
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

SCHEDULE TO
(Rule 13e-4)

**Tender Offer Statement Under Section 14(d)(1) or 13(c)(1)
of the Securities Exchange Act of 1934**

SAGE THERAPEUTICS, INC.

(Name of Subject Company (Issuer) and Filing Person (Offeror))

Options to Purchase Common Stock, Par Value \$0.0001 Per Share
(Title of Class of Securities)

78667J108
(CUSIP Number of Class of Securities)

Barry E. Greene
President and Chief Executive Officer
Sage Therapeutics, Inc.
215 First Street
Cambridge, Massachusetts 02142
(617) 299-8380

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications on Behalf of Filing Person)

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

- third party tender offer subject to Rule 14d-1.
- Issuer tender offer subject to Rule 13e-4.
- going-private transaction subject to Rule 13e-3.
- amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

If applicable, check the appropriate box(es) below to designate the appropriate rule provision(s) relied upon:

- Rule 13e-4(i) (Cross-Border Issuer Tender Offer)
 - Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)
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Item 1. Summary Term Sheet.

The information set forth under “*Summary Term Sheet*” and in the Offer to Exchange Eligible Options for Replacement Options, dated January 23, 2024 (the “**Offer to Exchange**”), attached hereto as Exhibit (a)(1)(A), is incorporated herein by reference.

Item 2. Subject Company Information.

(a) *Name and Address.*

Sage Therapeutics, Inc., a Delaware corporation (the “**Company**”), is the issuer of the securities subject to the Offer to Exchange. The Company’s principal executive offices are located at 215 First Street, Cambridge, MA 02142 and the telephone number of its principal executive offices is (617) 299-8380.

(b) *Securities.*

This Tender Offer Statement on Schedule TO relates to an offer by the Company to certain non-executive officer employee optionholders (“**Eligible Holders**”), subject to specified conditions, to exchange some or all of their eligible outstanding options to purchase shares of common stock, par value \$0.0001 per share (the “**Common Stock**”), for replacement options to purchase shares of the Company’s Common Stock (the “**Option Exchange**”). Members of the Company’s board of directors and the Company’s executive officers are not eligible to participate in this offer.

An outstanding option is eligible for exchange (an “**Eligible Option**”) if it is held by an Eligible Holder, was granted under the Company’s 2014 Stock Option and Incentive Plan or Amended and Restated 2016 Inducement Equity Plan (the “**Equity Plans**”) and has an exercise price per share equal to or greater than \$35.00. As of January 16, 2024, there were Eligible Options to purchase 3,504,680 shares of Common Stock outstanding.

Pursuant to the Offer to Exchange, in exchange for the tender and cancellation of Eligible Options, the Company will grant replacement options (each, a “**Replacement Option**”) upon the consummation of the Option Exchange. The total number of shares of Common Stock underlying a Replacement Option with respect to an exchanged Eligible Option will be determined by dividing the number of shares of Common Stock underlying the exchanged Eligible Option by the applicable exchange ratio and rounding up to the nearest share, subject to the terms and conditions described in the Offer to Exchange and in the related accompanying Terms of Election, the form of which is attached hereto as Exhibit (a)(1)(E).

The information set forth in the Offer to Exchange under “*Summary Term Sheet*”, Section 1 (“*Eligibility; Number of Options; Offer Expiration Date*”), Section 5 (“*Acceptance of Options for Exchange; Grant of Replacement Options*”) and “Section 7 (“*Price Range of Common Stock Underlying the Options*”)” of the Offering Memorandum for the Offer to Exchange contained in the Offer to Exchange (the “**Offering Memorandum**”) are incorporated herein by reference.

(c) *Trading Market and Price.*

The information set forth under “Section 7 (“*Price Range of Common Stock Underlying the Options*”)” of the Offering Memorandum is incorporated herein by reference.

Item 3. Identity and Background of Filing Person.

(a) *Name and Address.*

The Company is both the filing person and the subject company. The information set forth under Item 2(a) above and under Section 10 (“*Interests of Directors, Officers and Affiliates; Transactions and Arrangements Concerning our Securities*”) of the Offering Memorandum is incorporated herein by reference.

The address of each executive officer and director of the Company is:

Sage Therapeutics, Inc.
215 First Street
Cambridge, MA 02142

The executive officers and directors of the Company are set forth below:

Executive Officers	Title
Barry E. Greene	Chief Executive Officer and President
Kimi Iguchi	Chief Financial Officer and Treasurer
Christopher Benecchi	Chief Business Officer
Anne Marie Cook	Senior Vice President, General Counsel
Laura Gault, M.D., Ph.D.	Chief Medical Officer

Directors	
Barry E. Greene	Director
Elizabeth Barrett	Director
Michael F. Cola	Director
Jessica J. Federer	Director
James M. Frates	Director
Geno Germano	Director
George Golumbeski, Ph.D.	Director
Jeffrey M. Jonas, M.D.	Director
Steven Paul, M.D.	Director

Item 4. Terms of the Transaction.

(a) *Material Terms.*

The information set forth in the Offer to Exchange under “*Summary Term Sheet*” and the information set forth in the Offering Memorandum under Section 1 (“*Eligibility; Number of Options; Offer Expiration Date*”), Section 3 (“*Procedures for Electing to Exchange Options*”), Section 4 (“*Withdrawal Rights*”), Section 5 (“*Acceptance of Options for Exchange; Grant of Replacement Options*”), Section 6 (“*Conditions of this Offer*”), Section 9 (“*Information Concerning Sage*”), Section 11 (“*Status of Options Acquired by Us in this Offer; Accounting Consequences of this Offer*”), Section 12 (“*Agreements; Legal Matters; Regulatory Approvals*”), Section 13 (“*Material U.S. Federal Income Tax Consequences*”) and Section 14 (“*Extension of Offer; Termination; Amendment*”) are incorporated herein by reference.

(b) *Purchases.*

The information set forth under Section 10 (“*Interests of Directors, Officers and Affiliates; Transactions and Arrangements Concerning our Securities*”) of the Offering Memorandum is incorporated herein by reference.

Item 5. Past Contacts, Transactions, Negotiations and Agreements.

(e) *Agreements Involving the Subject Company’s Securities.*

The information set forth under Section 10 (“*Interests of Directors, Officers and Affiliates; Transactions and Arrangements Concerning our Securities*”) of the Offering Memorandum is incorporated herein by reference. The documents incorporated herein by reference as Exhibit (d)(1) through Exhibit (d) (4) also contain information regarding agreements relating to securities of the Company.

Item 6. Purposes of the Transaction and Plans or Proposals.

(a) *Purposes.*

The information set forth under Section 2 (“*Purpose of this Offer*”) of the Offering Memorandum is incorporated herein by reference.

(b) *Use of Securities Acquired.*

The information set forth under Section 5 (“*Acceptance of Options for Exchange; Grant of Replacement Options*”) and Section 11 (“*Status of Options Acquired by Us in this Offer; Accounting Consequences of this Offer*”) of the Offering Memorandum is incorporated herein by reference.

(c) *Plans.*

The information set forth under Section 2 (“*Purpose of this Offer*”) of the Offering Memorandum is incorporated herein by reference.

Item 7. Source and Amount of Funds or Other Consideration.

(a) *Source of Funds.*

The information set forth under Section 8 (“*Source and Amount of Consideration; Terms of Replacement Options*”) and Section 15 (“*Fees and Expenses*”) of the Offering Memorandum is incorporated herein by reference.

(b) *Conditions.*

The information set forth under Section 6 (“*Conditions of this Offer*”) of the Offering Memorandum is incorporated herein by reference.

(d) *Borrowed Funds.*

Not applicable.

Item 8. Interest in Securities of the Subject Company.

(a) *Securities Ownership.*

The information set forth under Section 10 (“*Interests of Directors, Officers and Affiliates; Transactions and Arrangements Concerning our Securities*”) of the Offering Memorandum is incorporated herein by reference.

(b) *Securities Transactions.*

The information set forth under Section 10 (“*Interests of Directors, Officers and Affiliates; Transactions and Arrangements Concerning our Securities*”) of the Offering Memorandum is incorporated herein by reference.

Item 9. Persons/Assets, Retained, Employed, Compensated or Used.

(a) *Solicitations or recommendations.*

Not applicable.

Item 10. Financial Statements.

(a) *Financial Information.*

The information set forth under Section 9 (“*Information Concerning Sage*”) and Section 16 (“*Additional Information*”) of the Offering Memorandum is incorporated herein by reference.

(b) *Pro Forma Information.*

Not applicable.

Item 11. Additional Information.

(a) *Agreements, Regulatory Requirements and Legal Proceedings.*

- (1) The information set forth under Section 10 (“*Interests of Directors, Officers and Affiliates; Transactions and Arrangements Concerning our Securities*”) of the Offering Memorandum is incorporated herein by reference.

- (2) The information set forth under Section 12 (“*Agreements; Legal Matters; Regulatory Approvals*”) of the Offering Memorandum is incorporated herein by reference.
- (3) Not applicable.
- (4) Not applicable.
- (5) Not applicable.

(c) *Other Material Information.*

Not applicable.

Item 12. Exhibits.

Exhibit Number	Description
(a)(1)(A)	Offer to Exchange Eligible Options for Replacement Options, dated January 23, 2024
(a)(1)(B)	Communication to Employees from Chief People and Experience Officer, sent December 8, 2023
(a)(1)(C)	Follow-up Email from Peter Castrichini to Employees, sent on January 23, 2024
(a)(1)(D)	Form of Announcement Email
(a)(1)(E)	Terms of Election
(a)(1)(F)	Form of Confirmation Email
(a)(1)(G)	Form of Reminder Email
(a)(1)(H)	Screenshots of Option Exchange Website
(a)(1)(I)	Option Exchange Frequently Asked Questions
(a)(1)(J)	Employee Presentation
(b)	Not applicable
(d)(1)	2014 Stock Option and Incentive Plan and forms of award agreements thereunder (incorporated by reference to Exhibit 10.2 of the Registrant’s Registration Statement on Form S-1 (File No. 333-196849) filed on July 8, 2014)
(d)(2)	Amended and Restated 2016 Inducement Equity Plan and forms of agreements thereunder, as amended and restated on September 20, 2018 (incorporated by reference to Exhibit 10.1 of the Registrant’s Quarterly Report on Form 10-Q (File No. 001-36544) filed on November 6, 2018)
(d)(3)	Form of Performance-Based Restricted Stock Unit Award Agreement Under the Sage Therapeutics, Inc. 2014 Stock Option and Incentive Plan (incorporated by reference to Exhibit 10.1 of the Registrant’s Quarterly Report on Form 10-Q (File No. 001-36544) filed on August 10, 2020)
(d)(4)	2014 Employee Stock Purchase Plan, as amended, dated June 16, 2022 (incorporated by reference to Exhibit 10.2 of the Registrant’s Quarterly Report on Form 10-Q (File No. 001-36544) filed on August 2, 2022)
(g)	Not applicable
(h)	Not applicable
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Item 13. Information Required by Schedule 13E-3.

Not applicable.

SIGNATURES

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

SAGE THERAPEUTICS, INC.

Date: January 23, 2024

By: /s/ Barry E. Greene
President and Chief Executive Officer

OFFER TO EXCHANGE ELIGIBLE OPTIONS FOR REPLACEMENT OPTIONS



SAGE THERAPEUTICS, INC.

**THIS OFFER AND WITHDRAWAL RIGHTS EXPIRE
AT 11:59 P.M., EASTERN TIME, ON FEBRUARY 20, 2024 UNLESS THIS OFFER IS EXTENDED**

Unless the context requires otherwise, references in this Offer to Exchange to "Sage," the "Company," "we," "us," and "our" refer to Sage Therapeutics, Inc.

Sage is offering eligible non-executive officer employees the opportunity to exchange certain outstanding stock options to purchase shares of our common stock for new options to purchase a lesser number of shares of our common stock (the "Replacement Options"), calculated in accordance with specified exchange ratios. We expect to grant the Replacement Options on the date on which we cancel the options accepted for exchange, which will be upon the first business day following completion of this offer. We are making this offer (the "Offer") upon the terms, and subject to the conditions, set forth in this Offer to Exchange Eligible Options for Replacement Options (this "Offer to Exchange") and in the related Terms of Election (the "Terms of Election" and, together with this Offer to Exchange, as they may be amended from time to time, the "Option Exchange"). **The consummation of the Option Exchange is subject to receiving stockholder approval of the Option Exchange at the special meeting of stockholders to be held on January 31, 2024.**

Eligibility. Only Eligible Options may be exchanged in the Option Exchange. For these purposes, "Eligible Options" are those options that:

- were granted pursuant to our 2014 Stock Option and Incentive Plan (the "2014 Plan") or our 2016 Inducement Equity Plan (the "2016 Inducement Plan" and, collectively with the 2014 Plan, "Equity Plans"); and
- have an exercise price equal to or greater than \$35.00 per share.

Options that do not satisfy these conditions are not eligible to participate in the Option Exchange.

You are eligible to participate in the Option Exchange (an "Eligible Holder") if you:

- are an employee of Sage or any of our subsidiaries on the date the Offer to Exchange commences and have not submitted a notice of resignation or termination, or been notified by Sage that your employment is being terminated;
- as of the date the Replacement Options are granted, you are an employee of Sage or any of our subsidiaries and have not submitted a notice of resignation or termination, or been notified by Sage that your employment is being terminated;
- are not an executive officer of Sage or a member of Sage's Board of Directors; and
- hold at least one Eligible Option as of the commencement of the Offer.

The outstanding options that you hold under the Equity Plans give you the right to purchase shares of our common stock once those options vest by paying the applicable exercise price (and satisfying any applicable tax withholding obligations). Thus, when we use the term “option” in this Offer to Exchange, we refer to the shares of common stock underlying those options you hold.

Exchange Ratios. We established the exchange ratios described below in order to result in a fair value of the Replacement Options that will be generally equal, on an aggregate basis, to the fair value of the Eligible Options that participants surrender. The exchange ratios in the Option Exchange represent the number of shares of common stock underlying an Eligible Option that an employee must surrender in order to receive one share underlying a Replacement Option, and vary based on the fair value of the Eligible Options within the relevant grouping.

The exchange ratios for the Option Exchange were determined using the Black-Scholes model and are based on, among other things, the volatility of our stock, the expected term of a stock option and interest rates. The exchange ratios were calculated to result in an aggregate fair value of the Replacement Options approximately equal to the aggregate current fair value of the Eligible Options they replace, measured as of November 1, 2023. The Board of Directors approved the Option Exchange and recommended that our stockholders do the same based on its belief that the Replacement Options granted in the Option Exchange will provide a better incentive and motivation to employees than the Eligible Options they currently hold (which are “underwater”, meaning the Eligible Options have an exercise price that is greater than the market price for our stock), while balancing the interests of our stockholders by reducing our total number of shares of common stock underlying outstanding options, avoiding further dilution to our stockholders and minimizing the accounting expense of the grants of Replacement Options. If we were to exchange the options on a one-for-one basis, but reduce the exercise price to the lower current fair market value of our common stock, the fair value of the Replacement Options and the associated accounting expense would be greater than the current fair value of the Eligible Options. Accordingly, the Replacement Options will cover fewer shares than the Eligible Options they replace to achieve the same relative fair value for accounting purposes.

The number of shares of our common stock subject to each Replacement Option, calculated according to the exchange ratios, will be rounded up to the nearest whole share on a grant-by-grant basis. Replacement Options to purchase fractional shares will not be granted and you will not receive any cash for fractional shares. As set forth in the table below, the applicable exchange ratios will vary based on the exercise price of the Eligible Option.

<u>Exercise Price Range per Share</u>	<u>Aggregate Number of Outstanding Eligible Options (as of January 16, 2024)</u>	<u>Exchange Ratio (Eligible Options to Replacement Options)</u>
\$35.00 to \$59.99	1,759,717	1.50 to 1
\$60.00 to \$99.99	879,193	2.25 to 1
\$100.00 to \$149.99	186,320	4.00 to 1
\$150.00 and above	679,450	5.00 to 1

If you are eligible to participate in the Option Exchange, you can exchange your Eligible Options on a grant-by-grant basis, *i.e.*, based on the original grant date and exercise price of the Eligible Option (referred to herein as a “separate option grant”). No partial exchanges of separate option grants will be permitted; however, you can choose to exchange one or more of your eligible separate option grants without having to exchange all of your eligible separate option grants. If you have previously exercised a portion of an eligible separate option grant, only the portion of the eligible separate option grant which has not yet been exercised will be eligible to be exchanged.

There are two types of stock options – incentive stock options and non-qualified stock options – and the tax treatment of each type is different. Some of your Eligible Option grants may consist entirely of one of these two types of options and some of your Eligible Option grants may consist of a mix of both types due to the application of certain limits on incentive stock options under U.S. tax laws. This “split” is determined automatically at the time of grant and is reflected in your Morgan Stanley at Work Shareworks (“Shareworks”) account and will also be reflected on the Option Exchange website. For this reason, you may see two awards listed as of any given grant date, one representing the portion of the grant that qualifies as incentive stock options and the other representing the portion of the grant treated as non-qualified stock options, although both awards are technically part of the same “grant” with the same grant date. For purposes of the Option Exchange, this “split” based on the tax status of the

option will be disregarded. As a result, both portions of an Eligible Option grant will be treated as one "grant" for purposes of the Option Exchange. On the Option Exchange website, you will see one election box for both the incentive stock option and non-qualified stock option components of an Eligible Option grant, and you must exchange all or none of such grant. See Section 13 of this Offer to Exchange entitled "Material U.S. Federal Income Tax Consequences" for further information.

All Eligible Options that we accept pursuant to the Option Exchange will be cancelled on the first business day following the expiration date of this Offer (the "Offer Expiration Date"), currently scheduled for 11:59 p.m., Eastern Time, on February 20, 2024, and Eligible Options elected for exchange will no longer be exercisable after that time. We expect to grant the Replacement Options on the business day following the Offer Expiration Date, with the date of grant for the Replacement Options referred to in this Offer to Exchange as the "Replacement Option Grant Date." The Replacement Options will have a per share exercise price equal to the per share closing price of our common stock on the Nasdaq Global Market ("Nasdaq"), on the Replacement Option Grant Date.

If you do not want to participate in the Option Exchange, no action by you is needed and you are not required to visit the Option Exchange website. If you choose not to participate in the Option Exchange, you will continue to hold your Eligible Options on the same terms and conditions and pursuant to the 2014 Plan and the option agreements under which they were originally granted.

Terms of Replacement Options. We will grant the Replacement Options under the 2014 Plan, on the Replacement Option Grant Date. In order to be granted a Replacement Option, you must remain continuously employed by Sage or any of our subsidiaries through the Replacement Option Grant Date.

The Replacement Options:

- will have a per share exercise price equal to the per share closing price of our common stock on Nasdaq on the Replacement Option Grant Date;
- will vest in equal monthly installments over a period of 18 months from the Replacement Option Grant Date, subject to continued service as an employee to Sage or any of our subsidiaries through the applicable vesting date;
- will have a term equal to seven years from the Replacement Option Grant Date;
- will be granted as non-qualified stock options, even if your surrendered Eligible Options were incentive stock options; and
- will have the terms and be subject to the conditions as provided for in the 2014 Plan and applicable option award agreement.

Although our Board of Directors has approved the Offer, neither we nor our Board of Directors make any recommendation as to whether you should elect to exchange or refrain from electing to exchange all or any of your Eligible Options. You must make your own decision regarding whether to elect to exchange all or any of your Eligible Options.

The Offer is not conditioned upon a minimum aggregate number of Eligible Options being surrendered for exchange. This Offer is subject to certain conditions which we describe in Section 6 of this Offer to Exchange entitled "Conditions of this Offer", including the approval of our stockholders at the special meeting.

If the market price of our common stock exceeds \$35.00 on the Replacement Option Grant Date, the Replacement Options that you receive in exchange for your Eligible Options may have a higher exercise price than some or all of your surrendered Eligible Options.

Our common stock is listed on Nasdaq under the symbol "SAGE." On January 22, 2024, the closing price of our common stock on Nasdaq was \$26.27 per share. **We recommend that you obtain current market quotations for our common stock before deciding whether to elect to exchange your Eligible Options.**

As of January 16, 2024, there were Eligible Options to purchase an aggregate of 3,504,680 shares of Common Stock outstanding under our existing Equity Plans, which, if exercised in full, would represent approximately 5.8% of our total common stock outstanding as of such date, which was 60,106,687 shares.

Please see the section below entitled “Risk Factors” for a discussion of risks and uncertainties that you should consider before surrendering your Eligible Options for exchange in the Option Exchange.

IMPORTANT

If you wish to participate in this Offer, you must submit your election electronically via the Option Exchange website at www.myoptionexchange.com on or before 11:59 p.m., Eastern Time, on February 20, 2024 (or such later time and date as may apply if the Offer to Exchange is extended). Election submissions or changes that are received after this deadline will not be accepted. In order to participate in this Offer and submit your election, you will be required to acknowledge your agreement to all of the terms and conditions of the Offer to Exchange as set forth in the Offer documents. If you do not wish to participate in this Offer, no action by you is needed and you are not required to visit the Option Exchange website.

