing a discount of approximately 7 per cent. against the prevailing market price at the time of that sale) through on-market transactions for an aggregate cash consideration of $45.0 million, with the proceeds utilised to fund its growth potential. The Board believes that this realisation of value provides additional validation of PureTech's overall business strategy of creating and realising value for its Shareholders through identifying and incubating highly innovative technologies.

Following the disposals to date, PureTech continues to hold 4,739,897 shares of Karuna common stock which is equal to 17.8 per cent. of Karuna's outstanding shares and has a right to royalty payments on net sales of any commercialised product covered by a licence granted by PureTech to Karuna.

The disposals to date by PureTech of shares held by it in Karuna's common stock were of a size that meant they could be completed in accordance with Chapter 10 of the Listing Rules without seeking shareholder approval. However, due to the size of the previous disposals and the provisions of the Listing Rules requiring aggregation of transactions relating to the same entity over a period of 12 months, any further significant disposal of shares of Karuna common stock within the 12 month period commencing on 23 January 2020, would likely exceed the relevant class test thresholds and thereby constitute a "Class 1" transaction for PureTech Health plc under the Listing Rules requiring the prior approval of PureTech's Shareholders.

The Board believes that, in order to maintain maximum flexibility and to obtain the best terms if and when it considers it appropriate to dispose of further shares of Karuna common stock, it needs to be able to transact those disposals such that the completion of those disposals would not be conditional upon obtaining additional approval from Shareholders. Since Karuna shares are freely traded and readily available to be purchased in the open market, the Board is of the view that it is not feasible to execute disposals of shares in the common stock of Kelvin if the completion of such disposals is subject to obtaining shareholder approval. The Board believes that any significant, and possibly uncertain, period of time between agreeing to terms of any Disposals and the delivery of Karuna shares to the prospective purchaser(s) could have an adverse effect on the outcome of such disposals, such that it might not be possible to effect a Disposal at all or that the sizing and/or pricing achieved could be lower than might otherwise have been the case. Accordingly, the Board believes that it is in the best interests of Shareholders as a whole to approve any such Disposals in advance. As at the publication of this document, the Board has not agreed to any terms for a proposed Disposal with any transaction counterparty and the Resolution set forth in this document does not seek shareholder approval for a specific Disposal (or Disposals) whose terms have been agreed. Save as set out in paragraph 3 below, this document does not include the terms or key details (such as the consideration and/or counterparty identities) for any proposed Disposal.

As further detailed in paragraph 8 below, the Company has sought and obtained a sufficient number of written undertakings from Shareholders providing PureTech with the authority to sell, if (and to the extent) the Board considers it appropriate and in the best interests of the Shareholders as a whole to make such sale(s) of any of its ownership interests in the shares of Karuna common stock as close as reasonably possible to the prevailing market price at the time of such disposal(s) on such terms as the Board considers appropriate and in the best interests of Shareholders as a whole (any such transactions collectively the **"Disposals"** and each a **"Disposal"**). Such authority shall apply until the end of the 2021 annual general meeting or, if earlier, the close of business on the date falling 12 months after the date of this Circular.

Had the Disposals and the terms of the Resolution (as further detailed in paragraph 7 below) not been approved by Shareholders, the Board expects that the Company would not have been in a position to implement the Disposals until after 22 January 2021. This is because the provisions of the Listing Rules require the aggregation of transactions relating to the same entity over a period of 12 months for the purposes of determining whether a proposed transaction reaches or exceeds certain class test thresholds. Due to the size of the Company's previous disposals of shares in Karuna's common stock during the period commencing on 23 January 2020, the Board expects that the resulting aggregation of any significant Disposal with those previous disposals would have been sufficient to trigger the requirement for prior shareholder approval. As noted above, the Board does not consider it feasible to realistically implement a Disposal the completion of which is subject to obtaining additional shareholder approval by way of a general meeting.

The purpose of this Circular is to (i) give you further details of the Disposals and the Resolution, including the background to and reasons for them; (ii) explain why the Board considers the Disposals to be in the best interests of the Company and the Shareholders as a whole; and (iii) give you details regarding the approval of the Disposals and the Resolution pursuant to written undertakings from Shareholders and the basis on which the Company would not convene a general meeting to approve the Resolution in accordance with the FCA's Statement of Policy published on 8 April 2020. This Circular is for information purposes only. No voting or other action is required from Shareholders. Following the publication of this document, the Board may implement a Disposal at any time on the terms set out in the Resolution if the Board determines that it is appropriate and in the best interests of Shareholders as a whole to do so.

Shareholders should read the whole of this Circular and not only rely on the information set out in this letter. In particular you should consult Part II (*Risk Factors*) which highlights risk factors which the Board considers to be material to the Disposals, material new risk factors to the Group as a result of the Disposals and existing material risk factors to the Group which will be impacted by the Disposals.

2. Background to and reasons for the Disposals

2.1 Information on PureTech

PureTech is a clinical-stage biotherapeutics company dedicated to discovering, developing and commercialising differentiated medicines for devastating diseases, including intractable cancers, lymphatic and gastrointestinal diseases, central nervous system disorders and inflammatory and immunological diseases, among others. The Group has created an extensive 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 Founded Entities, is comprised of 24 products and product candidates, including two that have been cleared by the US Food and Drug Administration (FDA). The PureTech pipeline includes innovative platforms and therapeutic candidates that were developed in collaboration with some of the world's leading experts. 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 their 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.

2.2 Information on Karuna

Karuna is a clinical-stage biopharmaceutical company committed to developing and delivering first class therapies with the potential to transform the lives of people with central nervous system (CNS) disorders - which remain among the most disabling and potentially fatal disorders worldwide. Karuna's pipeline is built on the broad therapeutic potential of its lead product candidate, KarXT (Karuna-Xanomeline-Trospium), an oral modulator of muscarinic receptors that are located both in the central nervous system, or CNS, and various peripheral tissues. Karuna recently completed a Phase 2 clinical trial of KarXT for the treatment of acute psychosis in adults with schizophrenia, in which KarXT met the trial's primary endpoint and was observed to be well tolerated. Karuna is also developing KarXT as a potential treatment for dementia-related psychosis, or DRP. Karuna has assembled a team whose members have extensive expertise in the research, development and commercialisation of numerous CNS agents, as well as deep familiarity with the biology of neuropsychiatric disorders, such as schizophrenia and DRP, including the role of muscarinic receptors in potential treatment of these diseases. Karuna plans to leverage this expertise to develop a pipeline of product candidates targeting a broad range of psychiatric and neurological conditions.

In June 2019, Karuna completed an initial public offering (IPO) raising $102.6 million pricing 6.41 million shares at $16 each. Subsequent to the IPO, PureTech's ownership percentage of Karuna voting shares was 31.6 per cent. In November 2019, Karuna conducted a further raise of $250.0 million pricing 2.6 million shares at $96 each. Karuna's shares trade on NASDAQ and closed at $84.04 on 25 August 2020, being the latest practicable date prior to publication of this document.

Karuna's team of leading drug developers and neuroscientists include Steven Paul, MD, an expert in CNS drug discovery and development. Dr Paul was formerly executive vice president for science and technology and president of the Lilly Research Laboratories at Eli Lilly, and was involved in the original xanomeline work at Eli Lilly. Dr Paul was also a co-founder of Sage Therapeutics and Voyager Therapeutics, where he also served as chief executive officer, and the former scientific director of the National Institute of Mental Health.

The key management team of Karuna is as follows:

- Mr Steven Paul, MD is Chairman of the Board, President and Chief Executive Officer.
- Mr Stephen Brannan, MD is Chief Medical Officer.
- Mr Andrew Miller, PhD is Founder and Chief Operating Officer.
- Mr Troy A. Ignelzi is Chief Financial Officer.

2.3 Financial information on Karuna

The price per share in the common stock of Karuna and the imputed value of PureTech's entire holding of shares in Karuna's common stock for the period preceding the date of this document (taking into account the effect of the sales of PureTech's shares in the common stock of Karuna in January 2020 and May 2020 for an aggregate cash consideration of $245.9 million) is as follows:

Date(1)	Closing price per share ($) (2)	Imputed value of the entire holding being disposed of ($m) (3)
28 February 2020	87.26	413.60
31 March 2020	72.00	341.27
30 April 2020	83.08	393.79
29 May 2020	93.86	444.89
30 June 2020	111.46	528.31
31 July 2020	81.80	387.72
25 August 2020 (being the latest practicable date prior to the submission for approval of the Circular)	84.04	398.34

Notes:

(1) Each of the share prices and imputed values are as at the close of business on the dates specified.
(2) The closing price per Karuna share was taken from FactSet.com.
(3) Closing price per share multiplied by 4,739,897 shares of Karuna common stock (which is equal to 17.8 per cent. of Karuna's outstanding shares) directly or indirectly held by PureTech as at 25 August 2020, being the latest practicable date prior to the publication of this document. For the avoidance of doubt, PureTech may choose to dispose of some or all of its holding in Karuna pursuant to the authority granted under the Resolution.

Karuna has never declared nor paid cash dividends on its common stock. There is currently no expectation that Karuna would pay any cash dividends on its common stock in the foreseeable future.

2.4 Reasons for authority to make further Disposals

In December 2019, it was concluded that PureTech no longer exerted significant influence over Karuna for the purposes of IAS 28 owing to the resignation of the PureTech designee from Karuna's board of directors, with PureTech retaining no ability to reappoint representation. As a result, Karuna was no longer deemed an associate of PureTech and did not meet the scope of equity method accounting. The investment in Karuna was therefore reclassified to an investment held at fair value and PureTech recognised a gain on the loss of significant influence over Karuna of $445.6 million.

