BioXcel Therapeutics Enters Into Asset Sale Agreement with Teva Pharmaceuticals

August 28, 2026

BioXcel Therapeutics intends to complete a court-supervised sale transaction, in an effort to maximize value for all stakeholders

Teva Pharmaceuticals to serve as "stalking horse" bidder in a court-supervised 363 auction process

BioXcel Therapeutics has secured a commitment for debtor-in-possession (DIP) financing to support ongoing operations

NEW HAVEN, Conn., Aug. 28, 2026 (GLOBE NEWSWIRE) -- BioXcel Therapeutics, Inc. (Nasdaq: BTAI) ("BioXcel Therapeutics" or the "Company"), a biopharmaceutical company built on artificial intelligence ("AI") to develop transformative medicines in neuroscience, today announced that it has entered into an asset sale agreement with Teva Pharmaceuticals International GmbH ("Teva"), a subsidiary of Teva Pharmaceutical Industries Ltd., for substantially all of the Company's assets. This includes IGALMI ® (dexmedetomidine) sublingual film and the related pending supplemental New Drug Application of BXCL501 for potential at-home (outpatient) use for the acute treatment of agitation associated with schizophrenia or bipolar I or II disorder in adults. Concurrent with the execution of the asset sale agreement, BioXcel Therapeutics and its subsidiaries, OnkosXcel Therapeutics, LLC and OnkosXcel Employee Holdings, LLC, have commenced voluntary Chapter 11 proceedings in the U.S. Bankruptcy Court for the District of Delaware (the "Court") to facilitate a court-supervised sale process, which is expected to include the auction of substantially all of the Company's assets.

To anchor the sale process, Teva will serve as the sole "stalking horse bidder" for the sale of the assets contemplated by the asset sale agreement. A stalking horse asset sale agreement establishes a strong baseline offer and is intended to help maximize value for all stakeholders through the Chapter 11 auction process.

"Following a comprehensive review of strategic alternatives, we believe this option provides a clear framework to pursue a value-maximizing transaction" said Vimal Mehta, Ph.D., Chief Executive Officer of BioXcel Therapeutics. "Our priority is to execute a disciplined and efficient sale process while supporting all of our stakeholders and continuing to support the sNDA with a PDUFA date of November 14, 2026. We are pleased to have a signed agreement with a leading pharmaceutical company to serve as stalking horse bidder in the process, underscoring the strategic interest in our assets and in IGALMI®."

BioXcel Therapeutics intends to conduct the asset sale transaction pursuant to Section 363 of Chapter 11 of the U.S. Bankruptcy Code, which allows interested parties to submit offers for any or all of the Company's assets, after which the Company would execute on transactions resulting in maximum asset value for all stakeholders. The proposed bidding procedures would allow for assets to be purchased free and clear of the Company's indebtedness and other liens and interests. The Company's objective in the Chapter 11 case is to maximize value for its stakeholders, which may be achieved through the sale of all or substantially all of its assets to the highest or otherwise best bidder.

Additional information about the Chapter 11 process and the asset sale, as well as other documents related to the proceedings, is available through the Company's claims and noticing agent at https://cases.stretto.com/BioXcel. Stakeholders may also call 1-833-995-7795 (toll-free in the U.S.) or 1-949-207-7297 (international), or email BioXcelInquiries@stretto.com.

BioXcel Therapeutics has filed a series of motions with the Court seeking to ensure the continuation of normal operations during this process, including motions to continue paying employee wages and benefits, maintain its cash management system, continue its customer and patient support programs, and maintain its insurance programs. To support ongoing operations, the Company has secured a commitment for $19 million in DIP financing from its existing secured lenders. Subject to Court approval, the DIP financing is expected to provide sufficient liquidity for the Company to operate in the ordinary course, fund the Chapter 11 process, and meet its financial obligations arising subsequent to the filing date.