Your delivery of all documents regarding the Option Exchange, including elections, is at your risk. Upon submission of an election via the Option Exchange website, a confirmation statement will be generated by the Option Exchange website at the time that you complete and submit your election. You should print and keep a copy of the confirmation statement for your records. A copy of the confirmation statement will also be sent to your email. The printed confirmation statement will provide evidence that you submitted your election. If you do not receive a confirmation, it is your responsibility to confirm that we have received your election. If you do not receive a confirmation, we recommend that you confirm that we have received your election by emailing sage@infiniteequity.com. Only responses that are properly completed and actually received by us by 11:59 p.m. Eastern Time on the Offer Expiration Date through the Option Exchange website at www.myoptionexchange.com will be accepted. Responses submitted by any other means, including hand delivery, interoffice, email, U.S. mail (or other post) and Federal Express (or similar delivery service), are not permitted. You should direct questions about this Offer and requests for additional copies of this Offer to Exchange and the other Offer documents by emailing Sage at compensation@sagerx.com.

We are not making this Offer to, nor will we accept any election to exchange options from or on behalf of, Eligible Holders in any jurisdiction in which this Offer or the acceptance of any election to exchange options would not be in compliance with the laws of that jurisdiction. However, we may, at our discretion, take any actions necessary or desirable for us to make this Offer to option holders in any such jurisdiction.

THIS OFFER TO EXCHANGE HAS NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE “SEC”) OR ANY STATE OR FOREIGN SECURITIES COMMISSION NOR HAS THE SEC OR ANY STATE OR FOREIGN SECURITIES COMMISSION PASSED UPON THE FAIRNESS OR MERITS OF THIS OFFER OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS OFFER TO EXCHANGE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

SAGE HAS NOT AUTHORIZED ANY PERSON TO MAKE ANY RECOMMENDATION ON OUR BEHALF AS TO WHETHER YOU SHOULD ELECT TO EXCHANGE OR REFRAIN FROM ELECTING TO EXCHANGE YOUR ELIGIBLE OPTIONS PURSUANT TO THIS OFFER. YOU SHOULD RELY ONLY ON THE INFORMATION CONTAINED IN THIS DOCUMENT OR OTHER INFORMATION TO WHICH WE HAVE REFERRED YOU. SAGE HAS NOT AUTHORIZED ANYONE TO GIVE YOU ANY INFORMATION OR TO MAKE ANY REPRESENTATION IN CONNECTION WITH THIS OFFER OTHER THAN THE INFORMATION AND REPRESENTATIONS CONTAINED IN THIS DOCUMENT OR IN THE RELATED TERMS OF ELECTION. IF ANYONE MAKES ANY RECOMMENDATION OR REPRESENTATION TO YOU OR GIVES YOU ANY INFORMATION, YOU MUST NOT RELY UPON THAT RECOMMENDATION, REPRESENTATION OR INFORMATION AS HAVING BEEN AUTHORIZED BY SAGE.

NOTHING IN THIS DOCUMENT SHALL BE CONSTRUED TO GIVE ANY PERSON THE RIGHT TO REMAIN IN THE EMPLOYMENT OR SERVICE OF SAGE OR ANY OF OUR SUBSIDIARIES OR TO AFFECT OUR RIGHT TO TERMINATE THE EMPLOYMENT OR SERVICE OF ANY PERSON AT ANY

TIME WITH OR WITHOUT CAUSE TO THE EXTENT PERMITTED UNDER LAW. NOTHING IN THIS DOCUMENT SHOULD BE CONSIDERED A CONTRACT OR GUARANTEE OF WAGES OR COMPENSATION.

SAGE RESERVES THE RIGHT TO AMEND OR TERMINATE THE EQUITY PLANS AT ANY TIME, AND THE GRANT OF A REPLACEMENT OPTION UNDER THE 2014 PLAN OR THIS OFFER DOES NOT IN ANY WAY OBLIGATE SAGE TO GRANT ADDITIONAL OPTIONS OR OFFER FURTHER OPPORTUNITIES TO PARTICIPATE IN ANY OPTION EXCHANGE IN ANY FUTURE YEAR. THE GRANT OF AN OPTION AND ANY FUTURE OPTIONS GRANTED UNDER THE EQUITY PLANS OR IN RELATION TO THIS OFFER IS WHOLLY DISCRETIONARY IN NATURE AND IS NOT TO BE CONSIDERED PART OF ANY NORMAL OR EXPECTED COMPENSATION FOR ANY PURPOSE, INCLUDING WITHOUT LIMITATION, CALCULATING ANY SEVERANCE, RESIGNATION, REDUNDANCY, TERMINATION, BONUS, PENSION OR RETIREMENT PAYMENTS, WELFARE BENEFITS OR SIMILAR PAY OR BENEFITS, OTHER THAN TO THE EXTENT REQUIRED BY LOCAL LAW.

SUMMARY TERM SHEET

The following are answers to some of the questions that you may have about this Offer to Exchange. We urge you to read carefully the following questions and answers, as well as the remainder of this Offer to Exchange. Where applicable, we have included section references to the remainder of this Offer to Exchange where you can find a more complete description of the topics in this question and answer summary. We suggest that you consult with your personal financial, legal and/or tax advisors before deciding whether to participate in this Offer to Exchange. Please review this summary term sheet and questions and answers, and the remainder of this Offer to Exchange and the Terms of Election to ensure that you are making an informed decision regarding your participation in this Offer.

For your ease of use, the questions and answers in this Summary Term Sheet have been separated into three sections, (i) option exchange design questions, (ii) administrative and timing questions and (iii) other important questions.

Option Exchange Design Questions

What is the Option Exchange?

The Option Exchange is being offered by Sage to allow eligible employees of Sage to exchange their outstanding stock options that were granted under the 2014 Plan or our 2016 Inducement Plan that have exercise prices equal to or greater than \$35.00, for new options covering a lesser amount of shares, which we refer to as "Replacement Options". The number of shares subject to Replacement Options that will be granted in exchange for existing Eligible Options will be determined by the exchange ratios described below. The Replacement Options will be granted on the date on which we cancel the Eligible Options accepted for exchange, which we expect will be the first business day following the expiration date of this Offer. The Replacement Options will have an exercise price equal to the closing price of our common stock on Nasdaq on the date the Replacement Options are granted, which we refer to as the Replacement Option Grant Date. The Replacement Options will be subject to the terms and conditions as provided for in our 2014 Plan. Each Replacement Option will have a term equal to seven years from the Replacement Option Grant Date.

Replacement Options will vest in equal monthly installments over a period of 18 months from the Replacement Option Grant Date, subject to continued service as an employee to Sage or any of our subsidiaries through the applicable vesting date.

Why are we making this Offer?

An objective of our equity incentive programs has been, and continues to be, to align the interests of equity incentive plan participants with those of our stockholders, and we believe that the Option Exchange is an important component in our efforts to achieve that goal. We are implementing the Option Exchange using exchange ratios designed to result in potential grants of Replacement Options with a fair value that, in the aggregate, will be approximately equal to the fair value of the Eligible Options that are surrendered in the Option Exchange.

A significant majority of our employees' options have exercise prices that exceed, in some cases significantly, the current trading price of our common stock, which remains below historical levels. We face significant competition for experienced and talented personnel in our industry, and stock options are an important part of our incentive compensation. We believe that significantly underwater stock options are less effective as performance incentives because they provide less or no perceived value to employee option holders, as stock options cannot be sold and only provide value to the holder when there is a positive spread between the exercise price and the current stock price.

As of December 31, 2023, we had a total of 8,118,041 shares of common stock subject to outstanding stock options under our Equity Plans, with a range in exercise prices from \$1.36 per share to \$192.33 per share. As a result, we have developed a significant stock option "overhang" consisting of outstanding but unexercised options, many of which are underwater and therefore not serving their intended purposes of motivating and retaining employees. Pursuant to the Option Exchange, participants will receive new stock options covering a smaller number of shares than are covered by the surrendered stock options. If all Eligible Options are exchanged in the Option

Exchange, we estimate that the net reduction in our equity overhang could be up to 16% of our overhang and 3.0% of our fully diluted share count, based on 60,043,643 shares outstanding as of December 31, 2023. Surrendered Eligible Options will be cancelled and will not be returned to the pool of shares available for future grant under the Equity Plans.

The Option Exchange is voluntary and will allow Eligible Holders to choose whether to keep their Eligible Options at existing exercise prices and terms or to exchange those options for Replacement Options with new exercise prices. We intend the Option Exchange to enable Eligible Holders to recognize value from their options, but this cannot be guaranteed considering the unpredictability of the stock market and vesting terms contingent upon continued employment. (See Section 2 of the Offer to Exchange entitled “Purpose of this Offer” for additional information.)

Subject to the limitations set forth in Sections 6 and 14 of the Offer to Exchange entitled “Conditions of this Offer” and “Extension of Offer; Termination; Amendment,” respectively, we reserve the right, before the Offer Expiration Date, to terminate or amend this Offer to Exchange and to postpone our acceptance and cancellation of any Eligible Options elected for exchange if at any time on or after the date of commencement of the Offer to Exchange and prior to the Offer Expiration Date certain events have occurred, including any increase or decrease of greater than 33% of the market price of our common stock that occurs during the offer period as measured from \$26.27, which was the closing price of our common stock on Nasdaq on January 22, 2024, or if we do not receive approval of the Option Exchange by our stockholders.

How does the Option Exchange work?

We are offering eligible employees the opportunity to exchange their outstanding options that were issued under the Equity Plans and have exercise prices equal to or greater than \$35.00 for a predetermined number of Replacement Options, rounded up to the nearest whole share, based on the exchange ratios described in the table below. The outstanding options that you hold give you the right to purchase our shares of common stock once you exercise those options by paying the applicable exercise price of those options (and satisfying any applicable tax withholding obligations). Thus, when we use the term “options” in this Offer to Exchange, we refer to the actual options you hold to purchase our shares of common stock and not the shares of common stock underlying those options.

Replacement Options will be granted with a per share exercise price equal to the per share closing price of our common stock on Nasdaq on the Replacement Option Grant Date, which we expect to be the first business day following the Offer Expiration Date. Participating in the Option Exchange requires an eligible employee to make a voluntary election to tender Eligible Options on or before 11:59 p.m., Eastern Time, on February 20, 2024 (the “Offer Expiration Date”), unless this Offer is extended, after which time such election will be irrevocable.

The exchange ratios in the Option Exchange represent the number of shares of common stock underlying an Eligible Option that an employee must surrender in order to receive one share of common stock underlying a Replacement Option, and vary based on the exercise price of the Eligible Options and the fair value of the Eligible Options within the relevant grouping. The exchange ratios for the Option Exchange were determined using the Black-Scholes model and are based on, among other things, the volatility of our stock, the expected term of a stock option and interest rates. The exchange ratios were calculated to result in an aggregate fair value of the Replacement Options approximately equal to the aggregate current fair value of the Eligible Options they replace, measured as of November 1, 2023, in order to balance the compensatory goals of the Option Exchange and the interests of our stockholders, including reducing our total number of shares of common stock underlying outstanding options, avoiding further dilution to our stockholders and minimizing the accounting expense of the grants of Replacement Options. The number of shares of common stock underlying each Replacement Option will be calculated according to the exchange ratios and will be rounded up to the nearest whole share on a grant-by-grant basis (based on the grant date of the Eligible Option). Replacement Options to purchase fractional shares will not be granted and cash will not be paid for any fractional shares. As set forth in the table below, the applicable exchange ratios will vary based on the exercise price of the Eligible Option.

Exercise Price Range per Share	Aggregate Number of Shares Subject to Outstanding Eligible Options (as of January 16, 2024)	Exchange Ratio (Eligible Options to Replacement Options)
\$35.00 to \$59.99	1,759,717	1.50 to 1
\$60.00 to \$99.99	879,193	2.25 to 1
\$100.00 to \$149.99	186,320	4.00 to 1
\$150.00 and above	679,450	5.00 to 1

The per share exercise price of the Replacement Options will be the per share closing price of our common stock on Nasdaq on the Replacement Option Grant Date.

Unless prevented by law or applicable regulations, Eligible Options accepted for exchange will be cancelled, and Replacement Options will be granted under the 2014 Plan.

Example

To illustrate how the exchange ratios work, assume that:

- You are a non-executive officer employee of Sage as of the Offer commencement date and remain an employee through the Offer Expiration Date.
- You have four existing option grants each to purchase 1,000 shares of common stock with corresponding per share exercise prices of: \$152.05 (hypothetical grant date of November 25, 2019), \$79.88 (hypothetical grant date of November 24, 2020), \$40.01 (hypothetical grant date of November 24, 2021) and \$31.87 (hypothetical grant date of June 14, 2022). Each option vests as to 25% of the shares subject to the option on the first anniversary of the vesting commencement date, and as to the remainder in 36 equal monthly installments thereafter, subject to continued service.
- Solely for purposes of illustration, the Replacement Option Grant Date is January 22, 2024.

If you elect to participate in the Offer:

- You will only be able to elect to exchange your three existing option grants with per share exercise prices of \$152.05, \$79.88 and \$40.01 for Replacement Options. Your election to exchange can cover zero shares or all 1,000 shares of each separate option grant (*i.e.*, with the same exercise price and grant date). You cannot elect to exchange less than the full amount of a separate option grant. For example, you cannot elect to exchange 500 shares of the option grant with the exercise price of \$152.05, \$79.88 and \$40.01. Instead, you can elect to exchange either all options with that exercise price, or none. If you have previously exercised a portion of an eligible separate option grant, only the portion of the Eligible Option grant which has not yet been exercised will be eligible to be exchanged.
- You will not be able to elect to exchange your existing option grant with a per share exercise price of \$31.87 for a Replacement Option because the exercise price for this option grant is less than \$35.00.
- All the Replacement Options will vest in equal monthly installments over a period of 18 months following the Replacement Option Grant Date, subject to your continued service to Sage or any of our subsidiaries as an employee on the applicable vesting date.
- The Replacement Options will have an exercise price per share of \$26.27, which was the closing price of our common stock on Nasdaq on January 22, 2024.

Under these facts, the table below shows the number of shares of common stock subject to each Replacement Option you would receive were you to participate in the Offer and elect to exchange the existing Eligible Options with per share exercise prices of \$152.05, \$79.88 and \$40.01.

<u>Grant Date of Eligible Option</u>	<u>Exercise Price of Eligible Option</u>	<u>Cancelled Shares Subject To Eligible Option</u>	<u>Exchange Ratio</u>	<u>Shares Subject to Replacement Option</u>
November 25, 2019	\$ 152.05	1,000	5.00 to 1	200
November 24, 2020	\$ 79.88	1,000	2.25 to 1	445
November 24, 2021	\$ 40.01	1,000	1.50 to 1	667

Which options are eligible for this Offer?

Options eligible for exchange are those held by employees who are not executive officers that were issued under the Equity Plans and have exercise prices equal to or greater \$35.00. Members of the Sage Board of Directors are not eligible to participate in the Offer. If you are eligible to participate in the Option Exchange, the Option Exchange website will indicate which of your stock options are eligible for exchange.

Eligible Options that expire pursuant to their terms prior to the completion of the Option Exchange will be forfeited as of the Offer Expiration Date and will not be eligible to be exchanged for Replacement Options.

Who is eligible to participate in this Offer?

You are eligible to participate in the Offer if you:

- are an employee of Sage or any of our subsidiaries on the date the Offer to Exchange commences and have not submitted a notice of resignation or termination, or been notified by Sage that your employment is being terminated;
- as of the date the Replacement Options are granted, you are an employee of Sage or any of our subsidiaries and have not submitted a notice of resignation or termination, or been notified by Sage that your employment is being terminated;
- are not an executive officer of Sage or a member of Sage's Board of Directors; and
- hold at least one Eligible Option as of the commencement of the Offer.

What if I leave Sage before the Offer Expiration Date?

If you are no longer employed with Sage or any of our subsidiaries, whether voluntarily, involuntarily, or for any other reason, or have submitted a notice of resignation or termination, or been notified by Sage that your employment is being terminated, before the Offer Expiration Date, you will not be able to participate in this Offer.

ACCORDINGLY, IF YOU ARE NOT AN ELIGIBLE EMPLOYEE OF SAGE AS DESCRIBED ABOVE ON THE OFFER EXPIRATION DATE, EVEN IF YOU HAD ELECTED TO PARTICIPATE IN THIS OFFER AND HAD TENDERED SOME OR ALL OF YOUR OPTIONS FOR EXCHANGE, YOUR TENDER WILL AUTOMATICALLY BE DEEMED WITHDRAWN AND YOU WILL NOT PARTICIPATE IN THIS OFFER, AND YOU WILL RETAIN YOUR OUTSTANDING OPTION(S) IN ACCORDANCE WITH THEIR CURRENT TERMS AND CONDITIONS. IN THE CASE OF A TERMINATION OF YOUR SERVICE, YOU MAY BE ENTITLED TO EXERCISE YOUR OUTSTANDING OPTION(S) BY PAYING THE CURRENT EXERCISE PRICE DURING A LIMITED PERIOD OF TIME FOLLOWING THE TERMINATION OF SERVICE IN ACCORDANCE WITH THEIR TERMS TO THE EXTENT THAT THEY ARE VESTED AS OF SUCH TERMINATION OF SERVICE. See Section 1 of the Offer to Exchange entitled "Eligibility; Number of Options; Offer Expiration Date" and Section 5 of the Offer to Exchange entitled "Acceptance of Options for Exchange; Grant of Replacement Options" for additional information.

Why aren't the exchange ratios set at one-for-one?

The exchange ratios were calculated to result in an aggregate fair value of the Replacement Options approximately equal to the aggregate current fair value of the Eligible Options they replace, measured as of November 1, 2023, in order to balance the compensatory goals of the option exchange and the interests of our stockholders, which include reducing our total number of outstanding options, avoiding further dilution to our

stockholders, and minimizing the accounting expense of the grants of Replacement Options. If we were to exchange the options on a one-for-one basis, but reduce the exercise price to the lower current fair market value of our common stock, the fair value of the Replacement Options and the associated accounting expense would be greater than the current fair value of the Eligible Options. Accordingly, the higher-value Replacement Options will cover fewer shares than the lower-value Eligible Options they replace to achieve the same relative fair value for accounting purposes.

If I participate, what will happen to my exchanged options?

Eligible Options that you elect to exchange will be cancelled on first business day following the Offer Expiration Date, which is currently scheduled for 11:59 p.m., Eastern Time, on February 20, 2024, unless this Offer is extended. Eligible Options cancelled in the Option Exchange will not be returned to the pool of shares available for issuance under the Equity Plans.

If I elect to exchange some of my Eligible Options, do I have to elect to exchange all of my Eligible Options?

No. You may elect to exchange your Eligible Options on a grant-by-grant basis (determined based on options having the same grant date and exercise price). If you elect to exchange any portion of an eligible separate option grant in the Offer, you must elect to exchange the entire eligible separate option grant. No partial exchanges of separate option grants will be permitted.

There are two types of stock options – incentive stock options and non-qualified stock options – and the tax treatment of each type is different. Some of your Eligible Option grants may consist entirely of one of these two types of options and some of your Eligible Option grants may consist of a mix of both types due to the application of certain limits on incentive stock options under U.S. tax laws. This “split” is determined automatically at the time of grant and is reflected in your Morgan Stanley at Work Shareworks (“Shareworks”) account and will also be reflected on the Option Exchange website. For this reason, you may see two awards listed as of any given grant date, one representing the portion of the grant that qualifies as incentive stock options and the other representing the portion of the grant treated as non-qualified stock options, although both awards are technically part of the same “grant” with the same grant date. For purposes of the Option Exchange, this “split” based on the tax status of the option will be disregarded. As a result, both portions of an Eligible Option grant will be treated as one “grant” for purposes of the Option Exchange. On the Option Exchange website, you will see one election box for both the incentive stock option and non-qualified stock option components of an Eligible Option grant, and you must exchange all or none of such grant. See Section 13 of this Offer to Exchange entitled “Material U.S. Federal Income Tax Consequences” for further information.

What happens to Eligible Options that I choose not to exchange or that you do not accept for exchange?

Eligible Options that you choose not to exchange or that we do not accept for exchange will remain outstanding and will retain their existing terms, exercise prices and vesting schedules.

Will I receive non-qualified stock options or incentive stock options if I participate in this Offer?

All Replacement Options issued in the Option Exchange will be granted as non-qualified stock options, even if your exchanged option was an incentive stock option. See Section 13 of the Offer to Exchange entitled “Material U.S. Federal Income Tax Consequences” for additional information.

What are the conditions to this Offer?