Following the disposals of shares in Karuna's common stock announced on 23 January 2020 and 26 May 2020, PureTech received aggregate cash proceeds of $245.9 million. The proceeds from such disposals will be used to fund the Group's operations and growth and further expand and advance its clinical stage, wholly owned pipeline. PureTech continues to hold 4,739,897 shares of Karuna common stock which is equal to 17.8 per cent. of Karuna's outstanding shares (imputed value of $398.34 million by reference to the closing share price of Karuna on NASDAQ as at 25 August 2020, being the latest practicable date prior to the publication of this Circular) and has a right to royalty payments on net sales of any commercialised product covered by a licence granted by PureTech to Karuna. Accordingly, PureTech has already made a substantial return on its investment in Karuna.

While the Board's strategy is to continue to hold equity stakes in its Founded Entities, including Karuna, as these companies advance their pipelines through significant value-driving milestones, the Board wishes to preserve flexibility for PureTech to be able achieve further realisations from the Disposals in the future in order to serve as a potential source of funding for its future strategy and Shareholder returns. The Board believes that potential purchasers of PureTech's shares in Karuna will either not be willing or less willing to enter into an agreement to purchase shares that is conditional on approval from PureTech's Shareholders, since Karuna shares are freely traded and readily available to be purchased in the open market. Accordingly, the Board believes that the size and pricing of Disposals may be adversely affected. The Board only intends to enter into any Disposals where it believes that one or more sales are in the best interests of Shareholders as a whole.

3. Terms and conditions of the Disposals

As further detailed in paragraphs 7 and 8 below, the Company has obtained a sufficient number of written undertakings from Shareholders authorising PureTech to make further Disposals of some or all of the remaining shares held by it in Karuna common stock on the terms set out in the Resolution. The Board proposes that:

- the authority granted pursuant to the Resolution may only be utilised to effect Disposals executed from time to time through book build offerings (conducted by a bank using "best efforts" to complete a sale as agent), directly through the open market by means of the order book of a relevant exchange and/or through block trades, provided that such transactions will be transacted with one or more investment banks with a view to onward distribution of the shares to one or more investor(s);
- Disposals shall be transacted as close as reasonably possible to the prevailing market price at the time of such Disposals and in any case the Board will seek to achieve optimal pricing for any Disposals;
- Disposals shall only be approved by the Board where it believes that a sale is in the best interests of Shareholders as a whole; and
- the authority to dispose of shares in Karuna common stock pursuant to the Resolution will apply until the end of the 2021 annual general meeting of the Company or, if earlier, the close of business on the date falling 12 months after the date of this Circular. The Company's intention is to renew such authority at the 2021 annual general meeting of the Company.

Shareholders should note that the Disposals may or may not proceed.

Any Disposal of shares in Karuna's common stock outside the scope of the authority granted pursuant to the Resolution will remain subject to the requirements for significant transactions under Listing Rule 10 (where applicable). Further, PureTech is not seeking any authority to implement any Disposal which would constitute a related party transaction for the purposes of Listing Rule 11. In the event PureTech wishes to undertake a Disposal which falls within the scope of Listing Rule 11, PureTech would obtain the guidance of a sponsor in order to assess the application of the Listing Rules, the Disclosure Guidance and Transparency Rules and articles 17, 18 and 19 of the Market Abuse Regulation (EU No. 596/2014) and PureTech would comply with all applicable rules and regulations in connection with any such transaction, including Listing Rule 11.

4. Use of proceeds and financial effects of the Disposals on the Group

The net proceeds of any Disposals, should they occur, would primarily be used to provide additional cash resources to fund PureTech's operational growth, including, in particular, in its wholly owned pipeline. The Board of PureTech believes it is appropriate to maintain a strong and flexible balance sheet and will continue to evaluate ongoing cash requirements and the optimal shape of its balance sheet. Where the Board believes it has capital in excess of its near and medium term requirements, it will consider returning capital to PureTech shareholders, either by way of a special dividend, share buyback or other method. In determining the method or size of any potential capital return, the Board will consider a number of factors, including market conditions, PureTech's ongoing cash requirements and feedback from Shareholders.

The Group following any Disposals would comprise all existing assets of the Group, save for any shares in Karuna's common stock which are the subject of the Disposals and the net cash proceeds from such Disposals. The impact of the Disposals on PureTech's earnings in the year ended 31 December 2020 would be a gain/loss equivalent to the difference between the net proceeds of the sale and the carrying value of PureTech's investment in Karuna.

Shareholders should note that the actual amount of proceeds, accounting gain or loss and the effect on the net assets and earnings of the Group will depend upon the actual selling prices of the Disposals. The actual selling price may be higher or lower than the current trading price.

Pro forma financial information on the Group showing the effect of the Disposals on the Group assuming a disposal of the Company's entire holding of shares in Karuna's common stock is set out in Part III (*Section A: Unaudited Pro Forma Financial Information*) of this document.

5. Current trading, trends, financial position and future prospects of the Group

On 9 April 2020, the Company published its annual results for the year ending 31 December 2019 which contained the following statement:

Cash Position

- As of 31 December 2019, the Company reports PureTech Level Cash Reserves of $120.6 million along with $200.9 million in proceeds from the 22 January 2020 sale of 2.1 million Karuna common shares, totalling PureTech Level Pro-forma Cash Reserves of $321.5 million. Also, on 26 May 2020, PureTech sold 555,500 shares of Karuna common stock for $45.0 million in proceeds.
- In 2019, PureTech's Founded Entities raised $666.8 million in financing transactions, of which $622.8 million (93.4 per cent.) came from third parties.

Wholly Owned Pipeline

In 2019, PureTech grew and strengthened its Wholly Owned Internal Pipeline, which is centred on the lymphatic system and related immunological disorders. This pipeline includes one clinical-stage product candidate for the potential treatment of a range of conditions involving fibrosis, inflammation and impaired lymphatic flow (LYT-100), two preclinical product candidates for intractable cancers (LYT-200 and LYT-210) and three discovery platforms. Key developments include the following:

- In July 2019, PureTech announced the acquisition of a clinical-stage product candidate LYT-100 (deupirfenidone) for the potential treatment of a range of conditions of fibrosis, inflammation and impaired lymphatic flow, including lymphoedema, idiopathic pulmonary fibrosis (IPF), acute lung injury and inflammation, unclassifiable interstitial lung disease (uILD), focal segmental glomerulosclerosis (FSGS) and radiation-induced fibrosis.
- In March 2020, PureTech announced the initiation of a multiple ascending dose study to evaluate the safety, tolerability and pharmacokinetic profile of LYT-100 in healthy participants. Results are expected in 2020 and may enable the initiation of a proof-of-concept study in people with breast cancer-related, upper limb secondary lymphoedema and an additional fibrosis and inflammation indication in 2020.
- In April 2019, PureTech announced a collaboration agreement with Boehringer Ingelheim (BI) to evaluate the feasibility of applying PureTech's lymphatic targeting chemistry platform technology to advance certain of BI's immuno-oncology product candidates. Under the terms of the agreement, PureTech is eligible to receive up to $26.0 million in upfront payments, research support and preclinical milestones, and is eligible to receive more than $200.0 million in development and sales milestones, in addition to royalties on product sales.
- PureTech presented preclinical data supporting its first-in-class, fully-human monoclonal antibodies targeting galectin-9 (LYT-200) and immunosuppressive γδ1 (gamma delta-1) T cells (LYT-210) at the American Association for Cancer Research (AACR) Annual Meeting in April 2019 and the Society for Immunotherapy of Cancer (SITC) Annual Meeting in November 2019. PureTech is developing LYT-200 and LYT-210 to treat intractable cancers, including colorectal cancer (CRC), cholangiocarcinoma and pancreatic cancer, along with other relevant cancers and immunological disorders.
- In June 2019, PureTech expanded to new corporate headquarters and labs in Boston's Seaport District to advance and accelerate development of the Company's Wholly Owned Pipeline. In addition to the programmes mentioned above (LYT-100, LYT-200, LYT-210 and the lymphatic targeting chemistry platform), PureTech's wholly owned pipeline includes a milk exosome platform to traffic therapeutics via the lymphatic system and a meningeal lymphatics platform for treating neurodegenerative diseases.

Founded Entities

PureTech's Founded Entities have made significant progress advancing 21 products and product candidates, 12 of which are clinical stage. Key developments include the following:

Karuna

- In June 2019, Karuna announced the successful pricing of its initial public offering (IPO) of common stock on NASDAQ under the symbol "KRTX." Gross proceeds were approximately

$102.6 million, including the full exercise of the underwriters' over-allotment option. Karuna previously completed an $82.1 million Series B round in April 2019, including the issuance of $7.1 million in shares upon conversion of debt into equity.

- In November 2019, Karuna announced that KarXT achieved the primary endpoint of its Phase 2 clinical trial for the treatment of adults with schizophrenia. In the clinical trial, KarXT demonstrated a statistically significant and clinically meaningful 11.6 point mean reduction in total Positive and Negative Syndrome Scale (PANSS) score compared to placebo ($p<0.0001$) and also demonstrated good overall tolerability. A statistically significant reduction in the secondary endpoints of PANSS-Positive and PANSS-Negative scores were also observed ($p<0.001$).
- In November 2019, Karuna completed a follow-on offering of 2,600,000 shares of its common stock, with gross proceeds of approximately $250.0 million.
- In January 2020, PureTech sold 2.1 million of its Karuna shares for a cash consideration of $200.9 million. PureTech intends to use the proceeds from this 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 sale, PureTech held 5,295,397 shares of Karuna common stock (20.3 per cent. as of 13 March 2020) and has a right to royalty payments as a percentage of net sales.

