

NEWS RELEASE

Schrödinger Announces Multi-Target Collaboration and Expanded Software Licensing Agreement with Novartis

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Schrödinger to receive \$150 million upfront and eligible to receive up to approximately \$2.3 billion in milestone payments plus royalties

Expanded multi-year software agreement enables technology deployment at significant scale across Novartis's global research organization

Schrödinger to host third quarter 2024 financial results webcast today at 8:00 a.m. ET

NEW YORK--(BUSINESS WIRE)-- Schrödinger, Inc. (Nasdaq: SDGR) today announced a research collaboration and license agreement with Novartis to advance multiple development candidates into Novartis's portfolio for further development. The companies also announced an expanded three-year software agreement that substantially increases Novartis's access to Schrödinger's computational predictive modeling technology and enterprise informatics platform. This expanded access enables Novartis to deploy Schrödinger's full suite of drug discovery technologies at industry-leading scale across its research sites. Schrödinger will provide comprehensive support to ensure full integration and optimization of the platform, enabling Novartis to rapidly integrate computation at scale into its drug discovery programs.

"We are delighted to work with Novartis and leverage their strong expertise to jointly advance several of Schrödinger's existing non-oncology discovery programs as well as collaborate on additional programs," said Karen Akinsanya, Ph.D., president of R&D, therapeutics at Schrödinger. "This builds on more than a decade of productive collaborations with pharmaceutical partners, and companies we have co-founded, and is a testament to the track

record of our world-class therapeutics team.”

“Our commitment to working at the frontier of computation and advancing our drug discovery portfolio provides important synergies, and we are pleased to see innovative pharmaceutical companies like Novartis increase their depth of engagement with us through both expanded use of our technology and focused drug discovery collaborations,” stated Ramy Farid, Ph.D., chief executive officer of Schrödinger. “We are very pleased to enable the further integration of our platform across Novartis’s research teams to realize our shared vision for modernizing drug discovery through a computational “predict first” approach.”

“We are excited to build on our long-standing relationship with Schrödinger, leveraging their discovery platform and physics-based computational methods to accelerate our drug discovery efforts,” said Fiona Marshall, President of Biomedical Research at Novartis. “These agreements underscore our commitment to innovative computational technologies that enhance our research capabilities to help us bring new and impactful medicines forward faster.”

Research Collaboration Terms

As part of the multi-year, multi-target research collaboration and license agreement, Schrödinger and Novartis will combine their existing research efforts to identify and advance therapeutics for undisclosed targets in Novartis’s core therapeutic areas. The agreement is intended to advance multiple development candidates for development and commercialization by Novartis. Schrödinger and Novartis will share responsibility for the discovery of development candidates under the collaboration. Novartis will be responsible for clinical development, manufacturing and global commercialization.

Under the terms of the agreement, Novartis will pay Schrödinger \$150 million upfront, and Schrödinger will also be eligible to receive up to \$892 million in research, development and regulatory milestone payments. Additionally, Schrödinger is eligible for up to \$1.38 billion in commercial milestones and tiered mid single-digit to low double-digit royalties on net sales of each product commercialized by Novartis.

The agreement is subject to customary closing conditions including regulatory clearance. For more information regarding the financial and other terms of the collaboration, please refer to the Current Report on Form 8-K which will be filed by Schrödinger with the U.S. Securities & Exchange Commission on November 12, 2024.

Schrödinger Webcast and Conference Call Information

Schrödinger will discuss the collaboration during its third quarter financial results conference call and webcast on Tuesday, November 12, 2024, at 8:00 a.m. ET. The live webcast can be accessed under “Events & Presentations” in the investors section of Schrödinger’s website, <https://ir.schrodinger.com/events-and-presentations/default.aspx>.

To participate in the live call, please register for the call **here**. It is recommended that participants register at least 15 minutes in advance of the call. Once registered, participants will receive the dial-in information. The archived webcast will be available on Schrödinger's website for approximately 90 days following the event.

About Schrödinger

Schrödinger is transforming molecular discovery with its computational platform, which enables the discovery of novel, highly optimized molecules for drug development and materials design. Schrödinger's software platform is built on more than 30 years of R&D investment and is licensed by biotechnology, pharmaceutical and industrial companies, and academic institutions around the world. Schrödinger also leverages the platform to advance a portfolio of collaborative and proprietary programs and is advancing three clinical-stage oncology programs. Founded in 1990, Schrödinger has approximately 900 employees operating from 15 locations globally. To learn more, visit **www.schrodinger.com**, follow us on **LinkedIn** and **Instagram**, or visit our blog, **Extrapolations.com**.

Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995 including, but not limited to those regarding our expectations about the speed and capacity of our computational platform, our ability to discover, identify and advance development candidates under the collaboration, the potential of our collaboration with Novartis to develop new therapies, our ability to realize potential milestones, royalties or other payments under the collaboration and the risk that we may not realize the expected benefits of the collaboration. Statements including words such as "anticipate," "believe," "contemplate," "continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "potential," "predict," "project," "should," "target," "will," "would" and statements in the future tense are forward-looking statements. These forward-looking statements reflect our current views about our plans, intentions, expectations, strategies, and prospects, which are based on the information currently available to us and on assumptions we have made. Actual results may differ materially from those described in these forward-looking statements and are subject to a variety of assumptions, uncertainties, risks and factors that are beyond our control, including our reliance upon third-party providers of cloud-based infrastructure to host our software solutions, our reliance on third party contract research organizations to assist in the discovery of development candidates, our reliance on Novartis to perform its obligations to develop and commercialize any development candidates discovered by us under the collaboration, the uncertainties inherent in drug development and commercialization, uncertainties associated with the regulatory review of clinical trials and applications for marketing approvals, as well as the other risks and uncertainties identified under the caption "Risk Factors" and elsewhere in our Securities and Exchange Commission filings and reports, including our most recent Quarterly Report on Form 10-Q, as well as future filings and reports by us. Any forward-looking statements contained in this press release speak only as of the date hereof. Except as

required by law, we undertake no duty or obligation to update any forward-looking statements contained in this press release as a result of new information, future events, changes in expectations or otherwise.

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