This Offer is subject to the conditions described in Section 6, including approval of the Option Exchange by our stockholders at the special meeting to be held on January 31, 2024. This Offer is not conditioned upon a minimum aggregate number of options being elected for exchange. (See Section 6 of the Offer to Exchange entitled “Conditions of this Offer” for additional information.)

Administrative and Timing Questions

How do I participate in this Offer?

1. If you choose to participate in the Option Exchange, you must take the following action on or before 11:59 p.m., Eastern Time, on the Offer Expiration Date: Click on the link to the Option Exchange website in the announcement email you received from Infinite Equity on January 23, 2024, announcing the Option Exchange, or go to the Option Exchange website at <https://www.myoptionexchange.com>. Log in to the Option Exchange website using the login instructions provided to you in the announcement email (or if you previously logged into the Option Exchange website, your updated login credentials).
2. After logging in to the Option Exchange website, review the information and proceed through to the "Election Form" page. You will be provided with personalized information regarding each Eligible Option grant you hold, including:
 - the grant date of the Eligible Option grant;
 - the per share exercise price of the Eligible Option grant;
 - the number of vested shares of Sage common stock subject to the Eligible Option grant as of February 20, 2024 (assuming vesting in accordance with the applicable vesting schedule, and no exercise or early termination occurs, through such date); and
 - the hypothetical number of shares of our common stock subject to the Replacement Option that would be granted in exchange for the tendered Eligible Option grant if the election is made and the Option Exchange proceeds.
3. On the "Election Form" page, make your selection next to each of your Eligible Option grants to indicate which Eligible Option grants you choose to tender in the Option Exchange by selecting "Exchange" or choose not to tender in the Option Exchange by selecting "Do Not Exchange." If you do not select the "Exchange" choice with respect to an Eligible Option, your election with respect to that Eligible Option will default to "Do Not Exchange." In that event, the Eligible Option will not be exchanged.
4. Proceed through the Option Exchange website by following the instructions provided. Review your election and confirm that you are satisfied with your election. After reviewing, acknowledging and agreeing to the terms and conditions stated on the Confirm Elections page and in the Option Exchange documents, submit your election. If you do not acknowledge and agree to the terms and conditions, you will not be permitted to submit your election.
5. Upon submitting your election, a confirmation statement will be generated by the Option Exchange website. Please print and keep a copy of the confirmation statement for your records. A copy of the confirmation statement will also be sent to your email. At this point, you will have completed the election process via the Option Exchange website.

It is your responsibility to confirm that we have received your correct election before the deadline. If you do not receive a confirmation, we recommend that you confirm that we have received your election by emailing sage@infiniteequity.com. We must receive your properly completed and submitted election by the Offer Expiration Date of the Option Exchange, currently expected to be 11:59 p.m., Eastern Time, on February 20, 2024. If you are unable to submit your election via the Option Exchange website as a result of technical failures of the Option Exchange website such as the Option Exchange website being unavailable or the Option Exchange website not enabling you to submit your election, please email sage@infiniteequity.com.

If you wish to exchange any portion of an individual Eligible Option grant in the Option Exchange, you must exchange the entire individual Eligible Option grant. No partial exchanges of an Eligible Option grant will be permitted. As discussed above, some of your Eligible Option grants may consist of both incentive stock options and non-qualified stock options due to the application of certain limits on incentive stock options under U.S. tax law. For this reason, you may see two awards listed as of any given grant date, one representing the portion of the grant that qualifies as incentive stock options and the other representing the portion of the grant that qualifies as non-qualified

stock options. For purposes of the Option Exchange, this “split” based on the tax status of the option will be disregarded. As a result, both portions of an Eligible Option grant will be treated as one “grant” for purposes of the Option Exchange. On the Option Exchange website, you will see one election box for both the incentive stock option and non-qualified components of an Eligible Option, and you must exchange all or none of such grant.

If you hold more than one Eligible Option grant, however, you may choose to exchange one or more of such individual Eligible Option grants, on a grant-by-grant basis, without having to exchange all of your Eligible Option grants. If you are eligible to participate in the Option Exchange, the Option Exchange website will list all of your Eligible Option grants.

How do I find out the details about my existing options?

Certain information regarding your Eligible Options will be provided to you on the Option Exchange website. To access the Option Exchange Website:

1. Click on the link to the Option Exchange website in the announcement email you received from Infinite Equity on January 23, 2024, announcing the commencement of the Option Exchange, or go to the Option Exchange website at <https://www.myoptionexchange.com>. Log in to the Option Exchange website using the login instructions provided to you in the announcement email (or if you previously logged into the Option Exchange website, your updated login credentials).
2. After logging in to the Option Exchange website, review the information and proceed through to the “Election Form” page. You will be provided with personalized information regarding each Eligible Option grant you hold, including:
 - the grant date of the Eligible Option grant;
 - the per share exercise price of the Eligible Option grant;
 - the number of vested shares of Sage common stock subject to the Eligible Option grant as of February 20, 2024 (assuming vesting in accordance with the applicable vesting schedule, and no exercise or early termination occurs, through such date); and
 - the hypothetical number of shares of our common stock subject to the Replacement Option that would be granted in exchange for the tendered Eligible Option grant if the election is made and the Option Exchange proceeds.

If you believe there is an error with respect to your personalized information presented on the Option Exchange website, please contact compensation@sagerx.com. If you are unable to submit your election via the Option Exchange website as a result of technical failures of the Option Exchange website such as the Option Exchange website being unavailable or the Option Exchange website not enabling you to submit your election, please email sage@infiniteequity.com.

For further details about your existing options, you should refer to the Equity Plans and the option award agreement for your Eligible Options which are available on the Shareworks website.

What will happen if I do not submit my election by the deadline?

If you do not submit your election by the deadline, then you will not be permitted to participate in this Offer, and all options currently held by you will remain in effect at their original exercise price and subject to their original terms and conditions.

Please note that if you do not wish to participate in this Offer, no action by you is needed and you are not required to visit the Option Exchange website. (See “Risk Factors” for additional information.)

IF YOU FAIL TO PROPERLY SUBMIT YOUR ELECTION BY THE DEADLINE, YOU WILL NOT BE PERMITTED TO PARTICIPATE IN THIS OFFER.

During what period of time can I withdraw or change my previous elections?

You can withdraw or change your previously submitted election to exchange or not exchange Eligible Options at any time on or before 11:59 p.m., Eastern Time, on the Offer Expiration Date, which is scheduled to occur on February 20, 2024, unless extended by us. If this Offer is extended beyond February 20, 2024, you can withdraw or change your election at any time until the extended expiration date of this Offer.

Election Changes and Withdrawals via the Option Exchange Website:

Participation in this Offer is voluntary. If you choose to participate in this Offer, you must do the following on or before the Offer Expiration Date, which is expected to be 11:59 p.m., Eastern Time, on February 20, 2024.

1. Log in to the Option Exchange website at www.myoptionexchange.com.
2. After logging in to the Option Exchange website, review the information and proceed through to the “Election Form” page, where you will find personalized information regarding each Eligible Option grant you hold, including:
 - the grant date of the Eligible Option grant;
 - the per share exercise price of the Eligible Option grant;
 - the number of vested shares of our common stock subject to the Eligible Option grant as of February 20, 2024 (assuming vesting in accordance with the applicable vesting schedule, and no exercise or early termination occurs, through such date); and
 - the hypothetical number of shares of our common stock subject to the Replacement Option that would be granted in exchange for the tendered Eligible Option grant if the election is made and the Option Exchange proceeds.
3. On the “Election Form” page, change your selection next to each of your Eligible Option grants to indicate which Eligible Option grants you choose to tender in the Option Exchange by selecting “Exchange” or choose not to tender in the Option Exchange by selecting “Do Not Exchange.” If you do not select the “Exchange” choice with respect to an Eligible Option, your election with respect to that Eligible Option will default to “Do Not Exchange.” In that event, the Eligible Option will not be exchanged.
4. Proceed through the Option Exchange website by following the instructions provided. Review your election and confirm that you are satisfied with your election. After reviewing, acknowledging and agreeing to the terms and conditions stated on the Confirm Elections page and in the Option Exchange documents, submit your election. If you do not acknowledge and agree to the terms and conditions, you will not be permitted to submit your election.
5. Upon submitting your election, a confirmation statement will be generated by the Option Exchange website. Please print and keep a copy of the confirmation statement for your records. A copy of the confirmation statement will also be sent to your email. At this point, you will have completed the process for changing your previous election or withdrawing from participation in the Option Exchange via the Option Exchange website.

It is your responsibility to confirm that we have received your correct election before the deadline. If you do not receive a confirmation, we recommend that you confirm that we have received your election by emailing sage@infiniteequity.com. In all cases, the last election submitted and received prior to the deadline will be final and irrevocable. (See Section 4 of the Offer to Exchange entitled “Withdrawal Rights” for additional information.)

AFTER THE DEADLINE TO WITHDRAW OR CHANGE YOUR ELECTION HAS OCCURRED, YOU WILL NOT BE PERMITTED TO WITHDRAW OR CHANGE YOUR ELECTION.

Can I exchange the remaining portion of an Eligible Option grant that I have already partially exercised?

Yes, any unexercised portion of an eligible separate option grant can be exchanged. If you have previously exercised a portion of an Eligible Option grant, only the portion of that option grant that has not yet been exercised will be eligible to be exchanged. The Replacement Option will only replace the portion of Eligible Option grant that is cancelled upon the expiration of this Offer.

Can I select which of my Eligible Options to exchange?

Yes. You can exchange your Eligible Options on a grant-by-grant basis, determined based on the current exercise price of the Eligible Option. However, no partial exchanges of eligible separate option grants will be permitted.

Can I exchange both vested and unvested Eligible Options?

Yes. You can exchange Eligible Options, whether or not they are vested. The vesting schedule for Replacement Options is described below.

What will be my new option exercise price?

The per share exercise price of the Replacement Options will be the per share closing price of our common stock on Nasdaq on the Replacement Option Grant Date, which is expected to occur on the first business day following the Offer Expiration Date. IF THE MARKET PRICE OF OUR COMMON STOCK INCREASES BEFORE THE REPLACEMENT OPTION GRANT DATE, THE REPLACEMENT OPTIONS THAT YOU RECEIVE IN EXCHANGE FOR YOUR ELIGIBLE OPTIONS MAY HAVE A HIGHER EXERCISE PRICE THAN SOME OR ALL OF YOUR ELIGIBLE OPTIONS. (See Section 1 of the Offer to Exchange entitled "Eligibility; Number of Options; Offer Expiration Date," Section 2 of the Offer to Exchange entitled "Purpose of this Offer" and "Risk Factors" for additional information.)

When will the Replacement Options be granted?

We expect to grant the Replacement Options on the first business day following the Offer Expiration Date, which is the date we cancel options elected for exchange. The Offer Expiration Date is currently scheduled for February 20, 2024. If this Offer is extended beyond February 20, 2024, then we expect that the Replacement Options will be granted promptly following the expiration date of the extended Offer. (See Section 8 of the Offer to Exchange entitled "Source and Amount of Consideration; Terms of Replacement Options" for additional information.)

When will the Replacement Options vest?

Replacement Options will vest in equal monthly installments over a period of 18 months from the Replacement Option Grant Date, subject to your continued service to Sage or any of our subsidiaries as an employee through the applicable vesting date.

Like all of our outstanding options, the vesting of the Replacement Options is dependent upon continued service to Sage as an employee through the applicable vesting date. Replacement Options are subject to the terms and conditions as provided for in the 2014 Plan and may be forfeited if not vested at the time of a termination of service as an employee. (See Section 8 of the Offer to Exchange entitled "Source and Amount of Consideration; Terms of Replacement Options" for additional information.)

What will be the terms and conditions of my Replacement Options?

Replacement Options will have terms and conditions set forth in the 2014 Plan and will be subject to an applicable form of option award agreement. In addition, the number of shares subject to the Replacement Options and the Replacement Options' exercise prices and vesting dates will be different from such terms that are applicable

to Eligible Options, but the Replacement Options will otherwise have terms and conditions generally similar to the surrendered Eligible Options, including any provisions in an option agreement or other agreement providing for extended exercisability upon certain terminations.

You are encouraged to consult the 2014 Plan and the form of option award agreement for complete information about the terms of the Replacement Options, which are available through Sage's option administration website, www.shareworks.solium.com. Each Replacement Option will have a term equal to seven years from the Replacement Option Grant Date, subject in most cases to earlier expiration of the option following termination of your employment with Sage or any of our subsidiaries. (See Section 8 of the Offer to Exchange entitled "Source and Amount of Consideration; Terms of Replacement Options" for additional information.)

What if my employment with Sage is terminated after the Replacement Options are granted?

If your employment with Sage or any of our subsidiaries is terminated for any reason after the Replacement Option has been granted, you will forfeit any shares of common stock underlying your Replacement Options that are unvested at the date of your termination, subject to any provisions providing for accelerated vesting. You may exercise your Replacement Options that are vested as of the date of your termination within the time set forth in your option award agreement (generally, within three months following the date of your termination of employment). (See Section 8 of the Offer to Exchange entitled "Source and Amount of Consideration; Terms of Replacement Options" for additional information.)

What happens if Sage is subject to a change in control AFTER the Replacement Options are granted?

Although we are not currently contemplating a merger or similar transaction that could result in a change in control of our Company, we reserve the right to take any actions that we deem necessary or appropriate to complete a transaction that our Board of Directors believes is in the best interest of our Company and our stockholders. It is possible that, after the grant of Replacement Options, we could undertake a transaction, such as a merger or other similar transaction, as a result of which the current share ownership of our Company would change such that a new group of stockholders would hold the number of votes necessary to control stockholder voting decisions. We refer to this type of transaction as a "change in control" transaction.

For information about the change in control provisions governing your Eligible Options, you can refer to our 2014 Plan and the prospectus for the 2014 Plan. Your option award agreement(s) and certain other agreements between you and Sage may also contain provisions that affect the treatment of your options in the event of a change in control.

What happens if Sage is subject to a change in control BEFORE the Replacement Options are granted?

Although we are not currently contemplating a merger or similar transaction that could result in a change in control of our Company, we reserve the right to take any actions that we deem necessary or appropriate to complete a transaction that our Board of Directors believes is in the best interest of our Company and our stockholders. This could include terminating this Offer and/or your right to receive Replacement Options under this Offer. If we were to terminate your right to receive Replacement Options under this Offer in connection with such a transaction, your Eligible Options would remain outstanding pursuant to their original terms.

Any change in control transaction, or announcement of such transaction, could have a substantial effect on our share price, including potentially substantial appreciation in the price of our common stock. Depending on the structure of such a transaction, price appreciation in the common stock associated with the Replacement Options could be drastically altered. For example, if our shares of common stock were to be acquired in a cash merger, the fair market value of our shares, and hence the price at which we grant the Replacement Options, would likely be a price at or near the cash price being paid for the common stock in the transaction. As a result of such a transaction, it is possible that the exercise price of the Replacement Options may be higher than you might otherwise anticipate. In addition, in the event of an acquisition of our Company for stock, tendering Eligible Holders might have their Replacement Options convert into options to purchase shares of a different issuer. (See Section 2 of the Offer to Exchange entitled "Purpose of this Offer" for additional information.)

Are there other circumstances where I would not be granted Replacement Options?

Yes. Even if we accept your tendered options, we will not grant Replacement Options to you if we are prohibited by applicable law or regulations from doing so, or until all necessary government approvals have been obtained. We will use reasonable efforts to avoid a prohibition, but if prohibited by applicable law or regulation on the Offer Expiration Date, you will not be granted Replacement Options, if at all, until all necessary government approvals have been obtained.

Under the terms of the Equity Plans, we are also required to receive approval from our stockholders of the Option Exchange. The consummation of the Offer therefore is subject to our stockholders approving the Option Exchange at the special meeting to be held on January 31, 2024. If our stockholders do not approve the Option Exchange at the special meeting, the Offer will be terminated and all options currently held by you will remain in effect at their original exercise price and subject to their original terms and conditions.

In addition, we will not grant Replacement Options to you if you are not an Eligible Holder on the Replacement Option Grant Date. Please see Section 12 of the Offer to Exchange entitled “Agreements; Legal Matters; Regulatory Approvals” for additional information.

After the Offer Expiration Date, what happens if my options end up underwater again?

The price of our common stock may not appreciate over the long term, and your Replacement Options may become underwater after the Offer Expiration Date. WE CAN PROVIDE NO ASSURANCE AS TO THE PRICE OF OUR COMMON STOCK AT ANY TIME IN THE FUTURE. (See Section 2 of the Offer to Exchange entitled “Purpose of this Offer” for additional information.)

Other Important Questions

What are the U.S. federal income tax consequences of my participation in this Offer?

This Offer includes disclosures regarding the expected material U.S. federal income tax consequences of the proposed option exchange. These disclosures do not address any other tax considerations (such as state, local or foreign taxes) to which you may be subject. You should review these disclosures carefully before deciding whether or not to participate in this Offer. These disclosures are provided for your general information only, and do not constitute any tax, legal or financial advice from the Company to you, nor any recommendation from the Company to you regarding whether or not you should participate in the Offer. You are cautioned that U.S. federal income tax laws and regulations are technical in nature and their application may vary in individual circumstances, and are subject to change at any time. If you are subject to the tax laws of a country other than the U.S., even if you are a resident of the U.S., you should be aware that there may be other tax consequences that may apply to you. Tax consequences may vary depending on each individual’s circumstances. Consequently, you are urged to consult your tax advisor with respect to any questions you may have about your participation in the Offer.

Please also see Section 13 of the Offer to Exchange entitled “Material U.S. Federal Income Tax Consequences” for additional information.

How should I decide whether or not to participate?

The decision to participate must be your personal decision and will depend largely on your assumptions about the future of our business, our share price, the overall economic environment, and the performance of publicly traded stocks generally. If Replacement Options are granted with a lower exercise price than your Eligible Options, such lower exercise price may allow you to recognize value from your option sooner. There is an inflection point, however, at higher Sage share prices where the value of the Eligible Option you surrendered would have been greater than the value of the Replacement Option. The reason for this is because your Replacement Option will cover fewer shares than the Eligible Option you surrendered. The inflection point for each option grant varies depending on the exercise price and the exchange ratio of such Eligible Option grant. You will be able to model how many new Replacement Options you would receive in exchange for your Eligible Options and evaluate this inflection point on the Option Exchange website on a grant-by-grant basis.

In addition, the Replacement Options will be completely unvested on the Replacement Option Grant Date, regardless of whether the Eligible Option was wholly or partially vested; it is possible that your Replacement

Options could take longer to fully vest than your Eligible Options and, if your service to Sage or any of our subsidiaries as an employee terminates prior to your Replacement Options becoming fully vested, you will forfeit your unvested Replacement Options even if your surrendered options would have been fully vested.

We understand that this will be a challenging decision for all eligible employees. THE OPTION EXCHANGE CARRIES CONSIDERABLE RISK, AND THERE ARE NO GUARANTEES OF OUR FUTURE SHARE PERFORMANCE OR THE PRICE OF OUR COMMON STOCK ON THE OFFER EXPIRATION DATE. (See Section 17 of the Offer to Exchange entitled "Miscellaneous" for additional information.)

What do the executive officers and the members of our Board of Directors think of this Offer? Who can I contact to help me decide whether or not I should exchange my Eligible Options?

Although our Board of Directors has approved this Offer, neither our executive officers nor the members of our Board of Directors make any recommendation as to whether you should elect to exchange or refrain from exchanging your Eligible Options. Please contact your personal financial, legal and/or tax advisors to assist you in determining if you should exchange your Eligible Options.

What are some of the potential risks if I choose to exchange my outstanding Eligible Options?

We cannot predict how our common stock or the stock market will perform before the date that the Replacement Options will be granted, and the price of Sage common stock may increase or decrease significantly at any time. A significant increase in the price of Sage common stock prior to the date the Replacement Options are granted could result in the new grants having a higher exercise price than those you exchanged and could make the Replacement Options less valuable than those you exchanged. In addition, because the Replacement Option you will receive will be exercisable for fewer shares than the Eligible Option you surrendered, there is an inflection point at higher Sage share prices where the value of the Eligible Option you surrendered would have been greater than the value of your Replacement Option. You will be able to model how many new Replacement Options you would receive in exchange for your Eligible Options and evaluate this inflection point on the Option Exchange website on a grant-by-grant basis.

The Replacement Options you receive may also have a longer vesting period than your Eligible Options, and if your service to Sage or any of our subsidiaries as an employee terminates before the Replacement Options are vested, you will not be able to exercise any unvested Replacement Options.

Please also see the section entitled "Risk Factors" for a discussion of risks and uncertainties that you should consider before surrendering your Eligible Options for exchange in the Option Exchange.

To whom should I ask questions regarding this Offer?

If you have questions regarding the Offer or have requests for assistance (including requests for additional copies of this Offer to Exchange document or other documents relating to the Offer), please email compensation@sagerx.com.