Gelesis

- In April 2019, Gelesis received clearance from the FDA for its first product, Plenity®(Gelesis100), a prescription aid for weight management in adults with a Body Mass Index (BMI) of 25-40 kg/m^2, when used in conjunction with diet and exercise. Gelesis initiated a Plenity early experience programme in the United States in the second half of 2019 and Plenity is now available by prescription in the United States to a limited extent, with a broad launch anticipated in 2021.
- In December 2019, Gelesis announced a partnership with Ro, a leading US telehealth provider, to support the US commercialisation of Plenity.
- In 2019, Gelesis secured nearly $100.0 million in new capital and non-dilutive grants to support the US commercialisation of Plenity, including over $84.0 million announced in December 2019 and $10.6 million announced in April 2019.
- In 2019, Gelesis and its research collaborators presented clinical data supporting its proprietary hydrogel platform. Additional safety and efficacy data for Plenity was presented at ObesityWeek, and clinical data for a GS500 prototype in patients with chronic idiopathic constipation (CIC) was presented at Digestive Disease Week. Gelesis also presented preclinical research at the Endocrine Society Annual Meeting and The International Liver Congress suggesting that GS300 may restore gut barrier function after damage as well as prevent the harmful effects of a high-fat diet on the liver and associated metabolic disorders.
- In March 2020, Gelesis was named in the Biotech category of Fast Company's annual list of the World's Most Innovative Companies for 2020, which honours the businesses making the most profound impact on both industry and culture.

Akili

- In January 2020, Akili announced that a study achieved its primary endpoint evaluating the effects of lead product candidate AKL-T01 in children with Attention Deficit Hyperactivity Disorder (ADHD) when used with and without stimulant medication. The study achieved its predefined primary efficacy outcome, demonstrating a statistically significant improvement in the ADHD Impairment Rating Scale (IRS) from baseline after one month of treatment ($p<0.001$) in both children taking stimulant medications and in those not taking stimulants.
- In February 2020, *The Lancet Digital Health* journal published the results from Akili's STARS-ADHD pivotal trial of AKL-T01.
- In December 2019, Akili presented the results from a trial of AKL-T03 as a potential treatment for cognitive impairments adjunct to anti-depressant medication in adults with Major Depressive Disorder (MDD) at the 58th Annual Meeting of the American College of Neuropsychopharmacology. In the trial, AKL-T03 demonstrated a statistically significant improvement in sustained attention

compared to control. AKL-T03 is designed to improve specific cognitive functions and may play a complementary role to antidepressants in the holistic treatment of MDD.

- In April 2020, the FDA issued emergency guidance recognising the need for access to certain low-risk clinically-validated digital health devices for psychiatric conditions, including ADHD during the Covid-19 pandemic. This has enabled Akili to make ENDEAVOR™ (AKL-T01) available to families with children diagnosed with ADHD and struggling with chronic attention issues.
- In March 2019, Akili entered into a strategic partnership with Shionogi & Co., Ltd. for the development and commercialisation of two of Akili's digital medicine product candidates, AKL-T01 and AKL-T02 (in development for children with ADHD and Autism Spectrum Disorder, respectively), in Japan and Taiwan. Under the terms of the agreement, Akili will build and own the platform technology and received upfront payments totalling $20.0 million, with potential milestone payments for Japan and Taiwan commercialisation of up to an additional $105.0 million in addition to substantial royalties.

Follica

- In December 2019, Follica announced topline results from its safety and efficacy optimisation study of its lead candidate to treat hair loss in male androgenetic alopecia. The study was designed to select the optimal treatment regimen using Follica's proprietary device in combination with a topical drug and successfully met its primary endpoint. The selected treatment regimen demonstrated a statistically significant 44 per cent. improvement of non-vellus (visible) hair count after three months of treatment compared to baseline ($p < 0.001$, $n = 19$). The initiation of a Phase 3 registration study in male androgenetic alopecia is expected in 2020.

Vedanta

- In December 2019, Vedanta announced the initiation of a first-in-patient clinical trial of its immuno-oncology candidate, VE800, in patients with select types of advanced or metastatic cancer. The trial will evaluate clinical activity of VE800 in combination with Bristol-Myers Squibb's programmed death-1 (PD-1) immune checkpoint inhibitor Opdivo® (nivolumab). Topline results are anticipated in 2021.
- In July 2019, Vedanta announced the enrolment of the first patient in its Phase 1/2 clinical study of its product candidate VE416 for food allergy. Topline results are expected in 2021.
- In January 2019, Vedanta published seminal research in Nature that underlies Vedanta's proprietary oral immuno-oncology product candidate, VE800.
- In May 2019 and September 2019, Vedanta announced extensions to its Series C financing round, bringing the total capital raised in the round in 2019 to $62.1 million.
- In December 2019, Vedanta announced that it had been awarded a $5.8 million grant from Combating Antibiotic-Resistant Bacteria Biopharmaceutical Accelerator (CARB-X) to advance its VE707 programme targeting multi-drug resistant organisms.
- In May 2019, Vedanta presented expanded data from its Phase 1a/1b study of VE303, the company's product candidate for high-risk Clostridioides difficile infection (CDI) at Digestive Disease Week.

Alivio

- In January 2019, Alivio Therapeutics entered into a partnership focused on non-opioid approaches to pain management with Imbrium Therapeutics L.P. to advance ALV-107, a non-opioid treatment being developed for interstitial cystitis/bladder pain syndrome (IC/BPS), through clinical development. Under the terms of the agreement, Alivio is eligible to receive up to $14.75 million in upfront and near-term license exercise payments and is eligible to receive royalties on product sales and over $260.0 million in research and development milestones. Alivio retains the rights of its inflammation targeting platform for a broad range of internal and partnering applications.

Vor

- In February 2019, Vor completed a $42.9 million Series A financing round to advance its lead cell therapy product candidate for the treatment of acute myeloid leukaemia (AML) and to further build its pipeline to treat haematologic malignancies.
- In May 2019, the scientific founder of Vor Biopharma, Dr Siddhartha Mukherjee, and key individuals from his lab at Columbia University, published a preclinical proof-of-concept study supporting Vor's lead product candidate, VOR33, and its technology platform for treating cancer via engineered haematopoietic stem cells (HSCs) in the Proceedings of the National Academy of Sciences (PNAS).
- In January 2020, Vor held a pre-IND meeting with the FDA to gather important feedback to assemble the data package necessary for a potential IND filing.

Sonde

- In April 2019, Sonde completed a $16.0 million Series A financing round, including the issuance of $6.0 million in shares upon conversion of debt into equity, to expand the capability of its voice-based technology platform for monitoring and diagnosing mental and physical medical conditions across additional health conditions and device types and to fund commercialisation activities.
- Sonde has collected voice data from over 40,000 subjects as a part of the ongoing validation of its platform, and it has also initiated research and development to expand its proprietary technology into Alzheimer's disease and respiratory and cardiovascular disease, as well as other health and wellness conditions.

Entrega

- Entrega continued to advance its platform for the oral delivery of biologics, vaccines and other drugs that are otherwise not efficiently absorbed when taken orally, progressing a broad range of prototypes in additional preclinical studies as part of its collaboration with Eli Lilly.

Since 9 April 2020, the Company has announced the following subsequent events:

Wholly Owned Pipeline

- In May 2020, PureTech announced plans to advance its clinical-stage product candidate LYT-100 (deupirfenidone) as a potential treatment for serious respiratory complications, including inflammation and fibrosis, that persist following the resolution of SARS-CoV-2 (COVID-19) infection. The global, randomised, placebo-controlled trial is expected to begin in Q3 2020 with topline results expected in mid-2021. The announcement followed the March initiation of PureTech's multiple ascending dose study to evaluate the safety, tolerability and pharmacokinetic profile of LYT-100 in healthy participants. Results from this trial are anticipated later this year, and a subsequent proof-of-concept trial in people with breast cancer-related, upper limb secondary lymphoedema is expected to begin in 2020, with topline results expected in 2021. PureTech is also evaluating additional respiratory conditions, including idiopathic pulmonary fibrosis (IPF) and interstitial lung diseases (ILDs) that could potentially be addressed with LYT-100.
- In June 2020, PureTech announced new data establishing galectin-9 as a novel target for cancer immunotherapy and providing compelling evidence that therapies targeting galectin-9 may enable the immune system to attack an array of solid tumours. The data were shared in a scientific poster presented at the June session of the American Association for Cancer Research (AACR) 2020 Virtual Annual Meeting and support PureTech's wholly-owned novel monoclonal antibody LYT-200, which is designed to selectively inhibit galectin-9.

Founded Entities

Karuna

- In June 2020, Karuna announced next steps in the clinical programme evaluating KarXT for the treatment of adults with schizophrenia following the completion of a successful End-of-Phase 2 meeting with the FDA. The outcome of the meeting supports the progression of KarXT into Phase 3 development. Karuna remains on track to initiate the Phase 3 programme by the end of 2020.

- In May 2020, PureTech sold an additional 555,500 Karuna shares for a cash consideration of $45.0 million. Since November 2019 the Company has generated $257.5 million from the combined sales of minority portions of Founded Entity shares and intends to use the proceeds to fund its operations and growth for the foreseeable future, and to further expand and advance its clinical-stage Wholly Owned Pipeline and for growth opportunities. As of 31 July 2020, PureTech holds 4,739,897 shares of Karuna common stock, which is equal to 17.8 per cent. of Karuna's outstanding shares. PureTech also has a right to royalty payments on net sales of any commercialised product covered by a license granted by PureTech to Karuna.
- In May 2020, Karuna presented new and previously reported efficacy and safety data from the Phase 2 clinical trial of KarXT for the treatment of acute psychosis in patients with schizophrenia at the American Society of Clinical Psychopharmacology 2020 Annual Meeting. The data further support the potential impact of Karuna's mechanism of action designed to treat schizophrenia and lessen the debilitating side effects of current standard of care.

Gelesis

- In June 2020, Gelesis, received approval to market Plenity®, a novel weight loss treatment, in Europe. Gelesis received a Conformité Européenne (CE) mark for Plenity as a class III medical device indicated for weight loss in overweight and obese adults with a Body Mass Index (BMI) of 25-40 kg/m^2, when used in conjunction with diet and exercise. Gelesis will now be able to market Plenity throughout the European Economic Area and in other countries that recognise the CE mark. Gelesis plans to bring Plenity to the US first, where it is now available to a limited extent while the company ramps up its commercial operations and inventory for a broad launch in 2021.
- Also in June 2020, Gelesis announced a partnership with China Medical Systems Holdings Ltd for the commercialisation of Plenity in China. Through the terms of the deal, China Medical Systems Holdings Ltd will provide $35.0 million upfront in a combination of licensing fees and equity investment, with the potential for an additional $388.0 million in future milestone payments as well as royalties.