IGALMI® remains commercially available, and the Company intends to continue supplying the product and supporting patients, prescribers and trade partners in the ordinary course throughout the process.

BioXcel Therapeutics' legal counsel is Cooley LLP and Young Conaway Stargatt & Taylor, LLP, its financial advisor is MERU, LLC, and its investment banker is MTS Health Partners, L.P. Stretto, Inc. is serving as the claims and noticing agent.

The petition was filed in the United States Bankruptcy Court for the District of Delaware, Case No. 26-11360.

About BioXcel Therapeutics, Inc.
BioXcel Therapeutics, Inc. (Nasdaq: BTAI) is a biopharmaceutical company built on artificial intelligence ("AI") to develop transformative medicines in neuroscience. Its wholly owned subsidiary, OnkosXcel Therapeutics, is focused on the development of medicines in immuno-oncology. The Company's drug re-innovation approach leverages existing approved drugs and/or clinically validated product candidates together with big data and proprietary machine learning algorithms to identify new therapeutic indications. For more information, please visit bioxceltherapeutics.com.

About BXCL501
Outside of its approved indication by the U.S. Food and Drug Administration as IGALMI®, BXCL501is an investigational proprietary, orally dissolving film formulation of dexmedetomidine, a selective alpha-2 adrenergic receptor agonist. BXCL501 is currently under FDA review for at-home use in the acute treatment of agitation associated with schizophrenia or bipolar I or II disorder in adults. The FDA has assigned a Prescription Drug User Fee Act (PDUFA) target action date of November 14, 2026. BXCL501 has been under investigation by BioXcel Therapeutics for the acute treatment of agitation associated with Alzheimer's dementia and has been granted
Breakthrough Therapy designation by the FDA for this indication. The safety and efficacy of BXCL501 for investigational uses have not been

established.

About IGALMI®
IGALMI® (dexmedetomidine) sublingual film is a prescription medicine, administered under the supervision of a healthcare provider, that is placed under the tongue or behind the lower lip and is used for the acute treatment of agitation associated with schizophrenia and bipolar disorder I or II in adults. The safety and effectiveness of IGALMI have not been studied beyond 24 hours from the first dose. It is not known if IGALMI is safe and effective in children. IGALMI® is a registered trademark of BioXcel Therapeutics, Inc.

IGALMI IMPORTANT SAFETY INFORMATION
IGALMI can cause serious side effects, including:

- **Decreased blood pressure, low blood pressure upon standing, and slower than normal heart rate,** which may be more likely in patients with low blood volume, diabetes, chronic high blood pressure, and older patients. IGALMI is taken under the supervision of a healthcare provider who will monitor vital signs (like blood pressure and heart rate) and alertness after IGALMI is administered to help prevent falling or fainting. Patients should be adequately hydrated and sit or lie down after taking IGALMI and instructed to tell their healthcare provider if they feel dizzy, lightheaded, or faint.
- **Heart rhythm changes (QT interval prolongation).** IGALMI should not be given to patients with an abnormal heart rhythm, a history of an irregular heartbeat, slow heart rate, low potassium, low magnesium, or taking other drugs that could affect heart rhythm. Taking IGALMI with a history of abnormal heart rhythm can increase the risk of torsades de pointes and sudden death. Patients should be instructed to tell their healthcare provider immediately if they feel faint or have heart palpitations.
- **Sleepiness/drowsiness.** Patients should not perform activities requiring mental alertness, such as driving or operating hazardous machinery, for at least 8 hours after taking IGALMI.
- **Withdrawal reactions, tolerance, and decreased response/efficacy.** IGALMI was not studied for longer than 24 hours after the first dose. Physical dependence, withdrawal symptoms (e.g., nausea, vomiting, agitation), and decreased response to IGALMI may occur if IGALMI is used longer than 24 hours.