SAGE MAKES NO RECOMMENDATION AS TO WHETHER YOU SHOULD PARTICIPATE IN THE OFFER. YOU MUST MAKE YOUR OWN DECISION WHETHER AND TO WHAT EXTENT TO PARTICIPATE. WE ENCOURAGE YOU TO SPEAK WITH YOUR FINANCIAL, LEGAL AND/OR TAX ADVISORS, AS NECESSARY, BEFORE DECIDING WHETHER TO PARTICIPATE IN THE OFFER.

FORWARD-LOOKING STATEMENTS

This Offer to Exchange and our SEC reports referred to above include "forward-looking statements" that involve risks and uncertainties. We make such forward-looking statements pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and other federal securities laws. All statements other than statements of historical facts contained in this Offer to Exchange are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "expects", "intends", "plans", "anticipates", "believes", "estimates", "predicts", "potential", "continue" or the negative of these terms or other comparable terminology. Any forward-looking statements in this Offer to Exchange reflect our current views with

respect to future events and with respect to our business and future financial performance, and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. Factors that may cause actual results to differ materially from current expectations include, among other things, those described in the section titled "Risk Factors" included in our most recent Quarterly Report on Form 10-Q filed with the SEC, as updated by our subsequent filings with the SEC, as they may be updated by our other filings with the SEC. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Except as required by law, we assume no obligation to update or revise these forward-looking statements for any reason, even if new information becomes available in the future.

RISK FACTORS

Participation in this Offer involves a number of potential risks and uncertainties, including those described below. This risk factors described below and the risk factors set forth under the heading entitled "Risk Factors" in our Quarterly Report on Form 10-Q filed with the SEC on November 7, 2023 highlight the material risks related to Sage which may impact your decision of participating in this Offer. You should carefully consider these risks and we encourage you to speak with your financial, legal and/or tax advisors before deciding whether to participate in this Offer. In addition, we strongly urge you to read the sections in this Offer to Exchange discussing the tax consequences of participating in this Offer, as well as the rest of this Offer to Exchange for a more in-depth discussion of the risks that may apply to you.

Risks Related to This Offer

If the price of our common stock increases after the Replacement Option Grant Date, your surrendered Eligible Options might have been worth more than the Replacement Options that you will receive in exchange for them.

Because you will receive Replacement Options covering fewer shares than the Eligible Options surrendered, your Replacement Options will have less potential for increases in value at certain significantly higher Sage stock prices. This means that there is an inflection point at higher Sage share prices where the value of the Eligible Option you surrendered would have been greater than the value of your Replacement Option.

You may incur additional taxes in connection with the exercise of the Replacement Options for U.S. tax purposes.

For more detailed information regarding the tax treatment of stock options, see "Material U.S. Federal Income Tax Consequences".

If you are subject to foreign tax laws, even if you are a resident of the U.S., there may be tax and social insurance consequences relating to this Offer.

If you are subject to the tax laws of another country, even if you are a resident of the U.S., you should be aware that there may be other tax and social insurance consequences that may apply to you. You should be certain to consult your own tax advisors to discuss these consequences.

Tax-related risks for tax residents of multiple countries.

If you are subject to the tax laws in more than one jurisdiction, you should be aware that there may be tax and social insurance consequences of more than one country that may apply to you. You should be certain to consult your own tax advisor to discuss these consequences.

Risks Related to Our Business and Common Stock

You should carefully review the risk factors contained in our Quarterly Report on Form 10-Q for the three months ended September 30, 2023 and also the other information provided in this Option Exchange and the other materials that we have filed with the SEC, before making a decision on whether or not to tender your Eligible Options. You may access these filings electronically at the SEC's website at www.sec.gov. In addition, we will provide without charge to you, upon your request, a copy of any or all of the documents to which we have referred you. See "This Offer - Additional Information" for more information regarding reports we file with the SEC and how to obtain copies of or otherwise review these reports. These reports can also be accessed free of charge at <https://investor.sagerx.com/financial-information>.

OFFERING MEMORANDUM

OFFER TO EXCHANGE ELIGIBLE OPTIONS FOR REPLACEMENT OPTIONS

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OFFER TO EXCHANGE ELIGIBLE OPTIONS FOR REPLACEMENT OPTIONS

1. Eligibility; Number of Options; Offer Expiration Date.

Upon the terms and subject to the conditions of this Option Exchange, we are offering eligible employees the opportunity to exchange certain outstanding Eligible Options (as defined below) to purchase our common stock for new options covering a lesser number of shares of our common stock ("Replacement Options"), calculated in accordance with specified exchange ratios. We will grant the Replacement Options on the date on which we cancel the options accepted for exchange, which will be the first business day following the expiration date of this offer (the "Replacement Option Grant Date").

Only Eligible Options may be exchanged in the Option Exchange. For these purposes, "Eligible Options" are those options that:

- were granted pursuant to our 2014 Stock Option and Incentive Plan (the "2014 Plan") or our 2016 Inducement Equity Plan (the "2016 Inducement Plan" and, collectively with the 2014 Plan, "Equity Plans"); and
- have an exercise price equal to or greater than \$35.00 per share.

Options not granted under the Equity Plans or that have an exercise price of less than \$35.00 are not eligible to be exchanged in the Option Exchange.

You are eligible to participate in the Option Exchange (an "Eligible Holder") only if you:

- are an employee of Sage or any of our subsidiaries on the date the Offer to Exchange commences and have not submitted a notice of resignation or termination, or been notified by Sage that your employment is being terminated;
- as of the date the Replacement Options are granted, you are an employee of Sage or any of our subsidiaries and have not submitted a notice of resignation or termination, or been notified by Sage that your employment is being terminated;
- are not an executive officer of Sage or a member of Sage's Board of Directors;
- hold at least one Eligible Option as of the commencement of the Offer.

The outstanding options that you hold give you the right to purchase our shares of common stock once you exercise those options by paying the applicable exercise price of those options (and satisfying any applicable tax withholding obligations). Thus, when we use the term "options" in this Offer, we refer to the actual options you hold to purchase our shares of common stock and not the shares underlying those options.

If you elect to exchange options in the Option Exchange, you will not be eligible to receive Replacement Options unless you continue to be employed by Sage through the Replacement Option Grant Date.

ACCORDINGLY, IF YOU ARE NOT AN ELIGIBLE EMPLOYEE OF SAGE AS DESCRIBED ABOVE ON THE OFFER EXPIRATION DATE, EVEN IF YOU HAD ELECTED TO PARTICIPATE IN THIS OFFER AND HAD TENDERED SOME OR ALL OF YOUR ELIGIBLE OPTIONS FOR EXCHANGE, YOUR TENDER WILL AUTOMATICALLY BE DEEMED WITHDRAWN AND YOU WILL NOT PARTICIPATE IN THIS OFFER, AND YOU WILL RETAIN YOUR OUTSTANDING OPTIONS IN ACCORDANCE WITH THEIR CURRENT TERMS AND CONDITIONS. IN THE CASE OF A TERMINATION OF YOUR SERVICE, YOU MAY GENERALLY EXERCISE YOUR OUTSTANDING OPTIONS DURING A LIMITED PERIOD OF TIME FOLLOWING THE TERMINATION OF SERVICE IN ACCORDANCE WITH THEIR TERMS TO THE EXTENT THAT THEY ARE VESTED AS OF SUCH TERMINATION OF SERVICE.

If you are eligible to participate in the Option Exchange, you can exchange your Eligible Options on a grant-by-grant basis, based on the original grant date and exercise price of the Eligible Option (referred to herein as a “separate option grant”). No partial exchanges of separate option grants will be permitted; however, you can choose to exchange one or more of your Eligible Option grants without having to exchange all of your Eligible Option grants. If you have previously exercised a portion of an Eligible Option grant, only the portion of the Eligible Option grant which has not yet been exercised will be eligible to be exchanged.

If you properly tender your Eligible Options and such tendered options are accepted for exchange, the tendered options will be cancelled and, subject to the terms of this Offer, you will be entitled to receive Replacement Options to purchase that number of shares of common stock determined using the exchange ratios set forth in the table below, subject to adjustments for any future stock splits, stock dividends and similar events, in accordance with the terms of the 2014 Plan.

The exchange ratios in the Option Exchange represent the number of shares of common stock underlying an Eligible Option that you must exchange for each share of common stock underlying a Replacement Option, based on the exercise price of the existing Eligible Option. The exchange ratios were determined using the Black-Scholes model and are based on, among other things, the volatility of our stock, the expected term of a stock option and interest rates. As set forth in the table below, the applicable exchange ratios will vary based on the exercise price of the Eligible Option.

Exercise Price Range per Share	Aggregate Number of Shares Subject to Outstanding Eligible Options (as of January 16, 2024)	Exchange Ratio (Eligible Options to Replacement Options)
\$35.00 to \$59.99	1,759,717	1.50 to 1
\$60.00 to \$99.99	879,193	2.25 to 1
\$100.00 to \$149.99	186,320	4.00 to 1
\$150.00 and above	679,450	5.00 to 1

We will not grant any Replacement Options to purchase fractional shares and we will not pay cash for fractional shares. Instead, if the exchange ratios yield a fractional amount of shares, we will round up to the nearest whole number of shares with respect to each option on a grant-by-grant basis.

Unless prevented by applicable law or regulations, Replacement Options will be granted under the 2014 Plan. The Replacement Options will have the terms and be subject to the conditions as provided for in the 2014 Plan and the applicable option award agreement. The Replacement Options will have a new grant date, a new exercise price, will be classified as non-qualified stock options, will have a seven-year term and will cover a fewer number of shares of our common stock than the surrendered Eligible Option.

The per share exercise price of the Replacement Options will be equal to the per share closing price of our common stock on Nasdaq on the Replacement Option Grant Date, which we expect to be first business day following the Offer Expiration Date.

The term “Offer Expiration Date” means 11:59 p.m., Eastern Time, on February 20, 2024, unless and until we, in our discretion, extend the period of time during which this Offer will remain open, in which event the term “Offer Expiration Date” refers to the latest time and date at which this Offer, as so extended, expires. See Section 14 of this Offer to Exchange entitled “Extension of Offer; Termination; Amendment” for a description of our rights to extend, delay, terminate and amend this Offer.

For purposes of this Offer, a “business day” means any day other than a Saturday, a Sunday or a U.S. federal holiday and consists of the time period from 12:01 a.m. through 12:00 midnight, Eastern Time of each such day.

2. Purpose of this Offer.

An objective of our equity incentive programs has been, and continues to be, to align the interests of equity incentive plan participants with those of our stockholders, and we believe that the Option Exchange is an important component in our efforts to achieve that goal. We are implementing the Option Exchange using exchange ratios designed to result in potential grants of Replacement Options with a fair value that will be approximately equal to the fair value of the Eligible Options that are surrendered in the Option Exchange.

Although we are optimistic regarding our potential future growth opportunities, the price of our common stock remains below historic levels. Our stock price has experienced significant volatility over the past five years, falling from approximately \$190 per share in July 2019 to less than \$18 per share in November 2023. On November 27, 2023, the date on which the Board approved the Option Exchange, the closing price of our common stock on The Nasdaq Global Market was \$19.11 per share, resulting in approximately 99.3% of our outstanding stock options held by employees, other than our executive officers, being underwater on such date. Our employees have remained dedicated and focused during this time of substantial change. The successes we have achieved are the result of significant, sustained efforts on their part. Retaining their know-how and services is important to our ability to achieve our 2024 and longer-term corporate goals. We believe that it is important to reward these employees for their substantial efforts to date and going forward.

As of December 31, 2023, we had a total of 8,118,041 shares of common stock subject to outstanding stock options under our Equity Plans, with a range in exercise prices from \$1.36 per share to \$192.33 per share. As a result, we have developed a significant stock option “overhang” consisting of outstanding but unexercised options, many of which are underwater and therefore not serving their intended purposes of motivating and retaining employees. Pursuant to the Option Exchange, participants will receive new stock options covering a smaller number of shares than are covered by the surrendered stock options. If all Eligible Options are exchanged in the Option Exchange, we estimate that the net reduction in our equity overhang could be up to 16% of our overhang and 3.0% of our fully diluted share count, based on 60,043,643 shares outstanding as of December 31, 2023.

THERE IS NO GUARANTEE THAT THE INTENDED BENEFITS OF THE OPTION EXCHANGE WILL BE REALIZED CONSIDERING THE UNPREDICTABILITY OF THE STOCK MARKET AND VESTING TERMS CONTINGENT UPON CONTINUED EMPLOYMENT.

We may engage in transactions in the future that could significantly change our structure, ownership, organization or management or the make-up of our Board of Directors, or other events, both positive and negative, could occur as a result of our operations or otherwise, that could significantly affect the price of our common stock. If we engage in such a transaction or transactions prior to the date we grant the Replacement Options, or we have results from our activities or other events occur, our share price could increase (or decrease) and the exercise price of the Replacement Options could be higher (or lower) than the exercise price of Eligible Options you elect to have cancelled as part of this Offer. The per share exercise price of any Replacement Options granted to you in return for options you elect to exchange will be the per share closing price of our common stock on Nasdaq on the Replacement Option Grant Date. You will be at risk of any increase in our share price during the period prior to the Replacement Option Grant Date for these and other reasons.

Although we are not currently contemplating a merger or similar transaction that could result in a change in control of our Company, we reserve the right, in the event of a merger or similar transaction, to take any actions we deem necessary or appropriate to complete a transaction that our Board of Directors believes is in the best interest of our Company and our stockholders. This could include terminating your right to receive Replacement Options under this Offer. If we were to terminate your right to receive Replacement Options under this Offer in connection with such a transaction, your Eligible Options will remain outstanding pursuant to their original terms.

Subject to the foregoing, and except as otherwise disclosed in this Offer to Exchange or in our filings with the SEC that are incorporated by reference into this Offer to Exchange, as of the date hereof, we have no current plans, proposals or negotiations (although we often consider such matters in the ordinary course of our business and intend to continue to do so in the future) that relate to or would result in:

- any extraordinary transaction, such as a merger, reorganization or liquidation, involving us or our subsidiaries;
- any purchase, sale or transfer of a material amount of our assets;

- any material change in our present dividend rate or policy, or our indebtedness or capitalization;
- any other material change in our corporate structure or business;
- our common stock being delisted from any national securities exchange or ceasing to be authorized for quotation in an automated quotation system operated by a national securities association;
- our shares of common stock becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”);
- the suspension of our obligation to file reports pursuant to Section 15(d) of the Exchange Act;
- the acquisition by any person of a material amount of our securities or the disposition of a material amount of any of our securities; or
- any change in our certificate of incorporation or bylaws, or any actions which could impede the acquisition of control of us by any person.

NEITHER WE NOR OUR BOARD OF DIRECTORS MAKES ANY RECOMMENDATION AS TO WHETHER YOU SHOULD ELECT TO EXCHANGE YOUR OPTIONS, NOR HAVE WE AUTHORIZED ANY PERSON TO MAKE ANY SUCH RECOMMENDATION. YOU ARE URGED TO EVALUATE CAREFULLY ALL OF THE INFORMATION PROVIDED IN CONNECTION WITH THIS OFFER. YOU MUST MAKE YOUR OWN DECISION WHETHER TO ELECT TO EXCHANGE YOUR OPTIONS.

3. Procedures for Electing to Exchange Options.

Proper exchange of options. Participation in this Offer is voluntary. If you choose to participate in this Offer, you must do the following on or before the Offer Expiration Date, which is expected to be 11:59 p.m., Eastern Time, on February 20, 2024.

1. Click on the link to the Option Exchange website in the announcement email you received from Infinite Equity on January 23, 2024, announcing the Option Exchange, or go to the Option Exchange website at <https://www.myoptionexchange.com>. Log in to the Option Exchange website using the login instructions provided to you in the announcement email (or if you previously logged into the Option Exchange website, your updated login credentials).
2. After logging in to the Option Exchange website, review the information and proceed through to the “Election Form” page. You will be provided with personalized information regarding each Eligible Option grant you hold, including:
 - the grant date of the Eligible Option grant;
 - the per share exercise price of the Eligible Option grant;
 - the number of vested shares of Sage common stock subject to the Eligible Option grant as of February 20, 2024 (assuming vesting in accordance with the applicable vesting schedule, and no exercise or early termination occurs, through such date); and
 - the hypothetical number of shares of our common stock subject to the Replacement Option that would be granted in exchange for the tendered Eligible Option grant if the election is made and the Option Exchange proceeds.
3. On the “Election Form” page, make your selection next to each of your Eligible Option grants to indicate which Eligible Option grants you choose to tender in the Option Exchange by selecting “Exchange” or choose not to tender in the Option Exchange by selecting “Do Not Exchange.” If you

do not select the “Exchange” choice with respect to an Eligible Option, your election with respect to that Eligible Option will default to “Do Not Exchange.” In that event, the Eligible Option will not be exchanged.

4. Proceed through the Option Exchange website by following the instructions provided. Review your election and confirm that you are satisfied with your election. After reviewing, acknowledging and agreeing to the terms and conditions stated on the Confirm Elections page and in the Option Exchange documents, submit your election. If you do not acknowledge and agree to the terms and conditions, you will not be permitted to submit your election.
5. Upon submitting your election, a confirmation statement will be generated by the Option Exchange website. Please print and keep a copy of the confirmation statement for your records. A copy of the confirmation statement will also be sent to your email. At this point, you will have completed the election process via the Option Exchange website.

It is your responsibility to confirm that we have received your correct election before the deadline. If you do not receive a confirmation, we recommend that you confirm that we have received your election by emailing sage@infiniteequity.com. We must receive your properly completed and submitted election by the Offer Expiration Date of the Option Exchange, currently expected to be 11:59 p.m., Eastern Time, on February 20, 2024. If you are unable to submit your election via the Option Exchange website as a result of technical failures of the Option Exchange website such as the Option Exchange website being unavailable or the Option Exchange website not enabling you to submit your election, please email sage@infiniteequity.com.

If you wish to exchange any portion of an Eligible Option grant in the Option Exchange, you must exchange the entire individual Eligible Option grant. No partial exchanges of an Eligible Option grant will be permitted. As discussed above, some of your Eligible Option grants may consist of both incentive stock options and non-qualified stock options due to the application of certain limits on incentive stock options under U.S. tax law. For this reason, you may see two awards listed as of any given grant date, one representing the portion of the grant that qualifies as incentive stock options and the other representing the portion of the grant that qualifies as non-qualified stock options. For purposes of the Option Exchange, this “split” based on the tax status of the Eligible Option grant will be disregarded. As a result, both portions of an Eligible Option grant will be treated as one “grant” for purposes of the Option Exchange. On the Option Exchange website, you will see one election box for both the incentive stock option and non-qualified components of an Eligible Option grant, and you must exchange all or none of such grant.

If you hold more than one Eligible Option grant, however, you may choose to exchange one or more of such individual Eligible Option grants, on a grant-by-grant basis, without having to exchange all of your Eligible Option grants. If you are eligible to participate in the Option Exchange, the Option Exchange website will list all of your Eligible Option grants.

We may extend this Option Exchange. If we extend the offering period, we will issue a press release, email or other communication disclosing the extension no later than 8:00 a.m., Eastern Time, on February 21, 2024 (the business day following the previously scheduled or announced Offer Expiration Date). We reserve the right to reject any Eligible Option grant tendered for exchange that we determine is not in the appropriate form or that we determine is unlawful to accept. Subject to the terms and conditions of this Option Exchange, we will accept all properly tendered Eligible Option grants promptly after the Offer Expiration Date.

You may change your mind after you have submitted an election and withdraw from the Option Exchange at any time on or before 11:59 p.m., Eastern Time, on the Offer Expiration Date, as described below. You may change your mind as many times as you wish, but you will be bound by the properly submitted election we receive last on or before 11:59 p.m., Eastern Time, on the Offer Expiration Date. You also may change your mind about which of your Eligible Option grants you wish to have exchanged. If you wish to include more or fewer Eligible Option grants in your election, you must complete and submit a new election on or before 11:59 p.m., Eastern Time, on the Offer Expiration Date by following the procedures described below. This new election must be properly submitted after any prior elections you have submitted and must list all Eligible Option grants you wish to exchange. Any prior election will be disregarded. If you wish to withdraw some or all of the Eligible Option grants you elected for exchange, you may do so at any time on or before 11:59 p.m., Eastern Time, on the Offer Expiration Date by following the procedures described below.

Your delivery of all documents regarding the Option Exchange, including elections, is at your risk. Upon submission of an election via the Option Exchange website, a confirmation statement will be generated by the Option Exchange website at the time that you complete and submit your election. You should print and keep a copy of the confirmation statement for your records. A copy of the confirmation statement will also be sent to your email. The printed confirmation statement will provide evidence that you submitted your election. If you do not receive a confirmation, it is your responsibility to confirm that we have received your election. If you do not receive a confirmation, we recommend that you confirm that we have received your election by emailing sage@infiniteequity.com. Only responses that are properly completed and actually received by us by 11:59 p.m. Eastern Time on the Offer Expiration Date through the Option Exchange website at www.myoptionexchange.com will be accepted. Responses submitted by any other means, including hand delivery, interoffice, email, U.S. mail (or other post) and Federal Express (or similar delivery service), are not permitted.