Akili

- In April 2020, the FDA issued emergency guidance recognising the need for access to certain low-risk clinically-validated digital health devices for psychiatric conditions, including ADHD during the Covid-19 pandemic. This has enabled Akili to make ENDEAVOR™ (AKL-T01) available to families with children diagnosed with ADHD and struggling with chronic attention issues.
- In June 2020, Akili announced that the U.S. Food and Drug Administration (FDA) has granted clearance for EndeavorRx™ (AKL-T01) as a prescription treatment for children with attention-deficit/hyperactivity disorder (ADHD). Delivered through a captivating video game experience, EndeavorRx is indicated to improve attention function as measured by computer-based testing in children ages 8-12 years old with primarily inattentive or combined-type ADHD, who have a demonstrated attention issue.
- Also in June 2020, Akili announced that it had received approval to market EndeavorRx (AKL-T01) in Europe. Akili received a Conformité Européenne (CE) Mark certification for EndeavorRx as a prescription-only digital therapeutic software intended for the treatment of attention and inhibitory control deficits in paediatric patients with Attention Deficit Hyperactivity Disorder (ADHD). The CE mark approval enables the future marketing of EndeavorRx in European Economic Area member countries. Akili plans to launch EndeavorRx in the US first, and it is exploring expansion opportunities in Europe as part of its global strategy.
- In April 2020, Akili announced that ENDEAVOR™ (AKL-T01) would be available for use by children with ADHD and their families in response to new guidance from the FDA recognising the need for access to certain low-risk, clinically-validated digital health devices for psychiatric conditions during the COVID-19 pandemic.

Vedanta

- In June 2020, Vedanta announced positive topline data from two Phase 1 studies in healthy volunteers of VE202, the Company's orally-administered live biotherapeutic product (LBP)

candidate for inflammatory bowel disease (IBD). The studies showed that VE202 was generally safe and well tolerated at all doses and demonstrated durable and dose-dependent colonisation. Vedanta has regained full rights to the programme from Janssen Biotech, Inc. and plans to take the programme forward into a Phase 2 study in 2021.

- In June 2020, Vedanta strengthened its balance sheet with an additional $12 million in new equity and R&D collaboration funds, bringing the total Series C round to $71.1 million.

Follica

- In June 2020, Follica announced positive feedback from an End of Phase 2 meeting with the US Food and Drug Administration (FDA) for its lead programme to treat male androgenetic alopecia. The company plans to advance the programme into Phase 3 development in 2020, which follows the successful safety and efficacy optimisation study announced in December 2019.

Vor

- In July 2020, Vor announced that it had raised $110.0 million in a Series B financing. Proceeds will advance the company's lead candidate VOR33 into clinical trials, deepen its portfolio and accelerate the validation of additional targets for its scientific platform, which is designed to remove redundant proteins so that transplanted stem cells become invisible to targeted therapies while leaving diseased cells vulnerable. The financing was led by RA Capital Management, with Participation from Fidelity Management & Research Company, LLC, Pagliuca Family Office, Alexandria Venture Investments, 5AM Ventures, Johnson & Johnson Innovation — JJDC, Inc. (JJDC) and Osage University Partners.

Sonde

- In July 2020, Sonde announced the launch of Sonde One, a new voice-enabled health detection and monitoring app to potentially help employers improve employee safety, meet government mandates and satisfy their own administrative needs as they reopen office doors in a rapidly changing COVID-19 environment. To bring Sonde One to market, Sonde has partnered with corporate wellness solutions provider Wellworks for You to make the tool available to its clients and their 1.4 million participating members. SHI International, a 5,000-person global provider of technology products and services, is the first enterprise to enrol. The company will begin implementing the Sonde One app in August, as it gradually begins bringing employees back to the workplace, starting with its Somerset, NJ headquarters.

Across the organisation, PureTech has also taken measures to ensure the safety and well-being of its employees while continuing to execute against business objectives. As of the date hereof, PureTech does not believe that any of its ongoing work has been materially delayed despite the strain on the global healthcare system.

6. Risk factors

Shareholders should consider fully the risk factors set out in Part II (*Risk Factors*) of this Circular.

7. FCA dispensation from the requirement to convene a general meeting

On 8 April 2020, the FCA published a Statement of Policy aimed at assisting companies required to hold general meetings under the Listing Rules. To address the challenges faced by listed companies during the Covid-19 pandemic, the FCA has temporarily modified the Listing Rules with regards to Class 1 transactions and the requirement to hold a general meeting.

Pursuant to these modifications to the Listing Rules, the FCA has granted the Company a dispensation from holding a general meeting as the Company has obtained written undertakings from Shareholders holding more than 50 per cent. of the Company's issued share capital confirming that they approve of the Disposals and would vote in favour of the Resolution at such a general meeting. As further referred to in paragraph 8 below, the Company has received irrevocable undertakings from Shareholders (including any Directors who also hold Ordinary Shares) to vote in favour of the Resolution in respect of in aggregate 149,979,265 Ordinary Shares representing in aggregate approximately 52.5 per cent. of the Company's issued share capital.

The following text comprises the Resolution approved by the Shareholders pursuant to the written undertakings further detailed in paragraph 8 below and which the Company would have put to its Shareholders at a general meeting had the Company been required to convene such a meeting in the event the dispensation available under the FCA Statement of Policy published on 8 April 2020 was not granted:

"*That:*

*(A) any disposal or disposals by or on behalf of the Company or any subsidiary undertaking of the Company of any or all interests in shares in the common stock of Karuna held or owned (whether directly or indirectly) by it, at or as close as reasonably possible to the prevailing market price at the time of such disposal(s) and at such time(s) as the directors of the Company consider it appropriate and in the best interests of the Company's shareholders as a whole to make such disposal(s) (**"Disposals"**), be and is hereby approved;*

(B) the authority granted pursuant to the Resolution may only be utilised to effect Disposals executed from time to time through book build offerings (conducted by a bank using "best efforts" to complete a sale as agent), directly through the open market by means of the order book of a relevant exchange and/or through block trades, provided that such transactions will be transacted with one or more investment banks with a view to onward distribution of the shares to one or more investor(s);

(C) the directors of the Company (or a duly authorised committee thereof) be authorised to take all steps as they consider necessary or appropriate to implement and effect to any Disposals and to do all such other things as the directors or such committee may consider necessary or desirable in connection with the Disposals, in each case which the directors or such committee considers reasonable and in the best interests of the Company's shareholders as a whole; and

(D) unless previously varied, revoked or renewed, the power given by this authority shall apply until the end of the annual general meeting of the Company to be held in 2021 or, if earlier, the close of business on the date falling 12 months after the date of this Circular."

The Company's intention is to only utilise the authority granted under the Resolution to effect Disposals on the terms described in paragraph 3 above. The authority granted by the Resolution would apply until the end of the 2021 annual general meeting of the Company or, if earlier, the close of business on the date falling 12 months after the date of this Circular. The Company's intention is to renew such authority at the 2021 annual general meeting of the Company.

As further detailed in paragraph 8 below, the Company has received irrevocable undertakings from Shareholders (including any Directors who also hold Ordinary Shares) to vote in favour of the Resolution in respect of in aggregate 149,979,265 Ordinary Shares representing in aggregate approximately 52.5 per cent. of the Company's issued share capital. This exceeds the threshold required to pass the Resolution. On the basis the dispensation has been granted by the FCA upon publication of this Circular, the Company is therefore not proceeding with a general meeting with respect to the Resolution.

8. Irrevocable commitments

The Directors who in aggregate hold 23,805,460 existing Ordinary Shares, representing approximately 8.33 per cent. of the existing issued Ordinary Share capital of the Company, have irrevocably undertaken that they approve the Disposals and would vote in favour of the Resolution at a general meeting of the Company were it to be held.

Certain Shareholders, which in aggregate hold 126,173,805 existing Ordinary Shares, representing approximately 44.17 per cent. of the existing issued Ordinary Share capital of the Company, have irrevocably undertaken that they approve the Disposals and would vote in favour of the Resolution at a general meeting of the Company were it to be held.

9. Additional information

Your attention is drawn to the additional information contained in Part IV (*Additional Information*) of this Circular.

10. No action to be taken

This Circular is published for information purposes only. No voting or other action is required from Shareholders. Following the publication of this document, the Board may implement a Disposal at any time on the terms set out in the Resolution if the Board determines that it is appropriate and in the best interests of Shareholders as a whole to do so.

11. Conclusion

The Board considers the authority for the Disposals sought pursuant to the Resolution to be in the best interests of Shareholders taken as a whole. Had the Disposals and the terms of the Resolution not already been approved by Shareholders for the purposes of obtaining the dispensation from the requirement to hold a general meeting under the FCA Statement of Policy published on 8 April 2020, the Board would have unanimously recommended that you should vote in favour of the Resolution at a general meeting.

The Board is delighted that (as further detailed in paragraph 8 above) Shareholders representing in aggregate 52.5 per cent. of the total voting rights in the Company have supported the proposals set out in this Circular.

With immediate effect upon publication of this Circular, the Company would be authorised to implement the Disposals (if and when the Company considers it appropriate) within the parameters set out in the Resolution.

Yours faithfully,

Christopher Viehbacher
Chairman

PART II

RISK FACTORS

The following risk factors should be carefully considered by Shareholders. The Directors consider these risk factors to be either: (i) material risks to the Disposals, (ii) will be material new risk factors to the Group as a result of the Disposals; or (iii) are existing material risk factors to the Group which will be impacted by the Disposals. If any, or a combination, of the following risks actually occurs, the business, financial condition, results of operations or prospects of the Company could be materially and adversely affected.