The most common side effects of IGALMI in clinical studies were sleepiness or drowsiness, a prickling or tingling sensation or numbness of the mouth, dizziness, dry mouth, low blood pressure, and low blood pressure upon standing.
These are not all the possible side effects of IGALMI. Patients should speak with their healthcare provider for medical advice about side effects.
Patients should tell their healthcare provider about their medical history, including if they suffer from any known heart problems, low potassium, low magnesium, low blood pressure, low heart rate, diabetes, high blood pressure, history of fainting, or liver impairment. They should also tell their healthcare provider if they are pregnant or breastfeeding or take any medicines, including prescription and over-the-counter medicines, vitamins, and herbal supplements. Patients should especially tell their healthcare provider if they take any drugs that lower blood pressure, change heart rate, or take anesthetics, sedatives, hypnotics, and opioids.
Everyone is encouraged to report negative side effects of prescription drugs to the FDA. Visit www.fda.gov/medwatch or call 1-800-FDA-1088. You can also contact BioXcel Therapeutics, Inc. at 1-833-201-1088 or medinfo@bioxceltherapeutics.com.

Please see full prescribing information at Igalmi.com.

Forward-Looking Statements
This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as “anticipates,” “believes,” “expects,” “intends,” “potential,” “projects,” “target,” “will,” “would” and “future” or similar expressions are intended to identify forward-looking statements.

Forward-looking statements in this press release include, but are not limited to, statements concerning or implying the Company’s plans to sell its assets pursuant to Chapter 11 of the U.S. Bankruptcy Code, including pursuant to the terms of the asset sale agreement with Teva; expectations regarding the bidding procedures and sale process and the timing and outcome thereof; the Company’s intention and ability to continue operations during the Chapter 11 proceedings; the continued commercial availability and supply of IGALMI®; expectations concerning the availability of the DIP financing and the sufficiency thereof; and other statements regarding the Company’s strategy and future operations, performance and prospects.

Forward-looking statements are based on management’s current expectations and are subject to various risks and uncertainties that could cause actual results to differ materially and adversely from those expressed or implied. Such risks and uncertainties include, but are not limited to, those relating to: the approval by the Court of the Company’s first day motions; the Company’s ability to consummate the sale transaction and to complete the Chapter 11 process; the potential adverse impact of the bankruptcy proceedings on the Company’s business, financial condition, liquidity and results of operations; the Company’s ability to maintain contracts critical to its operations and to meet its financial obligations during the bankruptcy proceedings; the outcome and timing of the bankruptcy process and of any sale of all or some of the Company’s assets; the effect of the bankruptcy filing and any such sale on the Company’s relationships with third parties, including employees, customers and suppliers; the Company’s expectations regarding liquidity and obligations, including its use of, and need for, cash and any underlying assumptions; the length of time the Company will operate under Chapter 11 and the continued availability of operating capital during that period; the impact of the Chapter 11 case on the trading price and volatility of the Company’s common stock and the anticipated delisting of the common stock from The Nasdaq Stock Market LLC; any proceedings that may be brought by third parties in connection with the bankruptcy petitions or the potential sale; uncertainty regarding the Court’s approval of the sale and the terms and conditions thereof; the Company’s ability to maintain debtor-in-possession financing and to comply with the restrictions imposed by the terms of that financing; the timing or amount of any distributions, if any, to stakeholders; the Company’s ability to retain senior management and other key personnel during the pendency of the Chapter 11 case; the Company’s ability to obtain regulatory approval for its product candidates, including the pending supplemental New Drug Application; uncertainties inherent in the conduct of clinical trials and the development of product candidates; the Company’s reliance on third parties over which it may not always have full control; and additional risks and uncertainties described in the Company’s filings and reports with the Securities and Exchange Commission (the “SEC”), including its Annual Report on Form 10-K

for the year ended December 31, 2025, as supplemented by its Quarterly Reports on Form 10-Q and subsequent filings and reports that the Company makes from time to time with the SEC. Forward-looking statements contained in this announcement are made as of this date, and the Company undertakes no duty to update such information except as required under applicable law.

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