Our receipt of your election is not by itself an acceptance of your options for exchange. For purposes of this Option Exchange, we will be deemed to have accepted options for exchange that are validly elected to be exchanged and are not properly withdrawn as of the time when we give oral or written notice to the option holders generally of our acceptance of options for exchange. We may issue this notice of acceptance by press release, email or other form of communication. Options accepted for exchange will be cancelled on the first business day following the Offer Expiration Date.

Sage will not accept any alternative, conditional or contingent tenders. Any confirmation of receipt provided to you merely will be a notification that we have received your election form and does not mean that your Eligible Options have been cancelled.

If you do not submit your election on or before 11:59 p.m., Eastern Time, on the Offer Expiration Date, then you will not participate in this Offer, and all Eligible Options currently held by you will remain in effect at their original exercise price and with their original terms.

Subject to our rights to extend, terminate and amend this Offer, we currently expect that we will accept promptly after 11:59 p.m., Eastern Time, on the Offer Expiration Date all properly elected Eligible Options that have not been validly withdrawn. We will determine, in our sole discretion, all questions as to the validity, form, eligibility (including time of receipt) and acceptance of any Eligible Option grants. We reserve the right to reject any election or any Eligible Option elected to be exchanged that we determine are not in appropriate form or that we determine are unlawful to accept or not timely made. Neither we nor any other person is obligated to give notice of any defects or irregularities in any election, nor will anyone incur any liability for failure to give any notice. No surrender of Eligible Options will be deemed to have been properly made until all defects or irregularities have been cured by the tendering holder of the Eligible Options or waived by us. Subject to any order or decision by a court or arbitrator of competent jurisdiction, our determination of these matters will be final and binding on all parties. Subject to Rule 13e-4 under the Exchange Act we also reserve the right to waive any of the conditions of the Offer or any defect or irregularity in any surrender with respect to any particular Eligible Options or any particular eligible employee.

Our acceptance constitutes an agreement.

Your election to exchange Eligible Options through the procedures described above constitutes your acceptance of the terms and conditions of this Offer, and will be controlling, absolute and final, subject to your withdrawal rights under the Offer as described in Section 4 of this Offer to Exchange entitled "Withdrawal Rights" and our acceptance of your tendered Eligible Options in accordance with the Offer as described in Section 5 of the Offer to Exchange entitled "Acceptance of Options for Exchange; Grant of Replacement Options." Our acceptance of your Eligible Options for exchange will constitute a binding agreement between Sage and you upon the terms and subject to the conditions of this Offer.

4. Withdrawal Rights.

You can only withdraw your elected options in accordance with the provisions of this Section 4.

You can withdraw your elected options at any time on or before 11:59 p.m., Eastern Time, on the Offer Expiration Date, which is currently February 20, 2024. If the Offer Expiration Date is extended by us, you can withdraw your elected options at any time until 11:59 p.m., Eastern Time, on the Offer Expiration Date, as extended.

To change an election you previously made with respect to some or all of your Eligible Option grants, including an election to withdraw all of your Eligible Option grants from this Option Exchange, you must deliver a valid new election indicating only the Eligible Option grants you wish to exchange in the Option Exchange or a valid new election indicating that you reject the Option Exchange with respect to all of your Eligible Option grants, by completing the election process described below on or before 11:59 p.m., Eastern Time, on the Offer Expiration Date.

Election Changes and Withdrawals via the Option Exchange Website:

Participation in this Offer is voluntary. If you choose to participate in this Offer, you must do the following on or before the Offer Expiration Date, which is expected to be 11:59 p.m., Eastern Time, on February 20, 2024.

1. Log in to the Option Exchange website at www.myoptionexchange.com.
2. After logging in to the Option Exchange website, review the information and proceed through to the "Election Form" page, where you will find personalized information regarding each Eligible Option grant you hold, including:
 - the grant date of the Eligible Option grant;
 - the per share exercise price of the Eligible Option grant;
 - the number of vested shares of our common stock subject to the Eligible Option grant as of February 20, 2024 (assuming vesting in accordance with the applicable vesting schedule, and no exercise or early termination occurs, through such date); and
 - the hypothetical number of shares of our common stock subject to the Replacement Option that would be granted in exchange for the tendered Eligible Option grant if the election is made and the Option Exchange proceeds.
3. On the "Election Form" page, change your selection next to each of your Eligible Option grants to indicate which Eligible Option grants you choose to tender in the Option Exchange by selecting "Exchange" or choose not to tender in the Option Exchange by selecting "Do Not Exchange." If you do not select the "Exchange" choice with respect to an Eligible Option, your election with respect to that Eligible Option will default to "Do Not Exchange." In that event, the Eligible Option will not be exchanged.
4. Proceed through the Option Exchange website by following the instructions provided. Review your election and confirm that you are satisfied with your election. After reviewing, acknowledging and agreeing to the terms and conditions stated on the Confirm Elections page and in the Option Exchange documents, submit your election. If you do not acknowledge and agree to the terms and conditions, you will not be permitted to submit your election.
5. Upon submitting your election, a confirmation statement will be generated by the Option Exchange website. Please print and keep a copy of the confirmation statement for your records. A copy of the confirmation statement will also be sent to your email. At this point, you will have completed the process for changing your previous election or withdrawing from participation in the Option Exchange via the Option Exchange website.

It is your responsibility to confirm that we have received your correct election before the deadline. If you do not receive a confirmation, we recommend that you confirm that we have received your election by emailing sage@infiniteequity.com. You may change your mind as many times as you wish, but you will be bound by the properly submitted election we receive last on or before 11:59 p.m., Eastern Time, on the Offer Expiration Date.

Neither Sage nor any other person is obligated to give notice of any defects or irregularities in any election withdrawal, nor will anyone incur any liability for failure to give any such notice. We will determine, in our discretion, all questions as to the form and validity, including time of receipt, of notices or elections of withdrawal. Subject to any order or decision by a court or arbitrator of competent jurisdiction, our determination of these matters will be final and binding.

5. Acceptance of Options for Exchange; Grant of Replacement Options.

Upon the terms and subject to the conditions of this Offer listed in Section 6 of the Offer to Exchange entitled "Conditions of this Offer", and promptly following the first business day after the Offer Expiration Date, we will accept for exchange and cancel options properly elected for exchange and not validly withdrawn before the Offer Expiration Date. Once your options have been accepted for exchange, you will receive a confirmation notice promptly following the expiration of this Offer confirming that your options have been accepted for exchange and cancelled. Such notice may consist of a notification of a new option award requiring your acceptance in Sage's option administration system.

If your options are properly elected for exchange and accepted by us, we will cancel your elected Eligible Options on the first business day following the Offer Expiration Date, and you will also be granted Replacement Options on the Replacement Option Grant Date, which is expected to occur on the first business day following the Offer Expiration Date.

If you cease to be an employee of Sage, whether voluntarily, involuntarily, or for any other reason before the Offer Expiration Date, you will not be able to participate in this Offer. Also, if you change your place of residence to a country where this Offer is prohibited under local regulations, you will not be able to participate in this Offer.

ACCORDINGLY, IF YOU ARE NOT AN ELIGIBLE EMPLOYEE OF SAGE AS DESCRIBED ABOVE ON THE OFFER EXPIRATION DATE, EVEN IF YOU HAD ELECTED TO PARTICIPATE IN THIS OFFER AND HAD TENDERED SOME OR ALL OF YOUR OPTIONS FOR EXCHANGE, YOUR TENDER WILL AUTOMATICALLY BE DEEMED WITHDRAWN AND YOU WILL NOT PARTICIPATE IN THIS OFFER, AND YOU WILL RETAIN YOUR OUTSTANDING OPTIONS IN ACCORDANCE WITH THEIR CURRENT TERMS AND CONDITIONS. IN THE CASE OF A TERMINATION OF YOUR EMPLOYMENT, YOU MAY GENERALLY EXERCISE YOUR OUTSTANDING OPTIONS DURING A LIMITED PERIOD OF TIME FOLLOWING THE TERMINATION OF EMPLOYMENT IN ACCORDANCE WITH THEIR TERMS TO THE EXTENT THAT THEY ARE VESTED AS OF SUCH TERMINATION OF EMPLOYMENT.

For purposes of this Offer, we will be deemed to have accepted for exchange options that are validly elected for exchange and not properly withdrawn, when we give written notice to the Eligible Holders of our acceptance for exchange of such options; such notice may be given by press release, email or letter. Subject to our rights to extend, terminate and amend this Offer, we expect that you will receive your Replacement Option award agreement as promptly as practicable after the Offer Expiration Date.

6. Conditions of this Offer.

Notwithstanding any other provision of this Offer, we will not be required to accept any options elected for exchange, and we may terminate or amend this Offer, or postpone our acceptance and cancellation of any options elected for exchange, in each case subject to certain limitations, if at any time on or after the date of commencement of the Offer and prior to the Offer Expiration Date any of the following events has occurred, or in our reasonable judgment, has been determined by us to have occurred, regardless of the circumstances giving rise thereto:

- (a) there shall have been threatened or instituted or be pending any action or proceeding by any government or governmental, regulatory or administrative agency, authority or tribunal or any other person, domestic or foreign, before any court, authority, agency or tribunal that directly or indirectly challenges the making of this Offer, the acquisition of some or all of the options elected for exchange pursuant to this Offer or the issuance of Replacement Options;
- (b) there shall have been any action threatened, pending or taken, or approval withheld, or any statute, rule, regulation, judgment, order or injunction threatened, proposed, sought, promulgated, enacted, entered, amended, enforced or deemed to be applicable to this Offer or us, by any court or any authority, agency or tribunal that would or might directly or indirectly:
 - (i) make the acceptance for exchange of, or issuance of Replacement Options for, some or all of the options elected for exchange illegal or otherwise restrict or prohibit consummation of this Offer;
 - (ii) delay or restrict our ability, or render us unable, to accept for exchange or grant Replacement Options for some or all of the options elected for exchange; or
 - (iii) materially and adversely affect the business, condition (financial or other), income, operations or prospects of Sage;
- (c) there shall have occurred:
 - (i) any general suspension of trading in, or limitation on prices for, securities on any national securities exchange or in the over-the-counter market;
 - (ii) the declaration of a banking moratorium or any suspension of payments in respect of banks in the U.S., whether or not mandatory;
 - (iii) the commencement or escalation of a war, armed hostilities or other international or national crisis directly or indirectly involving the U.S.;
 - (iv) any limitation, whether or not mandatory, by any governmental, regulatory or administrative agency or authority on, or any event that might affect, the extension of credit by banks or other lending institutions in the U.S.;
 - (v) any change in the general political, market, economic or financial conditions in the U.S. or abroad that could have a material adverse effect on the business, condition (financial or other), operations or prospects of Sage or on the trading in our shares of common stock;
 - (vi) in the case of any of the foregoing existing at the time of the commencement of this Offer, a material acceleration or worsening thereof;
 - (vii) any increase or decrease of greater than 33% of the market price of our common stock that occurs during the tender offer as measured from \$26.27, which was the closing price of our common stock on Nasdaq on January 22, 2024; or
 - (viii) any decline in either the Nasdaq Composite Index or the Standard and Poor's Index of 500 Companies by an amount in excess of 10% measured during any time period after the close of business on the date of commencement of the Offer;

- (d) a tender or exchange offer with respect to some or all of our shares of common stock, or a merger or acquisition proposal for us, shall have been proposed, announced or made by another person or entity or shall have been publicly disclosed, or we shall have learned that:
- (i) any person, entity or group within the meaning of Section 13(d)(3) of the Exchange Act, shall have acquired or proposed to acquire beneficial ownership of more than 5% of our outstanding common stock, or any new group shall have been formed that beneficially owns more than 5% of our outstanding common stock, other than any such person, entity or group that has filed a Schedule 13D or Schedule 13G with the SEC on or before the date of commencement of the Offer;
 - (ii) any such person, entity or group that has filed a Schedule 13D or Schedule 13G with the SEC on or before the date of commencement of the Offer shall have acquired or proposed to acquire beneficial ownership of an additional 2% or more of the outstanding shares of our common stock; or
 - (iii) any person, entity or group shall have filed a Notification and Report Form under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, or made a public announcement reflecting an intent to acquire us or any of the assets or securities of us;
- (e) any of the situations described above existed at the time of commencement of this Offer and that situation, in our reasonable judgment, deteriorates materially after commencement of this Offer;
- (f) our stockholders did not approve the Option Exchange at the special meeting of stockholders to be held on January 31, 2024; or
- (g) any change or changes shall have occurred in the business, condition (financial or other), assets, income, operations, prospects or share ownership of Sage that, in our reasonable judgment, is or may have a material adverse effect on Sage.

The conditions to this Offer are for our benefit. We may assert them in our discretion regardless of the circumstances giving rise to them before the Offer Expiration Date, other than acts or omissions by us. We may waive them, in whole or in part, at any time and from time to time prior to the Offer Expiration Date, in our reasonable discretion, whether or not we waive any other condition to this Offer. Our failure at any time to exercise any of these rights will not be deemed a waiver of any such rights. The waiver of any of these rights with respect to particular facts and circumstances will not be deemed a waiver with respect to any other facts and circumstances. Subject to any order or decision by a court or arbitrator of competent jurisdiction, any determination we make concerning the events described in this Section 6 will be final and binding upon all persons.

7. Price Range of Common Stock Underlying the Options.

Our common stock is listed on Nasdaq under the symbol "SAGE." As of January 22, 2024, the last reported sale price of our common stock on the Nasdaq was \$26.27 per share. The following table shows, for the periods indicated, the high and low sales prices of our common stock as listed on the Nasdaq.

Fiscal Year Ending December 31, 2024	High	Low
First Quarter (through January 22, 2024)	\$28.26	\$20.61
Fiscal Year Ended December 31, 2023		
Fourth Quarter	\$22.76	\$16.52
Third Quarter	\$49.74	\$16.52
Second Quarter	\$59.99	\$40.08
First Quarter	\$49.56	\$36.91
Fiscal Year Ended December 31, 2022		
Fourth Quarter	\$44.07	\$32.13
Third Quarter	\$43.60	\$31.42
Second Quarter	\$38.87	\$27.36
First Quarter	\$45.74	\$30.48

WE RECOMMEND THAT YOU OBTAIN CURRENT MARKET QUOTATIONS FOR OUR COMMON STOCK BEFORE DECIDING WHETHER TO ELECT TO EXCHANGE YOUR OPTIONS.

8. Source and Amount of Consideration; Terms of Replacement Options.

We will grant Replacement Options, subject to applicable laws and regulations, in exchange for Eligible Options properly elected to be exchanged by you and accepted by us for exchange. The number of shares of our common stock subject to the Replacement Options will be determined based upon applicable exchange ratio as described below, subject to adjustments for any stock splits, stock dividends and similar events affecting our common stock, in accordance with the terms of the Equity Plans.

The exchange ratios in the Option Exchange represent the number of shares of common stock underlying an Eligible Option that you must exchange for each share of common stock underlying a Replacement Option, based on the exercise price and the grant date of the existing eligible option. The exchange ratios were determined using the Black-Scholes model and are based on, among other things, the volatility of our stock, the expected term of a stock option and interest rates. As set forth in the table below, the applicable exchange ratios will vary based on the exercise price of the Eligible Option.

<u>Exercise Price Range per Share</u>	<u>Aggregate Number of Shares Subject to Outstanding Eligible Options (as of January 16, 2024)</u>	<u>Exchange Ratio (Eligible Options to Replacement Options)</u>
\$35.00 to \$59.99	1,759,717	1.50 to 1
\$60.00 to \$99.99	879,193	2.25 to 1
\$100.00 to \$149.99	186,320	4.00 to 1
\$150.00 and above	679,450	5.00 to 1

We will not grant any Replacement Options to purchase fractional shares and we will not pay cash for fractional shares. Instead, if the exchange ratios yield a fractional amount of shares, we will round up to the nearest whole number of shares with respect to each option on a grant-by-grant basis.

As of January 16, 2024, there were outstanding Eligible Options to purchase an aggregate of 3,504,680 of the Company's shares of common stock. If 100% of Eligible Options were to be exchanged and Replacement Options granted in accordance with the exchange ratios set out above, the number of shares of common stock underlying such Replacement Options would be approximately 1,746,367 shares.

Terms of Replacement Options

The terms and conditions of your Eligible Options are set forth in the applicable Equity Plan and award agreement under which they were granted. The Replacement Options will have the terms and be subject to the conditions as provided for in the 2014 Plan and applicable award agreement. Each Replacement Option will have a term equal to seven years from the Replacement Option Grant Date, subject to earlier expiration of the option following termination of your employment with Sage or any of our subsidiaries.

The description of the Equity Plans set forth herein is only a summary of some of the material provisions of the Equity Plans, but is not complete. These descriptions are subject to, and qualified in their entirety by reference to, the actual provisions of the two Equity Plans. Information regarding our Equity Plans may be found in the S-8 Registration Statements and related prospectuses prepared by us in connection with each of the Equity Plans. Copies of the Equity Plans and prospectuses are available through the Company's option administration system or upon request by emailing equitysupport@sagerx.com. Copies will be provided promptly at our expense.

Vesting of Replacement Options

Replacement Options will vest in equal monthly installments over a period of 18 months from the Replacement Option Grant Date, subject to continued service to Sage or any of our subsidiaries as an employee through the applicable vesting date.

This vesting schedule supports the nature of stock options as an incentive vehicle, recognizes the prior services and contributions of Eligible Holders and provides us with the potential for valuable additional years of personnel retention during an important time for the Company.

Vesting and exercise of Replacement Options are dependent upon continued service as an employee with Sage or any of our subsidiaries. Replacement Options are subject to the terms and conditions as provided for in the 2014 Plan and will be forfeited if not vested at time of termination of service.

SUBJECT TO APPLICABLE LAW, NOTHING IN THIS DOCUMENT SHOULD BE CONSTRUED TO CONFER UPON YOU THE RIGHT TO REMAIN AN EMPLOYEE OF SAGE. THE TERMS OF YOUR EMPLOYMENT WITH US REMAIN UNCHANGED. WE CANNOT GUARANTEE OR PROVIDE YOU WITH ANY ASSURANCE THAT YOU WILL NOT BE SUBJECT TO INVOLUNTARY TERMINATION OR THAT YOU WILL OTHERWISE REMAIN IN OUR EMPLOY OR SERVICE UNTIL THE REPLACEMENT OPTION GRANT DATE OR AFTER THAT DATE.

IF YOU EXCHANGE ELIGIBLE OPTIONS FOR REPLACEMENT OPTIONS AND YOU CEASE TO BE AN EMPLOYEE OF SAGE OR ANY OF OUR SUBSIDIARIES BEFORE THE REPLACEMENT OPTIONS ARE FULLY VESTED, YOU WILL FORFEIT ANY UNVESTED PORTION OF YOUR REPLACEMENT OPTION, SUBJECT TO ANY PROVISIONS PROVIDING FOR ACCELERATED VESTING.

Exercise

Generally, you may exercise the vested portion of your Replacement Option at any time during the option's term and within three months after the termination of your service with Sage. If, however, your employment with Sage or any of our subsidiaries terminates prior to any portion of your Replacement Option becoming vested, you will forfeit the unvested portion of your Replacement Option, subject to any provisions providing for accelerated vesting. Your ability to exercise options following your termination of service may be restricted and will be subject to the terms and conditions of the 2014 Plan and the applicable option award agreement.

U.S. Federal Income Tax Consequences of Options

You should refer to Section 13 of the Offer to Exchange entitled "Material U.S. Federal Income Tax Consequences" for a discussion of material U.S. federal income tax consequences of the Replacement Options, as well as the consequences of accepting or rejecting this Offer.

Registration of Option Shares

All common stock issuable upon exercise of options under our Equity Plans, including the shares that will be issuable upon exercise of all Replacement Options, have been registered under the Securities Act of 1933, as amended (the "Securities Act"), on one or more registration statements on Form S-8 filed with the SEC.

9. Information Concerning Sage.

Sage Therapeutics, Inc. is a commercial stage biopharmaceutical company with a mission to pioneer solutions to deliver life-changing brain health medicines, so every person can thrive.

We commenced operations in January 2011 as Sterogen Biopharma, Inc. In September 2011, we changed our name to Sage Therapeutics, Inc. under our Second Amended and Restated Certificate of Incorporation. Our mailing address and executive offices are located at 215 First Street, Cambridge, Massachusetts and our telephone number at that address is (617) 299-8380. We maintain an Internet website at the following address: www.sagerx.com. Information contained on our website does not constitute part of, and is not incorporated by reference into, this Offer to Exchange.

