



Karuna Therapeutics and PsychoGenics Announce Drug Discovery Collaboration

Multi-year drug discovery collaboration leveraging behavioral and physiological phenotypic screening and machine learning to identify novel neuropsychiatric drug candidates

BOSTON, MA AND PARAMUS, NJ– BUSINESSWIRE – July 28, 2020-- Karuna Therapeutics, Inc. (NASDAQ: KRTX), an innovative clinical-stage biopharmaceutical company committed to developing novel therapies with the potential to transform the lives of people with disabling and potentially fatal neuropsychiatric disorders and pain, and PGI Drug Discovery LLC (PsychoGenics), a phenotypic drug discovery platform company, today announced that the companies have entered a multi-year drug discovery and development agreement to identify potential novel drug candidates for the treatment of severe neuropsychiatric disorders.

Under the terms of the agreement, Karuna will provide an upfront payment to PsychoGenics for access to its proprietary screening platforms, which leverage computer vision and machine learning, to discover novel neuropsychiatric treatments. Each party is eligible to receive payments upon reaching pre-specified development, regulatory and commercial milestones, as well as royalties on net sales, for products developed under the agreement.

“PsychoGenics is a leader in preclinical behavioral neurobiology with a successful track record of identifying novel drug candidates for the treatment of serious and complex neuropsychiatric disorders via its proprietary target-agnostic machine learning approach,” said Steve Paul, M.D., chief executive officer, president and chairman of Karuna Therapeutics. “We look forward to leveraging our collective expertise in neuroscience and CNS drug discovery to identify and evaluate new drug candidates to further enhance and complement our pipeline of differentiated target-directed neuropsychiatric drugs, including KarXT, our lead candidate in development for the treatment of schizophrenia and dementia-related psychosis.”

“Karuna’s established leadership team and demonstrated success in neuropsychiatric drug discovery and development has put them at the forefront of leading the next new generation of neuropsychiatric treatments,” said Emer Leahy, Ph.D., chief executive officer and president of PsychoGenics. “Together we share a common vision of discovering novel drug candidates to treat neuropsychiatric disorders. The collaboration with Karuna enables us to continue to contribute to leading discoveries in the field of neuroscience.”

About Karuna

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

About PsychoGenics Inc. and PGI Drug Discovery LLC

PsychoGenics Inc. and its discovery arm PGI Drug Discovery LLC (collectively known as PsychoGenics) have pioneered the translation of rodent behavioral and physiological responses



into robust, high-throughput and high-content phenotyping. PsychoGenics' drug discovery platforms, SmartCube®, NeuroCube®, PhenoCube®, and eCube™ have been used in shared-risk partnerships with major pharma companies including Sunovion and Roche, resulting in the discovery of several novel compounds now in clinical trials or advanced preclinical development. PsychoGenics' capabilities also include standard behavioral testing, electrophysiology, translational EEG, molecular biology, microdialysis and quantitative immunohistochemistry. In addition, the company offers a variety of in-licensed transgenic mouse models that support research in areas such as Huntington's disease, autism spectrum disorders, psychosis/schizophrenia, depression, PTSD, Alzheimer's disease, Parkinson's disease, muscular dystrophy, ALS, seizure disorders and pain. For more information on PsychoGenics Inc., visit www.psychogenics.com.

Forward Looking Statements

This press release contains forward looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements regarding our identification of additional product candidates, the initiation and advancement of our clinical trials and regulatory filings, our goals to develop and commercialize product candidates, and other statements identified by words such as "could," "expects," "intends," "may," "plans," "potential," "should," "will," "would," or similar expressions and the negatives of those terms. Forward-looking statements are not promises or guarantees of future performance, and are subject to a variety of risks and uncertainties, many of which are beyond our control, and which could cause actual results to differ materially from those contemplated in such forward-looking statements. These factors include risks related to our limited operating history, our ability to obtain necessary funding, our ability to generate positive clinical trial results for our product candidates, the timing and scope of regulatory approvals, changes in laws and regulations to which we are subject, competitive pressures, our ability to identify additional product candidates, risks relating to business interruptions resulting from the coronavirus (COVID-19) pandemic, and other risks set forth under the heading "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2019. Our actual results could differ materially from the results described in or implied by such forward-looking statements. Forward-looking statements speak only as of the date hereof, and, except as required by law, we undertake no obligation to update or revise these forward-looking statements.

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