The risk factors in this document set out the necessary disclosure in accordance with the Listing Rules, and do not seek to cover all of the material risks which generally affect the Group.

These risks should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties. The risks described below are based on information known at the date of this Circular, but may not be the only risks to which the Company is or might be exposed in connection with the Disposals. Additional risks and uncertainties, that are currently unknown to the Company or that the Company does not currently consider to be material, may materially affect the business of the Company and could have material adverse effects on the business, financial condition, results of operations and prospects of the Company.

The information given is as at the date of this document and, except where required by Prospectus Regulation Rules, the Listing Rules, the Disclosure Guidance and Transparency Rules or any other applicable law, will not be updated. Any forward-looking statements are made subject to the reservations specified under "Forward-looking statements" at the beginning of this document.

1. RISKS RELATED TO THE DISPOSALS

The trading price of shares in Karuna's common stock may be volatile, meaning PureTech may, if it so chooses to sell such shares, be unable to sell shares in Karuna at or above the current market price

The shares in Karuna's common stock are traded on NASDAQ. The stock market in general and the market for smaller pharmaceutical and biotechnology companies in particular have historically experienced significant volatility in stock price that has often been unrelated to the operating performance of particular companies. The market price for shares in Karuna's common stock and the price that investors may realise for their shares may be influenced by a large number of factors, some specific to Karuna and its operations, some which may affect the quoted healthcare and pharmaceutical sectors and some quoted companies generally, and some which are outside Karuna's control. Relevant factors include:

- the success of existing or new competitive products or technologies;
- regulatory actions with respect to Karuna's product candidates or competitors' products and product candidates;
- announcements by Karuna or competitors of significant acquisitions, strategic partnerships, joint ventures, collaborations or capital commitments;
- the achievement of certain product development milestones by Karuna;
- the timing and results of clinical trials of KarXT and any other product candidates;
- commencement or termination of Karuna's development programs;
- results of clinical trials of product candidates of Karuna's competitors;
- regulatory or legal developments in the United States and other countries;
- developments or disputes concerning patent applications, issued patents or other proprietary rights;
- the recruitment or departure of key personnel;
- the level of expenses related to any of Karuna's product candidates or clinical development programs;

- the results of Karuna's efforts to develop additional product candidates or products;
- actual or anticipated changes in estimates as to financial results or development timelines;
- announcement or expectation of additional financing efforts;
- sales of Karuna's common stock by us, its management or other stockholders;
- variations in our financial results or those of companies that are perceived to be similar to Karuna;
- changes in estimates or recommendations by securities analysts, if any, that cover Karuna;
- changes in the structure of healthcare payment systems;
- market conditions in the pharmaceutical and biotechnology sectors; and
- general economic, industry and market conditions.

Any of these broad market and industry factors could result in a material decline in the market price of the shares in Karuna's common stock, regardless of Karuna's actual performance.

In addition, the operating and financial performance of Karuna's business may vary from that expected by its management and could therefore affect the price, volume and market dynamics of trades in its listed shares, which could impact the price at which the Group may be able to complete a Disposal, or any subsequent Disposals, if at all.

Any disposal of a part of PureTech's stake in Karuna may have an adverse effect on the share price of Kelvin's shares and thereby reduce the value of PureTech's remaining stake in Karuna

The possible Disposals by PureTech (of a part of PureTech's stake in Karuna) and/or other shareholders of shares in Karuna's common stock may have an adverse effect on the price at which such Disposals or any subsequent Disposals can be conducted. Although PureTech is expected to seek to complete the Disposals at a price (or if in multiple trades, prices) as close as reasonably possible to the prevailing trading range of shares in Karuna's common stock from time to time and to seek to conduct any such Disposals in an orderly manner, there can be no guarantee that possible Disposals by PureTech or third parties will not impact the overall proceeds attainable by the Group from the Disposals, if any.

If the Disposals involve the sale of all of the shares in Karuna's common stock, the Group will no longer have an interest in Karuna

Should the Disposals take place in full, then the Group will not benefit from any future increases in the Karuna share price. Although Karuna has never paid a dividend and is not expected to do so for the foreseeable future, the Disposal of the Group's entire interest in Karuna's common stock would mean that the Group will also not receive any future dividends or returns of capital declared or implemented by Karuna.

For the avoidance of doubt, the terms of the product license agreement between Karuna and the Company (as summarised paragraph 7.1.3 of Part IV (*Additional Information*) of this Circular) are not contingent upon the Company retaining its shareholding in Karuna and the Company's entitlement to the royalty payments pursuant to that product license agreement would not be affected by the Disposals.

The Company may not realise the perceived benefits of the Disposals

The Directors will proceed with a Disposal if they are of the opinion that a Disposal is in the best interests of the Shareholders as a whole and supports the Company's strategic objectives. There is however no guarantee that there would be sufficient organic or inorganic opportunities available to the Company in which to invest the proceeds. The rate of return on reinvestment of cash received from the disposals may not command a superior return.

2. RISKS RELATING TO THE GROUP

The sentiments of the stock market regarding the Disposals may cause volatility in the share price of the Company

The value of an investment in the Company may go down as well as up and can be highly volatile. The price at which the Ordinary Shares may be quoted and the price at which investors may realise their Ordinary Shares will be influenced by a large number of factors, some specific to the Group and its operations and some which may affect the industries in which the Group operates as a whole, other comparable companies or publicly traded companies as a whole. The sentiments of the stock market regarding the Disposals will be one such factor and this, together with other factors, including the actual or anticipated fluctuations in the financial performance of the Group and its competitors, market fluctuations, and legislative or regulatory changes in the industries in which the Group operates, could lead to the market price of the Ordinary Shares going up or down.

The Group's operations will be dependent on its retained business

Following implementation of the Disposals in full, the Group's performance will be dependent on the performance of the Group and will therefore be more exposed to the risks within such business without the benefit of the holding in Karuna. Any deterioration in the Group's markets would have a more pronounced negative effect on the Group's business, financial condition, results of operations and prospects than before Completion and the resulting loss of diversification of the business.

PART III

SECTION A: UNAUDITED PRO FORMA FINANCIAL INFORMATION

The unaudited pro forma statement of net assets is set out below (the "**Pro Forma Financial Information**"). It has been prepared in a manner consistent with the accounting policies adopted in the Group's audited financial statements for the year ended 31 December 2019 on the basis set out in the notes below. It has also been prepared in accordance with Annex 20 of Commission Delegated Regulation (EU) 2019/980, as applied by Listing Rule 13.3.3R, and paragraphs 87 to 94 of the ESMA Recommendations.

KPMG LLP's report on the Unaudited Pro Forma Financial Information is set out in Section B of this Part III of this document.

The Pro Forma Financial Information is based on the audited consolidated financial information of PureTech at 31 December 2019. The pro forma net assets statement has been prepared to illustrate the effect of the Disposals on the net assets of the Group as if the Disposals had taken place on 31 December 2019.

The unaudited pro forma financial information has been prepared for illustrative purposes only and by its nature addresses a hypothetical situation and does not, therefore, represent the Group's actual financial position or results. It may not, therefore give a true picture of the Group's financial position or results, nor is it indicative of the results that may, or may not, be expected to be achieved in the future. The Pro Forma Financial Information has been prepared for illustrative purposes only.

This unaudited pro forma statement of net assets does not constitute financial statements within the meaning of section 434 of the Act.

	PureTech Note 1 and Note 2	Adjustments Note 3	Karuna Note 4	Pro Forma Note 5
	$000	$000	$000	$000
ASSETS				
Non-current assets				
Property, plant and equipment	21,455	–	–	21,455
ROU Asset, net	22,383	–	–	22,383
Investments held at fair value	714,905	(112,282)	(433,464)	169,159
Investments in affiliates	10,642	–	–	10,642
Lease Receivable (LT)	2,082	–	–	2,082
Intangible assets, net	625	–	–	625
Deferred tax assets	142	–	–	142
Other non-current assets	99	–	–	99
Total non-current assets	**772,333**	**(112,282)**	**(433,464)**	**226,587**
Current assets				
Trade and other receivables	1,977	–	–	1,977
Prepaid expenses and other current assets	1,946	–	–	1,946
Other financial assets	2,124	–	–	2,124
Short-term investments	30,088	–	–	30,088
Lease Receivable (ST)	350	–	–	350
Cash and cash equivalents	132,360	245,922	346,771	725,053
Total current assets	**168,845**	**245,922**	**346,771**	**761,537**
Total Assets	**941,178**	**133,639**	**(86,693)**	**988,124**
EQUITY AND LIABILITIES				
Equity				
Share capital	5,408	–	–	5,408
Merger reserve	138,506	–	–	138,506
Share premium	287,962	–	–	287,962
Translation reserve		–	–	
Other reserve	(18,282)	–	–	(18,282)
Accumulated earnings/(deficit)	254,444	133,639	(86,693)	301,390
Equity attributable to the owners of the Company	**668,038**	**133,639**	**(86,693)**	**714,984**
Non-controlling interests	(17,640)	–	–	(17,640)
Total Equity	**650,398**	133,693	**(86,693)**	**697,344**
Non-current liabilities				
Deferred revenue LT	1,220	–	–	1,220
Lease Liability	34,914	–	–	34,914
Deferred tax liability	115,445	–	–	115,445
Total non-current liabilities	**151,579**	–	–	**151,580**
Current liabilities				
Deferred revenue ST	5,474	–	–	5,474
Trade and other payables	19,842	–	–	19,842
Lease Liability – Current	2,929	–	–	2,929
Subsidiary:				
Notes payable	1,455	–	–	1,455
Warrant liability	7,997	–	–	7,997
Preferred shares	100,989	–	–	100,989
Other current liabilities	515	–	–	515
Total current liabilities	**139,201**	**–**	**–**	**139,201**
Total liabilities	**290,780**	**–**	**–**	**290,782**
Total equity and liabilities	**941,178**	**245,922**	**(86,693)**	**988,125**

Notes:

(1) The net assets of PureTech Health plc have been extracted without material adjustment from its audited financial statements for the year ended 31 December 2019**.**

(2) The overall figure of investments held at fair value of $714.9 million includes the fair value of Karuna shares held by PureTech which was $557.2 million as at December 2019 and certain other investments held at fair value not adjusted for these purposes. Between 31 December 2019 and 31 May 2020 the change in the value of investments held at fair value attributable to mark-to-market fair value gains on Karuna common stock held during the time period was $178 million, so that the stake in Karuna held by PureTech, assuming none had been sold, would have been revalued from $557.2 million as at 31 December 2019 to $735.1 million as at 31 May 2020. Please also see note (3) below for further information on reconciliation.