We have presented below a summary of our consolidated financial data. The following summary consolidated financial data should be read in conjunction with the "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and the notes thereto included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022, and our Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2023, which are incorporated herein by reference. The

selected consolidated statements of operations data for the fiscal years ended December 31, 2022, and December 31, 2021, and the selected consolidated balance sheet data as of December 31, 2022, are derived from our audited consolidated financial statements that are included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022. The selected consolidated statements of operations data for the nine month periods ended September 30, 2023 and September 30, 2022, and the selected consolidated balance sheet data as of September 30, 2023, are derived from our unaudited condensed consolidated financial statements included in our Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2023. Our interim results are not necessarily indicative of results for the full fiscal year, and our historical results are not necessarily indicative of the results to be expected in any future period.

More complete financial information may be obtained by accessing our public filings with the SEC by following the instructions in Section 16 of this Offer to Exchange. We recommend that you review the materials that we have filed with the SEC before making a decision on whether or not to surrender your Eligible Options for exchange.

Summary Consolidated Statements of Operations and Balance Sheets (in thousands, except share and per share data)

Operating data	Nine Months Ended		Year Ended December 31,	
	September 30, 2023	September 30, 2022	2022	2021
Revenue	\$ 8,483	\$ 4,821	\$ 7,686	\$ 6,308
Loss from operations	\$ (537,775)	\$ (393,087)	\$ (546,989)	\$ (460,909)
Net loss	\$ (508,783)	\$ (385,638)	\$ (532,784)	\$ (457,892)
Net loss per share - basic and diluted	\$ (8.51)	\$ (6.51)	\$ (8.98)	\$ (7.80)
Weighted average common stock outstanding - basic and diluted	59,786,254	59,242,563	59,306,094	58,670,230

Balance Sheet Data	September 30, 2023	December 31, 2022	December 31, 2021
	Total current assets	\$ 933,270	\$ 1,336,980
Total assets	\$ 949,663	\$ 1,356,449	\$ 1,825,288
Total current liabilities	\$ 133,004	\$ 99,259	\$ 85,193
Total liabilities	\$ 133,004	\$ 103,850	\$ 96,257
Total stockholder's equity	\$ 816,659	\$ 1,252,599	\$ 1,729,031

We had a net tangible book value of \$13.62 per share as of September 30, 2023, our latest balance sheet date. This value was calculated using the net tangible assets of \$816.7 million as of September 30, 2023, divided by the number of outstanding shares of 59,967,516 as of September 30, 2023.

10. Interests of Directors, Officers and Affiliates; Transactions and Arrangements Concerning our Securities.

Our executive officers and members of our Board of Directors are not eligible to participate in the Offer. Accordingly, none of these individuals are Eligible Holders.

Other than (i) outstanding stock option and other equity awards granted to our directors, executive officers and other employees and consultants pursuant to our various equity incentive plans, which are described in the notes to our financial statements as set forth in our filings with the SEC, (ii) compensatory agreements, arrangements and understandings with our executive officers, as described under the "Executive Compensation" heading of our proxy statement for our 2023 annual meeting of stockholders filed with the SEC on April 27, 2023 (the "Annual Meeting Proxy Statement"), and (iii) compensatory agreements, arrangements and understandings with our nonemployee directors, as described under the "Director Compensation" heading of the Annual Meeting Proxy Statement, we are not party to any material agreements with any of our executive officers, directors or controlling persons. In addition, neither Sage nor, to our knowledge, any of our executive officers or directors, any person controlling Sage or any executive officer or director of such control person, is a party to any agreement, arrangement or understanding with respect to any of our securities, including any agreement, arrangement or understanding concerning the transfer or the voting of any of our securities, joint

ventures, loan or option arrangements, puts or calls, guarantees of loans, guarantees against loss or the giving or withholding of proxies, consents or authorizations.

During the 60-day period prior to the date of this Offering Memorandum, neither we, nor, to the best of our knowledge, any member of our Board of Directors or any of our executive officers, nor any of our affiliates, has engaged in any transaction involving the Eligible Options.

11. Status of Options Acquired by Us in this Offer; Accounting Consequences of this Offer.

Options we acquire pursuant to this Offer will be cancelled on the first business day following the Offer Expiration Date. We have adopted the provisions of Accounting Standards Codification (ASC) 718 "Compensation - Stock Compensation." Under ASC 718, we expect to recognize the incremental compensation cost, if any, of the Replacement Options granted in this Offer. The incremental compensation cost will be measured as the excess, if any, of the fair value of each Replacement Option granted to employees in exchange for surrendered options, measured as of the date such awards are granted, over the fair value of the option surrendered in exchange for such awards, measured immediately before the exchange. The incremental and remaining compensation expense associated with this Offer will be recognized over the service period of such awards. If any portion of the Replacement Options granted is forfeited prior to the completion of the service condition due to a termination of service, the compensation cost for the forfeited portion of the award will not be recognized.

12. Agreements; Legal Matters; Regulatory Approvals.

We are not aware of any material pending or threatened legal actions or proceedings relating to the Offer. We are not aware of any margin requirements or anti-trust laws applicable to the Offer. We are not aware of any license or regulatory permit that appears to be material to our business that might be adversely affected by our exchange of options and grant of Replacement Options as contemplated by this Offer. If any approval or other action by any government or governmental, administrative or regulatory authority or agency, domestic or foreign is required for the acquisition or ownership of our options and a procedure for obtaining such approval is practically available, as contemplated herein, we presently contemplate that we will undertake commercially reasonable steps to obtain such approval or take such other action. We are unable to predict whether we may in the future determine that we are required to delay the acceptance of options or not accept options for exchange pending the outcome of any such matter. We cannot assure you that any such approval or other action, if needed, would be obtained or would be obtained without substantial conditions or that the failure to obtain any such approval or other action might not result in adverse consequences to our business. Our obligation under this Offer to accept options tendered for exchange and to grant Replacement Options for options tendered as part of the exchange is subject to conditions, including the conditions described in Section 6 of the Offer to Exchange entitled "Conditions of this Offer."

13. Material U.S. Federal Income Tax Consequences.

The following is a summary of the anticipated material U.S. federal income tax consequences of the Offer. This tax summary does not discuss all of the tax consequences that may be relevant to you in light of your particular circumstances, nor is it intended to apply in all respects to all categories of Eligible Holders. The tax consequences for individuals who are subject to the tax laws of a country other than the U.S. or of more than one country may differ from the U.S. federal income tax consequences summarized herein. The rules governing the tax treatment of stock options are complex. You should consult with your tax advisor to determine the personal tax consequences to you of rejecting or participating in the Offer.

Tax Effects of Rejecting the Offer

In general, your rejection of the Offer will not be a taxable event for U.S. federal income tax purposes. However, if (1) any of your Eligible Options are currently treated as incentive stock options and (2) the Offer remains outstanding for more than 29 calendar days (that is, if we extend the Offer beyond the original Offer Expiration Date), your Eligible Options will cease to be treated as incentive stock options as of 11:59 p.m., Eastern Time, on the Offer Expiration Date. If the fair market value of our common stock as of the Offer Expiration Date is less than the exercise price currently in effect for your Eligible Options, the Board of Directors can take action to "retest" your Eligible Options to determine if they can again be treated as incentive stock options. However, even if they can again be treated as incentive stock options, your two-year holding period of your Eligible Options will start

over on the original Offer Expiration Date. Therefore, if you do not plan to tender your Eligible Options in the Offer and you wish to avoid the possible impact on the incentive stock option status of your Eligible Options that would result if we extend the Offer beyond the original Offer Expiration Date, you must reject this Exchange Offer by completing and submitting the Election Form on or prior to 11:59 p.m., Eastern Time, on the Offer Expiration Date.

Tax Effects of Accepting the Offer

Neither your acceptance of the Offer nor the exchange of your Eligible Options for Replacement Options will be a taxable event for U.S. federal income tax purposes. You will not recognize any income, gain or loss as a result of the exchange and cancellation of your Eligible Options for Replacement Options for U.S. federal income tax purposes.

All Replacement Options issued in exchange for Eligible Options pursuant to the Offer shall be non-qualified stock options, even if the Eligible Options tendered in the Offer were incentive stock options.

Taxation of Non-Qualified Stock Options ("NSOs")

Generally, you will not recognize any income, gain or loss on the granting of an NSO. Upon the exercise of an NSO, you will recognize ordinary income with respect to each purchased share equal to the difference between the fair market value of the stock on the date of exercise and the exercise price of the NSO.

If and when you sell the stock purchased upon the exercise of an NSO, any additional increase or decrease in the fair market value on the date of sale, as compared to the fair market value on the date of exercise, will be treated as a capital gain or loss. If you have held those shares for more than one year from the date of exercise, such gain or loss will be a long-term capital gain or loss. If you have held those shares for not more than one year from the date of exercise, such gain or loss will be a short-term capital gain or loss.

Taxation of Incentive Stock Options ("ISOs")

If your Eligible Option is an ISO, then the following tax consequences apply to that Eligible Option. Upon the exercise of an ISO, you are typically not subject to U.S. federal income tax except for the possible imposition of alternative minimum tax. Rather, you are taxed for U.S. federal income tax purposes at the time you dispose of the stock subject to the option.

If the date upon which you dispose of the stock subject to an ISO is more than two years from the date on which the ISO was granted (the "2-Year Holding Period") and more than one year from the date on which you exercised the option (the "1-Year Holding Period"), then your entire gain or loss is characterized as long-term capital gain or loss, rather than as ordinary income. However, if you fail to satisfy both the 2-Year Holding Period and the 1-Year Holding Period, then a portion of your profit from the sale of the stock subject to the ISO will be characterized as ordinary income and a portion may be short-term capital gain if the 1-Year Holding Period has not been satisfied. The portion of the profit that is characterized as ordinary income will be equal to the lesser of (a) the excess of the fair market value of the stock on the date of exercise over the exercise price of the option and (b) the excess of the sales price over the exercise price of the option. This deferral of the recognition of tax until the time of sale of the stock, as well as the possible treatment of the "spread" as long-term capital gain, are the principal advantages of your options being treated as ISOs. There is no withholding of income tax associated with the exercise of an ISO or the disposition of the shares received upon exercise, and no social security or Medicare taxes apply to compensation associated with the disposition of such shares.

Withholding

We will withhold all required local, state, federal, foreign and other taxes and any other amount required to be withheld by any governmental authority or law with respect to ordinary compensation income recognized with respect to the exercise of a stock option by an Eligible Holder. We will require any such Eligible Holder to make arrangements to satisfy this withholding obligation prior to the delivery or transfer of any shares of our common stock.

If you are a citizen or resident of, or are otherwise subject to the tax laws of, another country, or change your residence or citizenship during the term of this Offer, the information contained in this discussion may not be applicable to you. You are strongly advised to seek appropriate professional U.S. and/or foreign tax advice regarding your specific situation.

PLEASE NOTE THAT TAX LAWS CHANGE FREQUENTLY AND VARY WITH INDIVIDUAL CIRCUMSTANCES AND INDIVIDUAL FOREIGN JURISDICTIONS. PLEASE CONSULT A TAX ADVISOR TO DETERMINE THE TAX CONSIDERATIONS RELEVANT TO YOUR PARTICIPATION IN THIS OFFER.

14. Extension of Offer; Termination; Amendment.

We expressly reserve the right, in our discretion, at any time and from time to time, and regardless of whether or not any event set forth in Section 6 of the Offer to Exchange entitled "Conditions of this Offer" has occurred or is deemed by us to have occurred, to extend the period of time during which this Offer is open, and thereby delay the acceptance for exchange of any options, by giving written notice, including electronically posted or delivered notices, of such extension to the Eligible Holders or making a public announcement thereof. If we extend the expiration date, we also will extend your right to withdraw tenders of Eligible Options until such extended expiration date.

We also expressly reserve the right, in our reasonable judgment, before the Offer Expiration Date, to terminate or amend this Offer and to postpone our acceptance and cancellation of any options elected for exchange upon the occurrence of any of the conditions specified in Section 6 by giving written notice of such termination, amendment or postponement to the Eligible Holders and making a public announcement, including electronically posted or delivered notices. Our reservation of the right to delay our acceptance and cancellation of options elected to be exchanged is limited by Rule 13e-4(f)(5) under the Exchange Act, which requires that we must pay the consideration offered or return the options elected for exchange promptly after termination or withdrawal of an offer to exchange.

Subject to compliance with applicable law, we further reserve the right, before the expiration date, in our discretion, and regardless of whether any event set forth in Section 6 has occurred or is deemed by us to have occurred, to amend this Offer in any respect, including, without limitation, by decreasing or increasing the consideration offered in this Offer to Eligible Holders or by decreasing or increasing the number of options being sought in this Offer.

Amendments to this Offer may be made at any time and from time to time by public announcement of the amendment. In the case of an extension, the amendment must be issued no later than 8:00 a.m. Eastern Time on the next U.S. business day after the last previously scheduled or announced Offer Expiration Date. Any public announcement made pursuant to this Offer will be disseminated promptly to Eligible Holders in a manner reasonably designed to inform Eligible Holders of such change.

If we materially change the terms of this Offer or the information concerning this Offer, or if we waive a material condition of this Offer, we will extend this Offer to the extent required by Rules 13e-4(d)(2) and 13e-4(e)(3) under the Exchange Act. Except for a change in price or a change in percentage of securities sought, the amount of time by which we will extend this Offer following a material change in the terms of this Offer or information concerning this Offer will depend on the facts and circumstances, including the relative materiality of such terms or information. If we decide to take any of the following actions, we will publish notice or otherwise notify you of such action in writing after the date of such notice:

- we increase or decrease the amount of consideration offered for the options; or
- we decrease the number of options eligible to be elected for exchange in this Offer;

and if this Offer is scheduled to expire at any time earlier than the expiration of a period ending on the tenth business day from, and including, the date that notice of such increase or decrease is first published, sent or given in the manner specified in this Section 14 of this Offer, we will extend this Offer so that this Offer is open at least ten business days following the publication, sending or giving of notice.

For purposes of this Offer, a “business day” means any day other than a Saturday, Sunday or a U.S. federal holiday and consists of the time period from 12:01 a.m. through 12:00 midnight, Eastern Time.

15. Fees and Expenses.

We will not pay any fees or commissions to any broker, dealer or other person for soliciting elections to exchange options pursuant to this Offer.

16. Additional Information.

We recommend that, in addition to this Offer to Exchange and the Terms of Election, you review the following materials that we have filed with the SEC, which are incorporated herein by reference, before making a decision on whether to elect to exchange your options:

- our Annual Report on Form 10-K for the fiscal year ended December 31, 2022, filed with the SEC on February 16, 2023;
- our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2023, June 30, 2023 and September 30, 2023, filed with the SEC on May 2, 2023, August 7, 2023 and November 7, 2023, respectively;
- our Current Reports on Form 8-K filed with the SEC on January 9, 2023 (solely with respect to Item 8.01), February 6, 2023, March 16, 2023, June 16, 2023, August 31, 2023, November 7, 2023 and January 8, 2024; and
- the description of our common stock contained in our registration statement on Form 8-A, which was filed with the SEC on July 15, 2014, as the description therein has been updated and superseded by the description of our common stock contained in Exhibit 4.2 of our Annual Report on Form 10-K for the year ended December 31, 2022, as filed with the SEC on February 16, 2023, including any amendment or report filed for the purpose of updating such description.

Our SEC filings are also available to the public on the SEC’s website at www.sec.gov.

We will also provide, without charge, to each person to whom a copy of this Option Exchange is delivered, upon the written or oral request of any such person, a copy of any or all of the documents to which we have referred you, other than exhibits to such documents (unless such exhibits are specifically incorporated by reference into such documents). Requests should be directed to:

Attention: Legal
Sage Therapeutics, Inc.
215 First Street
Cambridge, Massachusetts
(617) 299-8380

As you read the foregoing documents, you may find some inconsistencies in information from one document to another. If you find inconsistencies between the documents, or between a document and this Option Exchange, you should rely on the statements made in the most recent document.

The information contained in this Option Exchange about Sage should be read together with the information contained in the documents to which we have referred you.

17. Miscellaneous.

We are not aware of any jurisdiction where the making of this Offer is not in compliance with applicable law. If we become aware of any jurisdiction where the making of this Offer is not in compliance with any valid applicable law, we will make a good faith effort to comply with such law. If, after such good faith effort, we cannot comply with such law, this Offer will not be made to, nor will elections to exchange options be accepted from or on behalf of, the option holders residing in such jurisdiction.

WE HAVE NOT AUTHORIZED ANY PERSON TO MAKE ANY RECOMMENDATION ON OUR BEHALF AS TO WHETHER YOU SHOULD ELECT TO EXCHANGE OR REFRAIN FROM EXCHANGING YOUR ELIGIBLE OPTIONS PURSUANT TO THIS OFFER. YOU SHOULD RELY ONLY ON THE INFORMATION CONTAINED IN THIS DOCUMENT OR OTHER INFORMATION TO WHICH WE HAVE REFERRED YOU. WE HAVE NOT AUTHORIZED ANYONE TO GIVE YOU ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THIS OFFER OTHER THAN THE INFORMATION AND REPRESENTATIONS CONTAINED IN THIS DOCUMENT OR IN THE RELATED ELECTION CONCERNING EXCHANGE OF OPTIONS FORM. IF ANYONE MAKES ANY RECOMMENDATION OR REPRESENTATION TO YOU OR GIVES YOU ANY INFORMATION, YOU MUST NOT RELY UPON THAT RECOMMENDATION, REPRESENTATION OR INFORMATION AS HAVING BEEN AUTHORIZED BY US.



January 23, 2024

To: Sage Employees

From: Erin Lanciani

RE: Proposal for a one-time Sage stock option exchange

Hi everyone,

In an effort to look at new ways to engage our people and ensure we have a competitive compensation program, I am pleased to share that our Board of Directors has approved a voluntary one-time Sage stock option exchange program, subject to stockholder approval, and has called a special meeting of stockholders to be held January 31, 2024. You will see a filing with the SEC this morning regarding the special meeting.

If this program is approved by stockholders and implemented, it would provide employees, other than executive officers, the opportunity to exchange significantly "underwater" stock options (i.e., outstanding stock options that have an exercise price that is significantly greater than the current market price for our stock) for a fewer number of new stock options with an exercise price equal to the fair market value of our common stock on the grant date of the new stock options. The replacement options would have a new vesting term and expiration date. We are pursuing this initiative to support the retention of our talented people and to better align the interests of our employees with those of our stockholders as we work to create long-term value.

We know you may have many questions about this program and what it means for you. Please know that if and when we offer the program, we will provide more information and host information sessions to explain the program in greater detail, including its potential benefits and risks, and the actions you will need to take if you are eligible and choose to participate. This type of program takes time and many steps, and we are doing our best to bring this to all of you if we can.

Until the option exchange offering period begins, there is nothing that you need to do. While we may begin part of the process earlier, implementation of the program will require stockholder approval.

Thank you for your hard work and continuing efforts to bring life-changing medicines to patients. If you have any questions regarding the program, please reach out to Pete Castrichini.

Erin

This email is not an offer to exchange any options. The option exchange has not yet commenced, and there can be no assurance that it will be implemented even if it is approved by Sage stockholders. Sage will file a Tender Offer Statement on Schedule TO with the SEC if and when the option exchange commences. If Sage commences the option exchange, we will provide employees who are eligible to participate in the exchange program with written materials explaining the precise terms and timing of the program. You should read these materials carefully when they become available, because they will contain important information about the option exchange. You will also be able to obtain the tender_offer statement and other documents filed by Sage with the SEC free of charge from the SEC's website at www.sec.gov.

To: Eligible Holders
From: Peter Castrichini
RE: One-time Sage Stock Option Exchange – Program Launch

All,

As you know from Erin's email of December 8, 2023, our Board of Directors recently approved a voluntary one-time Sage stock option exchange program. Today we are formally launching the stock option exchange program. The completion of the option exchange program is contingent on our stockholders approving the Option Exchange at the special meeting of stockholders to be held on January 31, 2024. The option exchange program election period will continue through February 20, 2024. The election period will close on February 20, 2024 at 11:59 Eastern Time, and, subject to stockholder approval at the January 31, 2024 special stockholders meeting, replacement stock options are expected to be granted on February 21, 2024.

As a reminder, if this program is approved by stockholders and implemented, it would provide employees, other than executive officers, the opportunity to exchange significantly "underwater" stock options (i.e., outstanding stock options that have an exercise price that is significantly greater than the current market price for our stock) for a fewer number of new stock options with an exercise price equal to the fair market value of our common stock on the grant date of the new stock options. The replacement options would have a new vesting term and expiration date. The option exchange is entirely voluntary. We are pursuing this initiative to support the retention of our talented people and to better align the interests of our employees with those of our stockholders as we work to create long-term value.

Soon you will receive an email from Infinite Equity (info@mail.infiniteequity.com), our third-party vendor, with information that explains the option exchange program in greater detail, including its potential benefits and risks, and the steps you will need to take if you choose to participate. The email will also contain a link to the Option Exchange website with reference materials and tools you can utilize to help make your decision. You will also receive invitations to virtual information sessions, where the option exchange program will be discussed in more detail. Please review all materials carefully and weigh your decision with care.

