



Karuna Therapeutics Announces Pricing of Upsized Initial Public Offering

June 27, 2019

BOSTON--(BUSINESS WIRE)--Jun. 27, 2019-- Karuna Therapeutics, Inc. (Nasdaq: KRTX), a clinical-stage biopharmaceutical company primarily focused on developing novel therapies to address disabling neuropsychiatric conditions, today announced the pricing of its upsized initial public offering of 5,578,124 shares of common stock at a public offering price of \$16.00 per share. In addition, Karuna has granted the underwriters a 30-day option to purchase up to 836,718 additional shares of common stock at the initial public offering price, less underwriting discounts and commissions. All the shares are being offered by Karuna. The gross proceeds from the offering, before deducting underwriting discounts and commissions and estimated offering expenses payable by Karuna, are expected to be \$89.2 million, excluding any exercise of the underwriters' option to purchase additional shares. The shares are expected to begin trading on the Nasdaq Global Market under the ticker symbol "KRTX" on June 28, 2019. The offering is expected to close on July 2, 2019, subject to customary closing conditions.

Goldman Sachs & Co. LLC and Citigroup are acting as joint book-running managers for the offering. Wells Fargo Securities is also serving as a joint book-running manager. Wedbush PacGrow is acting as co-manager.

The offering is being made only by means of a prospectus. Copies of the final prospectus relating to this offering may be obtained, when available, by contacting the offices of Goldman Sachs & Co. LLC, Attention: Prospectus Department, 200 West Street, New York, NY 10282, by telephone: 1-866-471-2526 or by emailing prospectus-ny@ny.email.gs.com; Citigroup Global Markets Inc., Attention: Prospectus Department, c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, NY 11717, or by phone at (800) 831-9146; or Wells Fargo Securities, LLC, Attention: Equity Syndicate Department, 375 Park Avenue, New York, NY 10152, or by telephone at 1-800-326-5897, or by email at cmclientsupport@wellsfargo.com.

A registration statement relating to these securities has been filed with, and declared effective by, the Securities and Exchange Commission on June 27, 2019. Copies of the registration statement can be accessed by visiting the SEC's website at www.sec.gov. This press release shall not constitute an offer to sell or a solicitation of an offer to buy these securities, nor shall there be any offer or sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state or jurisdiction.

About Karuna

Karuna is an innovative clinical-stage biopharmaceutical company primarily focused on developing novel therapies to address disabling neuropsychiatric conditions characterized by significant unmet medical need. Karuna is currently conducting a Phase 2 clinical trial of its lead product candidate, KarXT (Karuna-Xanomeline-Trospium), for the treatment of acute psychosis in patients with schizophrenia. Karuna also plans to initiate clinical trials of KarXT to evaluate its potential therapeutic benefit in other central nervous system disorders, including psychosis in Alzheimer's disease, as well as pain.

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