(3) Represents the net impact of the fair value gain/(loss) attributable to the mark-to-market on Karuna shares held by PureTech during the period beginning 31 December 2019 to 31 May 2020 and the net impact of disposals of Karuna shares during the same period, as follows:

Proceeds from Karuna share disposals	(245.9)
Impact on accumulated earnings	
Loss on disposal of Karuna share disposals	(44.4)
M2M FV gains on Karuna shares during the period	177.9
Impact on accumulated earnings	**133. 6**
Reduction in investments held at FV	**(112.3)**

The net assets of PureTech have been adjusted to reflect the 22 January 2020 and 22 May 2020 disposals of Karuna shares with net proceeds of $245.9 million and the fair value gain/loss of PureTech's Karuna investment from 1 January 2020 to 31 May 2020 totalling $178.0 million, meaning that the stake in Karuna common stock held by PureTech, assuming no Karuna common stock had been sold, would have been revalued to $735.1 million as at 31 May 2020.

The net impact on PureTech's fair value investments during the period, taking into account the net disposal proceeds received by PureTech for the disposal of Karuna stock and the loss on sale of that stock due to the discount to the then prevailing market price of the Karuna common stock, was a net decrease of $112.3 million to 31 May 2020, such that the value of the fair value investments on the PureTech balance sheet as at 31 May 2020, following completion of the disposals, was $602.6 million. Prior to the January disposal, the Karuna shares held by PureTech increased in fair value by $295.3 million from the value as at 31 December 2019. The discount applied for the sale of a large block of shares and transaction costs totalled $41.2 million for the January disposal, and the net proceeds of the sale were $200.9 million. Following the January disposal the remaining Karuna shares held by PureTech declined in fair value by $151.1 million prior to the May 2020 disposal. The discount applied for the sale of a large block of shares and transaction costs totalled $3.2 million for the May disposal, and the net proceeds of the sale were $45.0 million. Following the May disposal, the remaining Karuna shares held by PureTech increased in fair value by $33.7 million to 31 May 2020. The $133.6 million shown in the pro-forma is the net proceeds from the disposals of Karuna stock of $245.9 million less $112.3 million net fair value impact as a balancing item.

(4) Adjustment assumes net disposal proceeds from the Disposals comprising a gross asset sale of $433.5 million less blockage discount and transaction costs of $86.7 million, on the assumption that the shares of Karuna's common stock are sold at $69.36 per share, assuming a 20 per cent. discount on the closing price on 11 June 2020 of $91.45 per share, the latest practicable date prior to publication of this document.

(5) No adjustment has been made to reflect the trading results of PureTech Health plc or of Karuna and its subsidiaries or any other change in their respective financial positions since 31 December 2019.

Section B: ***Accountant's opinion on pro forma financial information***

The Directors
PureTech Health plc
C/O Tmf Group 8th Floor
20 Farringdon Street London EC4A 4AB
United Kingdom

26 August 2020

Dear Sirs

We report on the pro forma statement of net assets (the **"Pro forma financial information"**) set out in Section A of Part III of the Class 1 circular dated 26 August 2020 which has been prepared on the basis described in the notes to the Pro forma financial information, for illustrative purposes only, to provide information about how the proposed disposal of shares in the common stock of Karuna Therapeutics, Inc. by PureTech Health plc (the **"Company"**) might have affected the financial information presented on the basis of the accounting policies adopted by the Company in preparing the financial statements for the year ended 31 December 2019. This report is required by Listing Rule 13.3.3R of the Financial Conduct Authority and is given for the purpose of complying with that rule and for no other purpose.

Responsibilities

It is the responsibility of the directors of the Company to prepare the Pro forma financial information in accordance with item 13.3.3R of the Listing Rules of the Financial Conduct Authority.

It is our responsibility to form an opinion, as required by Section 3 of Annexe 20 of Commission Delegated Regulation (EU) 2019/980, as to the proper compilation of the Pro forma financial information and to report our opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro forma financial information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and which we may have to shareholders of the Company as a result of the inclusion of this report in the Class 1 circular, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such person as a result of, arising out of, or in connection with this report or our statement, which is required by and given solely for the purposes of complying with item 13.4.1R(6) of the Listing Rules, and consenting to its inclusion in the Class 1 circular.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro forma financial information with the directors of the Company.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro forma financial information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion:

(a) the Pro forma financial information has been properly compiled on the basis stated; and

(b) such basis is consistent with the accounting policies of the Company.

Yours faithfully

KPMG LLP

PART IV

ADDITIONAL INFORMATION

1. Responsibility

The Company and the Directors, whose names are set out in page 5 of this Circular, accept responsibility for the information contained in this Circular. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. The Company

The Company was incorporated and registered in England and Wales on 8 May 2015 as a public company limited by shares under the Act with the name PureTech Health plc and with the registered number 09582467. The Company's registered office is situated at C/O Tmf Group 8th Floor, 20 Farringdon Street, London EC4A 4AB, United Kingdom.

The Company's principal place of business is at 6 Tide Street, Boston, Massachusetts 02210, United States of America. The telephone number of the Company's principal place of business is 001 617 482 2333, and its website is www.Puretechhealth.com.

The principal legislation under which the Company operates and under which the Ordinary Shares were created is the Act and the regulations made thereunder.

3. Substantial Shareholdings

Set out in the table below are the names of those persons, other than Directors, who, in so far as is known to the Company were, directly or indirectly, interested in three per cent. or more of the existing issued Ordinary Share capital of the Company as at 30 June 2020 (being the latest practicable date prior to the date of this Circular) unless otherwise indicated in the table below. The Company has received no notifications of any changes to this information since this date pursuant to Chapter 5 of the Disclosure Guidance and Transparency Rules.

Name	*No of issued Ordinary Shares*	*Percentage of issued Ordinary Shares*[1]
Invesco[2]	82,855,525	29.0%
Baillie Gifford & Co	28,249,516	9.89%
Lansdowne Partners (UK) LLP[2]	21,456,302	7.5%
Recordati SA	9,554,140	3.4%
Jupiter Asset Management Ltd.[2]	8,210,550	2.9%

(1) The percentages shown are based on the most recent share register analysis or latest date of notification or confirmation.

(2) Shareholding confirmed since 30 June 2020.

The Company is not aware of any person who exercises, or could exercise, directly or indirectly, jointly or severally, control over the Company.

4. Members of the Board Interests

The direct or indirect interests of Directors, and their respective closely associated persons, in the ordinary share capital of the Company as at 25 August 2020 (being the latest practicable date prior to the date of this Circular), as identified by them pursuant to Article 19(1) of the Market Abuse Regulation (EU No. 596/2014) are as follows:

Name of Director	*Number of Ordinary Shares*	*Percentage of issued share capital*
Daphne Zohar	12,197,307	4.27%
Stephen Muniz	2,889,499	1.01%
Raju Kucherlapati	2,459,831	0.86%
John LaMattina	1,501,333	0.53%
Robert Langer	2,944,134	1.03%
Marjorie Scardino	787,710	0.28%
Christopher Viehbacher	1,025,646	0.36%

Certain members of the Board also have interests in Ordinary Shares as a result of having been granted awards under the Performance Share Plans. As at 25 August 2020 (being the latest practicable date prior to the date of this Circular), the following awards have been granted to Directors pursuant to the Performance Share Plans:

Name of Director	*Description*	*Basis of Award Granted*	*Shares Awarded*	*Share Price at date of grant*	*Awards Outstanding as at 25 August 2020*
Daphne Zohar	PSP 2017	400% of salary	1,362,392	118.42 pence	Nil
	PSP 2018	400% of salary	1,035,628	156.0 pence	1,035,628
	PSP 2019	400% of salary	644,668	277.33 pence	644,668
	PSP 2020	400% of salary	683,652	282.33 pence	683,652
Stephen Muniz	PSP 2017	200% of salary	455,039	118.42 pence	Nil
	PSP 2018	200% of salary	346,644	156.0 pence	346,644
	PSP 2019	200% of salary	223,995	277.33 pence	223,995
	PSP 2020	200% of salary	237,540	282.33 pence	237,540

Other than as disclosed in this paragraph 4 of this Part IV (*Additional Information*) of this Circular and pursuant to the Employee Share Schemes, there are no other persons to whom any capital of any member of the Group is under option or agreed conditionally or unconditionally to be put under option.

No Director has or has had any interest in any transactions which are or were: (i) unusual in their nature or conditions; or (ii) significant to the business of the Group (or any member of the Group), and which were effected by the Group (or any member thereof) during either: (i) the current or immediately preceding financial year; or (ii) an earlier financial year, and which remain in any respect outstanding or unperformed.

There are no outstanding loans or guarantees granted or provided by any member of the Group to or for the benefit of any Director.

5. Directors' service agreements and letters of appointment

Other than as set out below, there are no existing or proposed service contracts between any Director and any member of the Group except for the contracts and letters of appointment, details of which were included in the published annual accounts of the Group for the Annual Report 2019 and a summary of which is provided below.