I want to reiterate that this is an entirely voluntary program. Neither Sage nor Sage's Board of Directors can make a recommendation to you about whether or not to participate. We strongly encourage you to consult your personal financial, legal and/or tax advisors as part of your decision-making process. In addition, please note that the replacement options may decline in value, and that the past and current market prices of Sage common stock may provide little or no basis for predicting what the market price of Sage common stock will be at any time in the future. While we don't have plans to do so, Sage does have the right to terminate or amend the option exchange for a variety of reasons and we would let you know if that were to happen.

Please take the time to carefully review the information and instructions that you will receive. If you have questions about the offer, please email compensation@sagerx.com. If you have questions about the Option Exchange website or logistical steps, please email sage@infiniteequity.com.

Best regards,

Pete

This email is not an offer to exchange any options. There can be no assurance that the option exchange will be implemented even once it has commenced and if it is approved by Sage stockholders. Sage will file a Tender Offer Statement on Schedule TO with the SEC when the option exchange commences. Shortly after Sage commences the option exchange, we will provide employees who are eligible to participate in the exchange program with written materials explaining the precise terms and timing of the program. You should read these materials carefully when they become available, because they will contain important information about the option exchange. You will also be able to obtain the tender offer statement and other documents filed by Sage with the SEC free of charge from the SEC's website at www.sec.gov.

Dear Sage Employees:

IMPORTANT NEWS — PLEASE READ. IF YOU CHOOSE TO PARTICIPATE IN THE OPTION EXCHANGE, YOU MUST TAKE ACTION BY 11:59 PM EASTERN TIME ON FEBRUARY 20, 2024.

We are pleased to announce that the stock option exchange program that you have previously received notice of (the “Option Exchange”) begins today. You are receiving this email because you are an eligible participant in the Option Exchange.

Below you will find a basic outline of the Option Exchange. As an eligible participant, you should carefully read the Tender Offer Statement on Schedule TO and the related exhibits, including the Offer to Exchange Eligible Options for Replacement Options and Terms of Election (collectively, the “Offering Materials”). All of the Offering Materials are available on the Option Exchange website referred to below and on the Securities and Exchange Commission’s website at www.sec.gov. These materials will help you to understand the terms and conditions of the Option Exchange and the related risks.

Note that the completion of the Option Exchange is conditioned upon the stockholders approving the Option Exchange at the special meeting to be held on January 31, 2024.

OPTION EXCHANGE WEBSITE AND LOG-IN INSTRUCTIONS

Please take the time to educate yourself about the Option Exchange by reviewing the resources and Offering Materials on the Option Exchange website, available at www.myoptionexchange.com.

If you choose to participate in the Option Exchange, you must elect to do so through the Option Exchange website referenced above as well.

To log into the website, please go to www.myoptionexchange.com. The first time you access the website, you will need to register as a new user and create a password. You must use your Sage email address. The website uses two-factor authentication, so the first time you access the portal each day, the website will generate a verification code that will be emailed to you. Once the verification code has been entered, you can access the website’s content. The verification codes expire at the end of each day. If you experience difficulties accessing the Option Exchange website, please contact sage@infiniteequity.com.

In addition to the Offering Materials and election form, the website will have information about your outstanding stock options that is intended to be a helpful resource as you decide whether or not to participate in the Option Exchange.

ELIGIBILITY

The Option Exchange is open to eligible non-executive officer employees of Sage, who hold certain outstanding stock options and who remain employed by Sage through the completion of the Option Exchange.

“Eligible Options” are stock options under our 2014 Stock Option and Incentive Plan (the “2014 Plan”) or our 2016 Inducement Equity Plan that have an exercise price equal to or greater than \$35.00 per share and remain outstanding and unexercised prior to the expiration of the tender offer (which is 11:59 PM Eastern Time, February 20, 2024 (the “Offer Expiration Date”), unless extended). Only unexercised stock options are considered to be outstanding and any stock options that expire pursuant to their terms prior to the completion of the Option Exchange are not eligible to be tendered.

EXCHANGE DETAILS

Replacement options will be granted for each Eligible Option that you properly tender in the Option Exchange (“Replacement Options”) at an exchange ratio that was approved by the Board of Directors (the “Exchange Ratio”), as further described in the Offering Materials.

Each Replacement Option granted to you in the Option Exchange will be granted under our 2014 Plan and will vest in equal monthly installments over a period of 18 months from the grant date of the Replacement Options, subject to your continued service with Sage through the applicable vesting date.

If you hold more than one Eligible Option grant, you may elect to participate in the Option Exchange on a grant-by-grant basis. This means that you will be allowed to exchange one of those grants without exchanging any other grants. However, as to any grant that you elect to exchange, you must elect to exchange the entire separate Eligible Option grant. No partial exchanges of separate Eligible Option grants will be permitted.

Eligible Options properly tendered in the Option Exchange and accepted by us for exchange will be canceled on the first business day following the Offer Expiration Date, and we expect that the Replacement Options will be granted with the terms described in the Offering Materials on the first business day following the Offer Expiration Date.

OFFERING PERIOD

Opens: January 23, 2024.

Closes: February 20, 2024 at 11:59 PM Eastern Time, unless we extend the expiration date and time.

If you want to participate in the Option Exchange, you must elect to participate during the offering period through the Option Exchange website at www.myoptionexchange.com. If you experience difficulties accessing the Option Exchange website, please contact sage@infiniteequity.com.

HOW TO LEARN MORE

The offering period for the Option Exchange begins today. There are many things to consider when deciding whether or not to participate. You should carefully read the more detailed Offering Materials before deciding to participate. Please review the Option Exchange website for more information and for instructions on how to elect to participate, change a prior election or withdraw your election before the end of the offering period. By making one or more elections in the Option Exchange, you will be confirming that you have read these materials.

Participation in the Option Exchange is voluntary. Sage and our Board of Directors make no recommendation as to whether you should participate or refrain from participating in the Option Exchange. You must make your own decision whether to participate. You should speak with your financial, legal and/or tax advisors as necessary, before deciding whether to participate in the Option Exchange. The consummation of the Option Exchange is contingent on Sage's stockholders approving the Option Exchange at the special meeting of stockholders to be held on January 31, 2024.

If you have any questions about the Option Exchange, please contact compensation@sagerx.com.

The Option Exchange is being made pursuant to the terms and conditions set forth in Sage's Tender Offer Statement on Schedule TO and the exhibits attached thereto, including the Offer to Exchange Eligible Options for Replacement Options, filed with the Securities and Exchange Commission, which are available free of charge at <http://www.sec.gov> or on the Option Exchange website located at: www.myoptionexchange.com. You should read these written materials carefully because they contain important information about the Option Exchange, including related risks.

SAGE THERAPEUTICS, INC.

TERMS OF ELECTION

BY PARTICIPATING, YOU AGREE TO ALL TERMS OF THE OPTION EXCHANGE AS SET FORTH IN THE OFFER TO EXCHANGE ELIGIBLE OPTIONS FOR REPLACEMENT OPTIONS, DATED JANUARY 23, 2024 (AS IT MAY BE AMENDED AND SUPPLEMENTED FROM TIME TO TIME, THE "OFFER TO EXCHANGE"). ALL CAPITALIZED TERMS USED AND NOT DEFINED HEREIN SHALL HAVE THE MEANINGS GIVEN TO THEM IN THE OFFER TO EXCHANGE.

Sage Therapeutics, Inc. ("Sage", "our", "we") is offering eligible non-executive officer employees the opportunity to exchange certain outstanding stock options to purchase shares of our common stock for new options to purchase a lesser number of shares of our common stock (the "Replacement Options") to be granted under the 2014 Stock Option and Incentive Plan (the "2014 Plan"), calculated in accordance with specified exchange ratios. We refer to the offer made pursuant to the Offer to Exchange as the "Option Exchange."

If you would like to participate in this Option Exchange, please indicate your election by making the applicable selections on the option exchange program website at www.myoptionexchange.com by 11:59 p.m. Eastern Time on February 20, 2024 (unless the Option Exchange is extended).

You may withdraw this election by submitting a new properly completed election via the option exchange program website on or prior to 11:59 p.m. Eastern Time on February 20, 2024 (the "Offer Expiration Date"), unless we extend the Option Exchange, in which case the term "Offer Expiration Date" will refer to the last time and date on which this Option Exchange expires.

By electing to exchange your Eligible Options, you understand and agree to all of the following:

1. I hereby agree to (i) accept the grant by Sage of my Eligible Options indicated on my election, to the extent not previously accepted and (ii) exchange my Eligible Options indicated on my election for Replacement Options as determined in accordance with the terms of the Option Exchange as set forth in the Offer to Exchange, of which I hereby acknowledge receipt. Each Eligible Option indicated on my election will be cancelled, on a grant-by-grant basis, on the first business day following the Offer Expiration Date, or such other time promptly following the Offer Expiration Date as Sage shall determine. Any Replacement Options will be granted to me on a date designated by Sage, which is currently expected to be the first business day following the Offer Expiration Date, in accordance with the terms of the Option Exchange.
2. I hereby agree to execute an option agreement evidencing the grant of the Replacement Option and further acknowledge that the Replacement Option have a different vesting schedule than the Eligible Options cancelled in the Option Exchange. The Replacement Options granted pursuant to the Option Exchange will vest in equal monthly installments over a period of 18 months following the date of grant of the Replacement Options, subject to my continued service to Sage through the applicable vesting dates.

3. The Option Exchange is currently set to expire at 11:59 p.m. Eastern Time on February 20, 2024, unless Sage, in its discretion, extends the period of time during which the Option Exchange will remain open.
4. If I am no longer employed by or engaged as an employee of Sage or its subsidiaries, whether my termination is voluntary, involuntary or for any other reason, as of the completion of the Option Exchange, I will not be able to participate in the Option Exchange or receive any Replacement Options. Even if I had elected to participate in this Option Exchange, my tender will automatically be deemed withdrawn and I will not participate in this Option Exchange, and I will retain my outstanding options in accordance with their current terms and conditions. Unless otherwise expressly provided in the 2014 Plan, the form of option agreement with respect to the Replacement Options or as determined by Sage, my right to vest in the Replacement Options, if any, will terminate as of the date of my termination of employment or service. Notwithstanding the foregoing, the Administrator (as defined in the 2014 Plan) shall have exclusive discretion to determine when my termination of employment or service has occurred for purposes of the Replacement Options (including when I am no longer considered to be actively providing services while on a leave of absence).
5. Until 11:59 p.m. Eastern Time on February 20, 2024, or if the Option Exchange is extended, such new expiration time as announced by Sage, I will have the right to withdraw or change the election that I have made with respect to all of my Eligible Options. **HOWEVER, AFTER THAT TIME I WILL HAVE NO ABILITY TO CHANGE MY ELECTION.** The last properly submitted election received by Sage prior to the Offer Expiration Date shall be binding. Until the Option Exchange period closes at 11:59 p.m. Eastern Time on the Offer Expiration Date, I may withdraw my tender of my Eligible Options at any time.
6. The tender of my Eligible Options will constitute my acceptance of all of the terms and conditions of the Option Exchange. Acceptance by Sage of my tendered Eligible Options pursuant to the Option Exchange will constitute a binding agreement between Sage and me upon the terms and subject to the conditions of the Option Exchange.
7. I am the registered holder of the Eligible Options tendered hereby, and my name and other information appearing on the election are true and correct.
8. I am not required to tender some or all of my Eligible Options pursuant to the Option Exchange.
9. **SAGE AND/OR ANY INDEPENDENT FIRMS HIRED WITH RESPECT TO THE OPTION EXCHANGE CANNOT GIVE ME LEGAL, TAX AND/OR INVESTMENT ADVICE WITH RESPECT TO THE OPTION EXCHANGE AND I HAVE BEEN ADVISED TO CONSULT WITH MY PERSONAL FINANCIAL, LEGAL AND/OR TAX ADVISORS AS TO THE CONSEQUENCES OF PARTICIPATING OR NOT PARTICIPATING IN THE OPTION EXCHANGE.**

10. Under certain circumstances set forth in the Offer to Exchange, Sage may terminate or amend the Option Exchange and postpone its acceptance of the Eligible Options I have elected to exchange. If the Eligible Options I tendered are not accepted for exchange, such options will continue to be outstanding and governed by their existing terms and conditions. I understand that the completion of the Option Exchange is subject to Sage's stockholders approving the Option Exchange at the special meeting to be held on January 31, 2024.
11. I understand that: (i) neither the rights nor any provision of the Option Exchange, the Offer to Exchange, the 2014 Plan, or the form of option agreement with respect to the Replacement Options confer upon me any right with respect to service or employment or continuation of current employment with Sage and shall not be interpreted to form a service or employment contract or relationship with Sage; (ii) the future value of Sage's common stock is unknown and cannot be predicted with certainty; and (iii) if I acquire shares of Sage's common stock upon exercise of the Replacement Options, the value of the shares acquired may increase or decrease in value.
12. I understand that no claim or entitlement to compensation or damages shall arise from forfeiture of the right to participate in the Option Exchange resulting from termination of my employment with Sage for any reason, and I irrevocably release Sage and its subsidiaries from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, I shall be deemed irrevocably to have waived my entitlement to pursue such claim.
13. Regardless of any action that Sage or its subsidiaries takes with respect to any or all income tax, social insurance, payroll tax or other tax-related withholding related to the Option Exchange and the Replacement Options ("Tax-Related Items"), I understand that the ultimate liability for all Tax-Related Items is and remains my sole responsibility and may exceed the amount actually withheld by Sage or its subsidiaries, if any. I further acknowledge that Sage and/or its subsidiaries (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Option Exchange and the Replacement Options including, but not limited to, the exchange of Eligible Options, grant or vesting of the Replacement Options, the issuance of common stock of Sage upon exercise of the Replacement Options or the subsequent sale of shares acquired pursuant to such exercise; and (ii) do not commit to and are under no obligation to structure the terms of the Option Exchange or new Replacement Options to reduce or eliminate my liability for Tax-Related Items or achieve any particular tax result. Further, if I have become subject to tax in more than one jurisdiction between the date of the grant of the Replacement Options and the date of any relevant taxable or tax withholding event, as applicable, I acknowledge that Sage and/or any of its subsidiaries may be required to withhold or account for Tax-Related Items in more than one jurisdiction. In that regard, I authorize Sage and/or any of its subsidiaries to withhold all Tax-Related Items legally payable by me pursuant to the terms of the option agreement evidencing my Replacement Options and the 2014 Plan.

14. In the event that I have not accepted the grant of the Eligible Option(s) I elect to tender in the Option Exchange, I hereby agree to be bound by the terms and conditions of the applicable equity incentive plan pursuant to which the Eligible Option(s) were granted, the applicable option agreement evidencing my Eligible Option(s), including any grant notice attached thereto or provided therewith, each as provided at www.shareworks.solium.com. I also agree to accept as binding, conclusive and final, all decisions or interpretations of the plan administrator of the applicable equity incentive plan upon any questions arising under such equity incentive plan or relating to such Eligible Option(s).

I understand that participating in the Option Exchange is voluntary. Neither the officers nor the Board of Directors of Sage make any recommendation as to whether I should participate or refrain from participating in the Option Exchange. I must make my own decision whether to participate. I should speak with my financial, legal and/or tax advisors as necessary, before deciding whether to participate in the Option Exchange. The consummation of the Option Exchange is subject to approval of Sage's stockholders at the special meeting to be held on January 31.

These Terms of Election do not constitute the Offer to Exchange. The full terms of the Option Exchange are described in (1) the Offer to Exchange; (2) these Terms of Election; (3) the 2014 Plan; and (4) the applicable form of option agreement under the 2014 Plan.

ELECTION INSTRUCTIONS

FORMING PART OF THE ELECTION TERMS AND CONDITIONS

1. To participate in the Option Exchange, you must complete and deliver an election.

Participation in this Option Exchange is completely voluntary. If you are an eligible employee, at the start of the Option Exchange you will have received an announcement email from Peter Castrichini, dated January 23, 2024, announcing this Option Exchange. If you do not want to participate, then no action is necessary. If you choose to participate in the Option Exchange, you must do the following before 11:59 p.m., Eastern Time, on the Offer Expiration Date, which is expected to be February 20, 2024 (unless the Option Exchange is extended).

Elections via the Option Exchange Website

Participation in this Offer is voluntary. If you choose to participate in this Offer, you must do the following on or before the Offer Expiration Date, which is expected to be 11:59 p.m., Eastern Time, on February 20, 2024.

1. To submit an election via the Option Exchange website, click on the link to the Option Exchange website in the announcement email you received from Peter Castrichini, dated January 23, 2024, announcing the Option Exchange, or go to the Option Exchange website at <https://www.myoptionexchange.com>. Log in to the Option Exchange website using the login instructions provided to you in the announcement email (or if you previously logged into the Option Exchange website, your updated login credentials).
2. After logging in to the Option Exchange website, review the information and proceed through to the "Election Form" page. You will be provided with personalized information regarding each Eligible Option grant you hold, including:
 - the grant date of the Eligible Option grant;
 - the per share exercise price of the Eligible Option grant;
 - the number of vested shares of Sage common stock subject to the Eligible Option grant as of February 20, 2024 (assuming vesting in accordance with the applicable vesting schedule, and no exercise or early termination occurs, through such date); and
 - the hypothetical number of shares of our common stock subject to the Replacement Option that would be granted in exchange for the tendered Eligible Option grant if the election is made and the Option Exchange proceeds.
3. On the "Election Form" page, make your selection next to each of your Eligible Option grants to indicate which Eligible Option grants you choose to tender in the Option Exchange by selecting "Exchange" or choose not to tender in the Option Exchange by selecting "Do Not Exchange." If you do not select the "Exchange" choice with respect to an Eligible Option, your election with respect to that Eligible Option will default to "Do Not Exchange." In that event, the Eligible Option will not be exchanged.

4. Proceed through the Option Exchange website by following the instructions provided. Review your election and confirm that you are satisfied with your election. After reviewing, acknowledging and agreeing to the terms and conditions stated on the Confirm Elections page and in the Option Exchange documents, submit your election. If you do not acknowledge and agree to the terms and conditions, you will not be permitted to submit your election.
5. Upon submitting your election, a confirmation statement will be generated by the Option Exchange website. Please print and keep a copy of the confirmation statement for your records. A copy of the confirmation statement will also be sent to your email. At this point, you will have completed the election process via the Option Exchange website.

We must receive your properly completed and submitted election by the Offer Expiration Date of the Option Exchange, currently expected to be 11:59 p.m., Eastern Time, on February 20, 2024. If you are unable to submit your election via the Option Exchange website as a result of technical failures of the Option Exchange website such as the Option Exchange website being unavailable or the Option Exchange website not enabling you to submit your election, please email: sage@infiniteequity.com.

If you wish to exchange any portion of an individual Eligible Option grant in the Option Exchange, you must exchange the entire individual Eligible Option grant. No partial exchanges of an Eligible Option grant will be permitted. If you hold more than one Eligible Option grant, however, you may choose to exchange one or more of such individual Eligible Option grants, on a grant-by-grant basis, without having to exchange all of your Eligible Option grants. If you are eligible to participate in the Option Exchange, the Option Exchange website will list all of your Eligible Option grants.

We may extend this Option Exchange. If we extend the offering period, we will issue a press release, email or other communication disclosing the extension no later than 8:00 a.m., Eastern Time, on February 21, 2024 (the business day following the previously scheduled or announced Offer Expiration Date). We reserve the right to reject any Eligible Option grant tendered for exchange that we determine is not in the appropriate form or that we determine is unlawful to accept. Subject to the terms and conditions of this Option Exchange, we will accept all properly tendered Eligible Option grants promptly after the Offer Expiration Date.

You may change your mind after you have submitted an election and withdraw from the Option Exchange at any time on or before the Offer Expiration Date, as described below. You may change your mind as many times as you wish, but you will be bound by the properly submitted election we receive last on or before the Offer Expiration Date. You also may change your mind about which of your Eligible Option grants you wish to have exchanged. If you wish to include more or fewer Eligible Option grants in your election, you must complete and submit a new election on or before the Offer Expiration Date by following the procedures described below. This new election must be properly submitted after any prior elections you have submitted and must list all Eligible Option grants you wish to exchange. Any prior election will be disregarded. If you wish to withdraw some or all of the Eligible Option grants you elected for exchange, you may do so at any time on or before the Offer Expiration Date by following the procedures described below.

Your delivery of all documents regarding the Option Exchange, including elections, is at your risk. Upon submission of an election via the Option Exchange website, a confirmation statement will be generated by the Option Exchange website at the time that you complete and submit your election. You should print and keep a copy of the confirmation statement for your records. A copy of the confirmation statement will also be sent to your email. The printed confirmation statement will provide evidence that you submitted your election. If you do not receive a confirmation, it is your responsibility to confirm that we have received your election. If you do not receive a confirmation, we recommend that you confirm that we have received your election by emailing sage@infiniteequity.com. Only responses that are properly completed and actually received by us by 11:59 p.m. Eastern Time on the Offer Expiration Date through the Option Exchange website at www.myoptionexchange.com will be accepted. Responses submitted by any other means, including hand delivery, interoffice, email, U.S. mail (or other post) and Federal Express (or similar delivery service), are not permitted.