5.1. Executive Directors

Details of the Executive Directors' service agreements are set out below as at the date of this document:

Name of Director	*Position*	*Annual Salary*	*Date of service agreement*	*Commencement of appointment*	*Expiry date of service agreement*
Daphne Zohar	*Chief Executive Officer*	$607,700	18 June 2015	19 June 2015	until resignation or termination
Stephen Muniz	*Chief Operating Officer*	$422,300	18 June 2015	19 June 2015	until resignation or termination

Executive Directors' service agreements

Each of the Executive Directors is eligible to participate in all employee plans, programmes and arrangements made generally available and each is entitled to the reimbursement of business-related expenses. Ms. Zohar and Mr. Muniz are entitled to certain benefits, which include group medical, dental and retirement plans. The Executive Directors are entitled to 20 days of paid vacation or sick leave each calendar year, accruing rateably each month (of which five days may be carried forward into the subsequent calendar year), in each case in addition to standard PureTech company-wide holidays. Each of the Executive Directors is subject to a confidentiality and non-disparagement undertaking without limitation in time and restrictive covenants concerning, non-competition and non-solicitation of customers (or potential customers and clients), investors and employees and consultants or the Group, for a period of up to 12 months following their respective resignation from or termination of employment by the PureTech LLC. Finally, the service agreements for the Executive Directors provide for standard garden leave, clawback of incentive and other compensation if required under applicable law and malus provisions that will apply in the event any annual performance bonus payment is deferred.

Under the service agreements, the Executive Directors must provide 180 days (in the case of Ms. Zohar) and 60 days (in the case of Mr. Muniz) advance written notice of any election or intention to terminate their respective engagement. Each Executive Director's employment is terminable by PureTech Management, Inc. or the applicable Executive Director at any time and for any reason. Upon any termination, each Executive Director shall be entitled to receive any amounts that are accrued or owing but not yet paid, in accordance with applicable plans and programmes of PureTech LLC.

In addition, if PureTech Management, Inc. terminates an Executive Director without "Cause", or an Executive Director resigns for "Good Reason" (as defined below), such Executive Director is entitled to severance pay in the amount of up to 12 months' worth of base salary then in effect. With respect to Mr. Muniz only, the Remuneration Committee may elect to reduce the period of severance pay from 12 months to a period of not less than 60 days, provided that the post-termination non-competition and non-solicitation restrictive covenant period is reduced to the same period. "Cause" in the service agreements means (in the good faith determination of the Company): (i) conviction of any felony, (ii) deliberate neglect of, wilful misconduct in connection with the performance of, or refusal to perform

duties reasonably assigned to the Executive Director pursuant to the terms of the service agreement, (iii) breach of any of the provisions of the applicable service agreement or any related agreements (including the appointment letter as a Director of the Company) after being notified of the breach and having an opportunity to cure such breach or (iv) any fraudulent or negligent conduct, any action in bad faith in a way that is detrimental to the reputation, goodwill or best interests of PureTech LLC, the Company or their affiliates. "Good Reason" in the service agreements means: (i) a breach of the service agreement by PureTech Management, Inc. in any material respect which, if capable of being cured, is not cured by PureTech Management, Inc. within 30 days after the Executive Director has notified PureTech Management, Inc. in writing that, unless cured within such 30-day period, such breach will constitute Good Reason under the service agreements, (ii) a material adverse change in the Executive Director's title or responsibilities or (iii) a material reduction in the Executive Director's base salary.

5.2. Non-Executive Directors

Details of the Non-Executive Directors are set out below as at the date of this document:

Name of Director	*Annual Basic fee*	*Annual Committee membership or chairperson fee*	*Annual Founded Entity Board Service Fee*	*Total*	*Date of appointment*
Raju Kucherlapati	$75,000	$10,000	$20,000	$105,000	5 June 2018
John LaMattina	$75,000	$10,000	$10,000	$95,000	5 June 2018
Robert Langer	$75,000	N/A	$20,000	$95,000	5 June 2018
Marjorie Scardino	$75,000	$15,000	N/A	$90,000	5 June 2018
Christopher Viehbacher	$125,000	$10,000	$10,000	$145,000	5 June 2018

Non-Executive Directors letters of appointment

The Company shall reimburse the Non-Executive Directors for all reasonably and properly documented expenses incurred in performing the duties of their office. The appointments of the Non-Executive Directors are for an initial term of three years unless terminated earlier by either party giving to the other one month's prior written notice. If the Non-Executive Directors are not re-elected to their respective positions as a director of the Company by the shareholders or if at any time they resign from office, their appointment shall terminate automatically and with immediate effect. The Company may also terminate their appointments with immediate effect if they have: (i) committed a material breach of their obligations under the appointment letter; (ii) been convicted of an arrestable offence; (iii) failed to comply with any measures adopted by the Company to prevent bribery and corruption; (iv) been removed as a director by the shareholders of the Company; (v) committed any serious or repeated breach or non-observance of their obligations to the Company (which include an obligation not to breach all general duties imposed by law including those contained in the Act); (vi) been guilty of any fraud or dishonesty or acted in any manner which brings or is likely to bring them or the Company into disrepute or is materially adverse to the interests of the Company; (vii) been declared bankrupt; (viii) been disqualified from acting as a director; or (ix) accepted a position with or acquired interests in another company without prior Board approval which, in the Board's reasonable opinion, is likely to give rise to a material conflict of interest with their position as a director of the Company.

6. Related party transactions

Details of related party transactions (which, for these purposes, are those set out and adopted according to Regulation (EC) No 1606/2002) that the Company has entered into:

6.1. during the financial year ended 31 December 2017 are disclosed, in accordance with the respective standard adopted according to Regulation (EC) No 1606/2002, in Note 24 to

the audited consolidated financial statements of the Company for the financial year ended 31 December 2017;

6.2. during the financial year ended 31 December 2018 are disclosed, in accordance with the respective standard adopted according to Regulation (EC) No 1606/2002, in Note 24 to the audited consolidated financial statements of the Company for the financial year ended 31 December 2018; and

6.3. during the financial year ended 31 December 2019 are disclosed, in accordance with the respective standard adopted according to Regulation (EC) No 1606/2002, in Note 24 to the audited consolidated financial statements of the Company for the financial year ended 31 December 2019.

The details of the related party transactions described in paragraphs 6.1, 6.2 and 6.3 of this Part IV (*Additional Information*) are incorporated by reference into this document. Please see Part V (*Information Incorporated by Reference*) of this Circular for further details.

There have been no additional related party transactions by any of PureTech or members of the Group that were entered into during the period between 1 January 2020 and 25 August 2020 (being the latest practicable date prior to the date of this Circular) other than the continuation of the related party transactions disclosed in the Annual Report 2019.

7. Material Contracts

The Group

The following are all of the contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Company and/or members of the Group either (i) within the two years immediately preceding the date of this Circular which are, or may be, material to the Company or the Group; or (ii) which contain any provisions under which the Company or any member of the Group has any obligations or entitlements which are, or may be, material to the Group as at the date of this Circular:

7.1.1. Sponsor agreement

The Company has engaged Jefferies as its sponsor in connection with the Disposals pursuant to a sponsor agreement dated 26 August 2020 ("**Sponsor Agreement**"). The Sponsor Agreement contains, amongst other things, certain obligations on the Company, which are customary, including that the Company agrees to comply with the Listing Rules and to pay a fee to Jefferies on terms agreed between Jefferies and the Company.

7.1.2. May 2020 block trade

On 26 May 2020, PureTech entered into a block trade whereby JPMorgan Chase & Co. agreed to procure purchasers for common stock in Karuna. Following completion of the block trade on 26 May 2020, PureTech announced it had sold 555,500 shares of common stock in Karuna for a cash consideration of $45 million.

7.1.3. January 2020 block trade

On 23 January 2020, PureTech entered into a block trade whereby Goldman Sachs & Co, LLC agreed to procure purchasers for common stock in Karuna. Following completion of the block trade on 23 January, PureTech announced it had sold 2.1 million shares of common stock in Karuna for a cash consideration of $200.9 million.

7.1.4. Product license agreement

In March 2011, Karuna entered into an exclusive license agreement with the Company, which granted Karuna an exclusive, royalty bearing, sub-licensable license to research, develop and commercialise therapeutic products relating to patents for disorders ameliorated by muscarinic activator with a muscarinic inhibitor for the treatment of central nervous system disorders. Karuna has agreed to make milestone payments to the Company of up to an aggregate of $10.0 million upon the achievement of specified developmental, regulatory and commercial milestones. In addition, Karuna is obligated to pay royalties of a low single digit percentage on annual net sales of

products developed under this license to the Company. In the event Karuna sublicenses any of the patent rights granted under the agreement, it will be obligated to pay the Company sublicense income payments within a certain range of percentage on any income received from the sublicensee, excluding royalties.

For the avoidance of doubt, the terms of the agreement are not contingent upon the Company retaining its shareholding in Karuna and the Company's entitlement to the royalty payments pursuant to the agreement would not be affected by the Disposals.

The Company's shareholding in Karuna

Save for the block trades disclosed at paragraphs 7.1.2 and 7.1.3 of this Part IV (*Additional Information*), no member of the Group has entered into any contracts (not being contracts entered into in the ordinary course of business) either: (i) within the two years immediately preceding the publication of this Circular which are, or may be, material to the Group's shareholding in Karuna; or (ii) which contain any provision under which any member of the Group has any obligation or entitlement which is, or may be, material to the Group's shareholding in Karuna as at the date of this Circular.

8. Litigation

The Group

There are no, nor have there been any, governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the 12 months preceding the date of this Circular which may have, or have had, significant effects on the Company's or the Group's financial position or profitability.

The Company's shareholding in Karuna

There are no, nor have there been any, governmental, legal or arbitration proceedings in relation to the Company's shareholding in Karuna (including any such proceedings which are pending or threatened of which the Company is aware) during the 12 months preceding the date of this Circular which may have, or have had, significant effects on the financial position or profitability of the Company's shareholding in Karuna.

9. No significant change in the financial or trading position

The Group

Save as disclosed within this paragraph 9 below, there has been no significant change in the financial or trading position of the Group since 31 December 2019, the date to which the Group's last audited consolidated financial information was prepared.

On 23 January 2020, PureTech announced that it had sold 2.1 million shares of common stock in Karuna at a sale price of $95.67 per share (representing a discount of approximately 17 per cent. against the prevailing market price at the time of that sale) for an aggregate cash consideration of $200.9 million to Goldman Sachs & Co, LLC by way of a block trade whereby Goldman Sachs & Co, LLC agreed to purchase, or procure purchasers of, the common stock in Karuna. The proceeds from this sale will be utilised to fund PureTech's operations and growth and further expand and advance its clinical stage, wholly owned pipeline. On 26 May 2020, PureTech announced a further sale of 555,500 shares of common stock in Karuna at a sale price of $81.03 per share (representing a discount of approximately 7 per cent. against the prevailing market price at the time of that sale) through on-market transactions for an aggregate cash consideration of $45 million, with the proceeds to be utilised to fund its growth potential.

On 5 February 2020, PureTech participated in the second closing of Vor's Series A-2 preferred share financing which initially closed on 12 February 2019. PureTech's participation totalled $0.7 million. Proceeds for the second closing totalled $17.8 million.

On 6 February, 2020 Sonde effected the second tranche closing of its Series A-2 preferred share financing which initially closed on 4 April 2019. PureTech received an aggregate of $4.8 million in gross proceeds in the second tranche closing.

On 1 April 2020, PureTech participated in the second closing of Gelesis' Series 3 growth preferred share financing which initially closed on 5 December 2019. PureTech's participation totalled $10.0 million. Proceeds for the second closing totalled $14.1 million.

On 29 April 2020, PureTech sold an aggregate of 1,500,000 shares of Common Stock of resTORbio for gross proceeds of $2.1 million. On 30 April 2020, PureTech sold its remaining stake in resTORbio, 619,696 shares, for $0.9 million in gross proceeds.

In June 2020, Vedanta strengthened its balance sheet with an additional $12 million in new equity and R&D collaboration funds, bringing the total Series C round to $71.1 million.

On 18 June 2020, Gelesis announced a partnership with China Medical Systems Holdings Ltd for the commercial launch of Plenity® in China, the partnership includes a $15.0 million up front licensing fee and $20.0 million equity investment in the Series Growth 3 preferred share financing, with future milestone payments of up to $388.0 million plus royalties.

On 30 June 2020, Vor closed a Series B preferred share financing with an initial tranche of $64.7 million and a second tranche, contingent on certain developmental milestones, of $45.4 million. PureTech purchased 961,538 shares in the initial close for $0.5 million and has made the same participation commitment in the second tranche, should the closing be effected.

The Company's shareholding in Karuna

Save as disclosed within this paragraph 9 below, there has been no significant change in the financial or trading position in respect of the Company's shareholding in Karuna since 31 December 2019, the date to which the Group's last audited consolidated financial information was prepared.

The share price of Karuna has risen from $75.34 on 31 December 2019 (the date at which the last financial report of the Group was prepared) to $84.04 on 25 August 2020 (the latest practicable date before the publication of this Circular), leading to a 11.5 per cent. increase in the USD market value of the shareholding in Karuna which the Company has retained. As at 25 August 2020 (the latest practicable date before the publication of this Circular), the market value of the Company's residual interest in Karuna was approximately $398.34 million.

In addition, PureTech sold a portion of its shareholding in Karuna on 23 January 2020 and 26 May 2020 as further described in this paragraph 9 above.

10. Working capital

The Company is of the opinion that the working capital available to the Continuing Group (on the basis that the Disposals of the Company's entire holding of shares in Karuna's common stock have taken place) is sufficient for its present requirements, that is for at least the next 12 months from the date of publication of this Circular.

11. Consents

Jefferies International Limited has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and references to it in the form and context in which they appear.

KPMG LLP has given and has not withdrawn its written consent to the inclusion in Part III of its report on the pro forma financial information on the Group as at 26 August 2020 in the form and context in which it is included.

12. Documents available for inspection

Copies of the following documents will be available for inspection at the offices of DLA Piper UK LLP, 160 Aldersgate Street, London, EC1A 4HT, United Kingdom, during usual business hours on any weekday (public holidays excepted) and on the Company's website (www.Puretechhealth.com), from the date of this Circular up to 10 September 2020:

(a) the memorandum and articles of association of the Company;

(b) Annual Report 2017, Annual Report 2018 and Annual Report 2019;

(c) the written consents referred to in paragraph 11 of this Part IV (*Additional Information*);

(d) the report from KPMG LLP set out in Part III (*Section A: Unaudited Pro Forma Financial Information*) of this Circular; and

(e) this Circular.

26 August 2020

PART V

INFORMATION INCORPORATED BY REFERENCE

The table below sets out the various information incorporated by reference into this Circular, so as to provide the information required under the Listing Rules. These documents are also available at www.Puretechhealth.com.

Document	*Information incorporated by reference*	*Page number(s) in this Circular*
Company's 2019 Annual Report	Details of related party transactions that the Company has entered into for the financial year ended 31 December 2019 as set out in Note 24 to the audited consolidated financial statements, titled "Related party transactions"(page 146 of the Annual Report 2019)	31
Company's 2018 Annual Report	Details of related party transactions that the Company has entered into for the financial year ended 31 December 2018 as set out in Note 24 to the audited consolidated financial statements, titled "Related party transactions" (page 130 of the Annual Report 2018)	32
Company's 2017 Annual Report	Details of related party transactions that the Company has entered into for the financial year ended 31 December 2017 as set out in Note 24 to the audited consolidated financial statements, titled "Related party transactions" (page 127 of the Annual Report 2017)	32

Information that is itself incorporated by reference in the above documents is not incorporated by reference into this Circular. It should be noted that, except as set forth above, no other portion of the above documents are incorporated by reference into this Circular and those portions which are not specifically incorporated by reference in this Circular are either not relevant for Shareholders or the relevant information is included elsewhere in this document.

Any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this document to the extent that a statement contained herein (or in a later document which is incorporated by reference herein) modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Circular.

PART VI

DEFINITIONS

The following definitions apply throughout this Circular unless the context requires otherwise:

Act	the Companies Act 2006 (as amended)
Alivio	means Alivio Therapeutics.
Akili	means Akili Interactive Labs, Inc.
Annual Report 2017	the annual report and accounts prepared by the Group for the financial year ended 31 December 2017
Annual Report 2018	the annual report and accounts prepared by the Group for the financial year ended 31 December 2018
Annual Report 2019	the annual report and accounts prepared by the Group for the financial year ended 31 December 2019
Board or Directors	the directors of the Company whose names are set out in paragraph 2 of Part IV (*Additional Information*) of this Circular
Chairman	Christopher Viehbacher, the Chairman of the Company
Circular	this document
Company or PureTech	PureTech Health plc, a public limited company incorporated under the laws of England and Wales with registered number 09582467
Continuing Group	the Company and its subsidiaries and subsidiary undertakings, being the continuing business following the Disposals
CREST Manual	the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline Rules, CCSS Operations Manual, Daily Timetable, CREST Application Procedure, CREST Glossary of Terms and CREST Terms and Conditions (all as defined in the CREST Glossary of Terms promulgated by Euroclear on 15 July 1996 and as amended since)
CREST	the UK-based system for the paperless settlement of trades in listed securities, of which Euroclear is the operator
Disclosure Guidance and Transparency Rules	the Disclosure Guidance and Transparency Rules made by the FCA under section 73A of FSMA 2000, as amended from time to time
Disposal(s)	has the meaning given to it in paragraph 1 of Part I (*Letter from the Chairman of PureTech Health plc*) of this Circular
Entrega	means Entrega Bio
Executive Directors	the executive directors of the Company as at the date of this Circular
FCA	the UK Financial Conduct Authority

FCA Handbook	the FCA's handbook of rules and guidance, as amended from time to time
Follica	means Follica, Incorporated.
Founded Entities	entities that PureTech founded and in which PureTech continues to hold equity
FSMA	the UK Financial Services and Markets Act 2000, as amended from time to time
Gelesis	means Gelesis, Inc.
Group	the Company and its subsidiaries and subsidiary undertakings
Invesco	Invesco Asset Management Limited acting as agent for its discretionary managed clients
Jefferies	Jefferies International Limited
Karuna	Karuna Therapeutics, Inc., (NASDAQ: KRTX), a company incorporated in Delaware which has its shares traded on NASDAQ
Listing Rules	the listing rules made by the FCA under section 73A of FSMA 2000
NASDAQ	the Nasdaq Global Market
Non-Executive Directors	the non-executive directors of the Company as at the date of this Circular
Ordinary Shares	ordinary shares of one pence each in the capital of the Company
Performance Share Plan	the performance share plan adopted by the Company in June 2015
Prospectus Regulation Rules	the prospectus regulation rules made by the FCA under section 73A of FSMA 2000, as amended from time to time
Registrar	the Company's Registrar, Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZY
Regulatory Information Service	a regulatory information service as defined in the FCA Handbook
Resolution	the resolution on the terms set out in italics in paragraph 7 of Part I (*Letter from the Chairman of PureTech Health plc*) of this Circular and which the Company would have put to its Shareholders at a general meeting had the Company been required to convene such a meeting in the event the dispensation available under the FCA Statement of Policy published on 8 April 2020 was not granted
Shareholder	a holder of Ordinary Shares
Sonde	means Sonde Health, Inc.
Sponsor Agreement	has the meaning given to it in paragraph 7.1.1 of Part IV (*Additional Information*) of this Circular

United Kingdom or UK	the United Kingdom of Great Britain and Northern Ireland
United States or USA or US	the United States of America, its territories, possessions, any state of the United States of America and the District of Columbia
Vedanta	means Vedanta Biosciences, Inc.
Vor	means Vor Biopharma, Inc.
£, sterling, GBP or pence	the lawful currency of the United Kingdom

For the purposes of this Circular, "subsidiary", "subsidiary undertaking" and "undertaking" have the meanings given by the Companies Act.

All references to legislation in this Circular are to the legislation of England and Wales unless the contrary is indicated. Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof.

Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.