Our receipt of your election is not by itself an acceptance of your options for exchange. For purposes of this Option Exchange, we will be deemed to have accepted options for exchange that are validly elected to be exchanged and are not properly withdrawn as of the time when we give oral or written notice to the option holders generally of our acceptance of options for exchange. We may issue this notice of acceptance by press release, email or other form of communication. Options accepted for exchange will be cancelled on the first business day following the Offer Expiration Date, which we presently expect will be February 21, 2024.

Sage will not accept any alternative, conditional or contingent tenders. Any confirmation of receipt provided to you merely will be a notification that we have received your election form and does not mean that your Eligible Options have been cancelled.

2. To change or withdraw prior elections of your Eligible Options, you must complete and deliver a new election.

You may change an election you previously made with respect to some or all of your Eligible Options, including an election to withdraw all of your Eligible Options from this Option Exchange, only in accordance with the provisions of Section 4 of the Offer to Exchange. You may change your mind after you have submitted an election and withdraw some or all of your elected Eligible Options from the Option Exchange at any time before the Offer Expiration Date, currently expected to be 11:59 p.m., Eastern Time, on February 20, 2024. If we extend the Offer Expiration Date, you may change or withdraw your election of tendered options at any time until the extended Option Exchange expires. In addition, under U.S. securities laws, if we have not accepted your options by 11:59 p.m., Eastern Time, on March 20, 2024 (which is the 40th business day following the commencement of the Option Exchange), you may withdraw your options at any time thereafter up to such time as Sage does accept your properly tendered options.

To change an election you previously made with respect to some or all of your Eligible Option grants, including an election to withdraw all of your Eligible Option grants from this Option Exchange, you must deliver a valid new election indicating only the Eligible Option grants you wish to exchange in the Option Exchange or a valid new election indicating that you reject the Option Exchange with respect to all of your Eligible Option grants, by completing the election process described below on or before the Offer Expiration Date.

Election Changes and Withdrawals via the Option Exchange Website

Participation in this Offer is voluntary. If you choose to participate in this Offer, you must do the following on or before the Offer Expiration Date, which is expected to be 11:59 p.m., Eastern Time, on February 20, 2024.

1. Log in to the Option Exchange website at www.myoptionexchange.com.
2. After logging in to the Option Exchange website, review the information and proceed through to the "Election Form" page, where you will find personalized information regarding each Eligible Option grant you hold, including:
 - the grant date of the Eligible Option grant;
 - the per share exercise price of the Eligible Option grant;
 - the number of vested shares of our common stock subject to the Eligible Option grant as of February 20, 2024 (assuming vesting in accordance with the applicable vesting schedule, and no exercise or early termination occurs, through such date); and
 - the hypothetical number of shares of our common stock subject to the Replacement Option that would be granted in exchange for the tendered Eligible Option grant if the election is made and the Option Exchange proceeds.
3. On the "Election Form" page, change your selection next to each of your Eligible Option grants to indicate which Eligible Option grants you choose to tender in the Option Exchange by selecting "Exchange" or choose not to tender in the Option Exchange by selecting "Do Not Exchange." If you do not select the "Exchange" choice with respect to an Eligible Option, your election with respect to that Eligible Option will default to "Do Not Exchange." In that event, the Eligible Option will not be exchanged.
4. Proceed through the Option Exchange website by following the instructions provided. Review your election and confirm that you are satisfied with your election. After reviewing, acknowledging and agreeing to the terms and conditions stated on the Confirm Elections page and in the Option Exchange documents, submit your election. If you do not acknowledge and agree to the terms and conditions, you will not be permitted to submit your election.
5. Upon submitting your election, a confirmation statement will be generated by the Option Exchange website. Please print and keep a copy of the confirmation statement for your records. A copy of the confirmation statement will also be sent to your email. At this point, you will have completed the process for changing your previous election or withdrawing from participation in the Option Exchange via the Option Exchange website.

You may change your mind as many times as you wish, but you will be bound by the properly submitted election we receive last on or before the Offer Expiration Date.

3. No Partial Tenders.

If you intend to tender an Eligible Option grant through the Option Exchange, you must tender all of your shares of Sage's common stock subject to that Eligible Option grant.

If you hold more than one Eligible Option grant, you may pick and choose which of your outstanding Eligible Option grants you wish to exchange, and you may choose to exchange in the Option Exchange one or more of your Eligible Option grants without having to exchange all of your Eligible Option grants. However, no partial exchanges of eligible separate option grants will be permitted.

4. Signatures on elections.

Logging in to the Option Exchange website and completing and submitting your election via the Option Exchange website is the equivalent of signing your name on a paper election form and has the same legal effect as your written signature.

If the election form is signed by a trustee, executor, administrator, guardian, attorney in-fact, officer of a corporation or other person acting in a fiduciary or representative capacity, that person should so indicate when signing, and proper evidence satisfactory to Sage of the authority of that person to act in that capacity must be submitted with the election form.

5. Other information on elections.

When submitting the election via the Option Exchange website, please confirm that your name, email address, and other information are correct.

6. Requests for assistance or additional copies.

Any questions and any requests for additional copies of the election form or other Option Exchange documents may be directed to compensation@sagerx.com. Copies will be furnished promptly at Sage's expense.

7. Irregularities.

Neither we nor any other person is obligated to give you notice of any defects or irregularities in any election, nor will anyone incur any liability for failure to give any notice. We will determine, in our discretion, all questions about the validity, form, eligibility (including time of receipt) and acceptance of any Eligible Options. Our determination of these matters will be given the maximum deference permitted by law. However, you have all rights accorded to you under applicable law to challenge such determination in a court of competent jurisdiction. Only a court of competent jurisdiction can make a determination that will be final and binding upon the parties. We reserve the right to reject any election of any option tendered for exchange that we determine is not in an appropriate form or that we determine is unlawful to accept. We will accept all properly tendered Eligible Options that are not validly withdrawn, subject to the terms of this Option Exchange.

We also reserve the right to waive any of the conditions of the Option Exchange or any defect or irregularity in any tender of any particular options or for any particular option holder, provided that if we grant any such waiver, it will be granted with respect to all option holders and tendered options in a uniform and nondiscriminatory manner. No tender of options will be deemed to have been properly made until all defects or irregularities have been cured by the tendering holder of the Eligible Options or waived by us.

Important: Elections must be received via the Option Exchange website at www.myoptionexchange.com on or before 11:59 p.m., Eastern Time, on February 20, 2024 (unless the Option Exchange is extended).

8. Additional documents to read.

You should be sure to read the Offer to Exchange, all documents referenced therein, this Election Terms and Conditions and its associated instructions, and the announcement email you received from Peter Castrichini, dated January 23, 2024, announcing the Option Exchange, before deciding to participate in the Option Exchange.

9. Important tax information.

Please refer to Section 13 of the Offer to Exchange for a discussion of the material U.S. federal income tax consequences. We also recommend that you consult with your personal financial, legal and/or tax advisers before deciding whether or not to participate in this Option Exchange.



Option Exchange

Sage has received your election via the Sage Option Exchange website by which you elected to accept or reject Sage's offer to exchange Eligible Options for Replacement Options with respect to some or all of your outstanding stock option grants, subject to the terms and conditions of the Offer to Exchange document that has been made available to you (the "Option Exchange").

Your election has been recorded as follows:

Name: Demo User
Employee ID: DEMO1
Date and Time: 1/23/2024 12:00 PM Eastern Time

Grant Number	Grant Date	Award Type	Grant Price	Shares Underlying Option Grant*	Vested Options as of 2/20/2024**	Exchange Ratio	Replacement Options	Election
DEMOGRANT1	2/1/2018	Options (NQ)	\$192.33	198	198	5.00 to 1.00	39	Exchange
DEMOGRANT2	4/2/2018	Options (ISO)	\$145.77	1,811	1,811	4.00 to 1.00	452	Exchange
DEMOGRANT3	12/19/2019	Options (ISO)	\$ 73.24	720	660	2.25 to 1.00	320	Do Not Exchange
DEMOGRANT3SPLIT	12/19/2019	Options (NQ)	\$ 73.24	2,160	2,160		960	
DEMOGRANT4	4/28/2020	Options (ISO)	\$ 39.87	2	2	1.5 to 1.00	1	Exchange
DEMOGRANT4SPLIT	4/28/2020	Options (NQ)	\$ 39.87	3,293	3,293		2,195	

* This column displays the number of shares of our common stock subject to the stock option grant as of February 20, 2024 (assuming no exercise or early termination occurs, through February 20, 2024).

** This column displays the number of vested shares of our common stock subject to the stock option grant as of February 20, 2024 (assuming vesting in accordance with the applicable vesting schedule, and no exercise or early termination occurs, through February 20, 2024).

In all events, vesting is subject to continued service with us through the applicable vesting date.

Please refer to the Option Exchange documents, including Section 8 of the Offer to Exchange, for additional terms that may apply to the new options.

If you change your mind regarding your election, you may change your election to accept or reject the Option Exchange with respect to some or all of your Eligible Options by submitting a new election. The new election must be delivered via the Sage Option Exchange website at www.myoptionexchange.com, no later than the Offer Expiration Date, currently expected to be 11:59 PM Eastern Time, on February 20, 2024 (unless the offer is extended).

Only elections that are properly completed, electronically signed, dated and actually received by Sage via the Option Exchange website at www.myoptionexchange.com on or before the Offer Expiration Date will be accepted. Elections submitted by any other means, including hand delivery, interoffice, email, U.S. mail (or other post) and Federal Express (or similar delivery service), are not permitted. If you have any questions, please direct them to the support team by email at compensation@sagerx.com. If you experience technical failures on the Option Exchange website such as the Option Exchange website being unavailable or the Option Exchange website not enabling you to submit your election, please email sage@infiniteequity.com.

Please note that our receipt of your election is not by itself an acceptance of your stock options for exchange. For purposes of the Option Exchange, we will be deemed to have accepted Eligible Options for exchange that are validly elected to be exchanged and are not properly withdrawn as of the time when we give oral or written notice to the stock option holders generally of our acceptance of stock options for exchange. We may issue this notice of acceptance by press release, email or other form of communication. Eligible Options accepted for exchange will be cancelled, and the Replacement Options will be granted, on the first business day following the Offer Expiration Date, which we presently expect will be February 21, 2024 (unless the offer is extended).

This notice does not constitute the Option Exchange. The full terms of the Option Exchange are described in (1) Offer to Exchange Eligible Options for Replacement Options; (2) the announcement email, dated January 23, 2024, announcing the Option Exchange; and (3) the election terms and conditions, together with its associated instructions. You may access these documents through the U.S. Securities and Exchange Commission's website at www.sec.gov, on Sage's option exchange website at www.myoptionexchange.com, or by contacting Sage's Stock Administration team by email at compensation@sagerx.com.

Please do NOT reply to this email. This mailbox is not monitored and you will not receive a response.

REMINDER EMAIL

According to our records, you have not yet submitted an election in connection with Sage's Option Exchange program. This email is to remind you that February 20, 2024 at 11:59 PM Eastern Time is the final deadline to participate in the Option Exchange. The Option Exchange deadline will be strictly enforced, so we encourage you to give yourself adequate time to make your election if you wish to participate.

You can access the Option Exchange website at www.myoptionexchange.com and follow the directions to make a timely decision. If you have already established your account, login with your password and check your email for the authentication code. If you have not already established your account, please click on "Register as New User", set your password, and check your email for the authentication code. Simply follow the instructions on the website to access personalized information about your Eligible Options and how to make, change or withdraw your election before the end of the offering period.

Your participation in the Option Exchange is completely voluntary. You are not obligated to participate in the Option Exchange. If you do not want to participate in the Option Exchange, no action by you is needed and you are not required to visit the Option Exchange website. Any options you do not elect to surrender for exchange will not be canceled and will remain outstanding subject to their present terms.

If you have any questions about the Option Exchange, please email: compensation@sagerx.com.

The Option Exchange is being made pursuant to the terms and conditions set forth in Sage's Tender Offer Statement on Schedule TO and the exhibits attached thereto, including the Offer to Exchange Eligible Options for Replacement Options, filed with the Securities and Exchange Commission, which are available free of charge at <http://www.sec.gov> or on the Option Exchange website located at: www.myoptionexchange.com. You should read these written materials carefully because they contain important information about the Option Exchange, including related risks.



You have made the following elections with respect to your eligible stock options.

Grant Number	Grant Date	Award Type	Grant Price	Shares Underlying Option Grant*	Vested Options as of 2/26/2024*	Exchange Ratio	Replacement Options	Election
DEMOGRANT1	2/1/2018	Options (NQ)	\$192.33	198	198	5.00	40	Exchange
DEMOGRANT2	4/2/2018	Options (ISO)	\$145.77	1,811	1,811	4.00	453	Do Not Exchange
DEMOGRANT3	12/19/2019	Options (ISO)	\$73.24	720	660	2.25	320	Exchange
DEMOGRANT3SPLIT	12/19/2019	Options (NQ)	\$73.24	2,160	2,160	2.25	960	
DEMOGRANT4	4/28/2020	Options (ISO)	\$39.87	2	2	1.50	2	Do Not Exchange
DEMOGRANT4SPLIT	4/28/2020	Options (NQ)	\$39.87	3,293	3,293	1.50	2,196	

*This column displays the number of shares of our common stock subject to the stock option grant as of February 20, 2024 (assuming no exercise or early termination occurs, through February 20, 2024).

*This column displays the number of vested shares of our common stock subject to the stock option grant as of February 20, 2024 (assuming vesting in accordance with the applicable vesting schedule, and no exercise or early termination occurs, through February 20, 2024).

In all events, vesting is subject to continued service with us through the applicable vesting date.

Please refer to the Option Exchange documents, including Section 8 of the Offer to Exchange, for additional terms that may apply to the new options.

I acknowledge that I have read all of the Option Exchange documents, including the Offer to Exchange, which contain the specific terms and conditions of the Option Exchange. I acknowledge that, if I change my election, my election in effect at the completion of the Option Exchange (February 20, 2024, 11:59 PM Eastern Time, unless the offer is extended) will be my final election. I also agree to the Election Terms and Conditions and related instructions included in the Resources section of this Option Exchange website and attached to the announcement email dated January 23, 2024.

If I elected to exchange my eligible stock options, my electronic signature below indicates my agreement to be bound by the terms and conditions of the Sage Therapeutics Incentive Award Plan, as amended, and options agreement thereunder. If I elect not to exchange my eligible stock options, my eligible stock options will remain outstanding with their current terms and I will not receive any new options.

Electronic signature*

Use your mouse or finger to draw your signature above Clear

An email confirmation will be sent to sage@infiniteequity.com.

Cancel

Submit

The Option Exchange is being made pursuant to the terms and conditions set forth in Sage's Tender Offer Statement on Schedule TO and the exhibits attached thereto, including the Offer to Exchange Eligible Options for Replacement Options, filed with the Securities and Exchange Commission, which are available free of charge at <http://www.sec.gov> or on the Option Exchange website located at: www.myoptionexchange.com. You should read these written materials carefully because they contain important information about the Option Exchange, including related risks.



Finished

Sage has received your election via the Sage Option Exchange website by which you elected to accept or reject Sage's offer to exchange Eligible Options for Replacement Options with respect to some or all of your outstanding stock option grants, subject to the terms and conditions of the Offer to Exchange document that has been made available to you (the "Option Exchange").

Your election has been recorded as follows:

Name: Demo User
 Employee ID: DEMO1
 Date and Time: 01/19/2024 2:29 PM Eastern Time

Grant Number	Grant Date	Award Type	Grant Price	Shares Underlying Option Grant*	Vested Options as of 2/20/2024**	Exchange Ratio	Replacement Options	Election
DEMOGRANT1	2/1/2018	Options (NQ)	\$192.33	198	198	5.00	40	Exchange
DEMOGRANT2	4/2/2018	Options (ISO)	\$145.77	1,811	1,811	4.00	453	Do Not Exchange
DEMOGRANT3	12/19/2019	Options (ISO)	\$73.24	720	660	2.25	320	Exchange
DEMOGRANT3SPLIT	12/19/2019	Options (NQ)	\$73.24	2,160	2,160	2.25	960	
DEMOGRANT4	4/28/2020	Options (ISO)	\$39.87	2	2	1.50	2	Do Not Exchange
DEMOGRANT4SPLIT	4/28/2020	Options (NQ)	\$39.87	3,293	3,293	1.50	2,196	

*This column displays the number of shares of our common stock subject to the stock option grant as of February 20, 2024 (assuming no exercise or early termination occurs, through February 20, 2024).

**This column displays the number of vested shares of our common stock subject to the stock option grant as of February 20, 2024 (assuming vesting in accordance with the applicable vesting schedule, and no exercise or early termination occurs, through February 20, 2024).

In all events, vesting is subject to continued service with us through the applicable vesting date.

Please refer to the Option Exchange documents, including Section 8 of the Offer to Exchange, for additional terms that may apply to the new options.

If you change your mind regarding your election, you may change your election to accept or reject the Option Exchange with respect to some or all of your Eligible Options by submitting a new election. The new election must be delivered via the Sage Option Exchange website at www.myoptionexchange.com, no later than the Offer Expiration Date, currently expected to be 11:59 PM Eastern Time, on February 20, 2024 (unless the offer is extended).

Only elections that are properly completed, electronically signed, dated and actually received by Sage via the Option Exchange website at www.myoptionexchange.com on or before the Offer Expiration Date will be accepted. Elections submitted by any other means, including hand delivery, interoffice, email, U.S. mail (or other post) and Federal Express (or similar delivery service), are not permitted. If you have any questions, please direct them to the support team by email at compensation@sagerx.com. If you experience technical failures on the Option Exchange website such as the Option Exchange website being unavailable or the Option Exchange website not enabling you to submit your election, please email sage@infiniteequity.com.

Please note that our receipt of your election is not by itself an acceptance of your stock options for exchange. For purposes of the Option Exchange, we will be deemed to have accepted Eligible Options for exchange that are validly elected to be exchanged and are not properly withdrawn as of the time when we give oral or written notice to the stock option holders generally of our acceptance of stock options for exchange. We may issue this notice of acceptance by press release, email or other form of communication. Eligible Options accepted for exchange will be cancelled, and the Replacement Options will be granted, on the first business day following the Offer Expiration Date, which we presently expect will be February 21, 2024 (unless the offer is extended).

This notice does not constitute the Option Exchange. The full terms of the Option Exchange are described in (1) Offer to Exchange Eligible Options for Replacement Options; (2) the announcement email, dated January 23, 2024, announcing the Option Exchange; and (3) the election terms and conditions, together with its associated instructions. You may access these documents through the U.S. Securities and Exchange Commission's website at www.sec.gov, on Sage's option exchange website at www.myoptionexchange.com, or by contacting Sage's Stock Administration team by email at compensation@sagerx.com.

[Print Election Confirmation](#)

[Log Off](#)



Election Form

Indicate your decision to tender your eligible stock options for exchange by selecting the "Exchange" choice in the Election column.

If you do not want to tender one or more of your eligible stock options for exchange, select the "Do Not Exchange" choice in the Election column for those particular stock options.

If you do not select the "Exchange" choice with respect to an eligible stock option, your election with respect to an eligible stock option will default to "Do Not Exchange." In that event, the eligible stock option will not be exchanged.

You may not tender only a portion of an eligible stock option grant.

Option Exchange

Commencement Date: January 23, 2024
Expiration Time: February 20, 2024 at 11:59 PM Eastern Time

[Value Calculator](#)

[Resources](#)

Grant Number	Grant Date	Award Type	Grant Price	Shares Underlying Option Grant*	Vested Options as of 2/20/2024**	Exchange Ratio	Replacement Options	Election
DEMOGRANT1	2/1/2018	Options (NQ)	\$192.33	198	198	5.00	40	Exchange
DEMOGRANT2	4/2/2018	Options (ISO)	\$145.77	1,811	1,811	4.00	453	Do Not Exchange
DEMOGRANT3	12/19/2019	Options (ISO)	\$73.24	720	660	2.25	320	Exchange
DEMOGRANT3SPLIT	12/19/2019	Options (NQ)	\$73.24	2,160	2,160	2.25	960	
DEMOGRANT4	4/28/2020	Options (ISO)	\$39.87	2	2	1.50	2	Do Not Exchange
DEMOGRANT4SPLIT	4/28/2020	Options (NQ)	\$39.87	3,293	3,293	1.50	2,196	

*This column displays the number of shares of our common stock subject to the stock option grant as of February 20, 2024 (assuming no exercise or early termination occurs, through February 20, 2024).

**This column displays the number of vested shares of our common stock subject to the stock option grant as of February 20, 2024 (assuming vesting in accordance with the applicable vesting schedule, and no exercise or early termination occurs, through February 20, 2024).

In all events, vesting is subject to continued service with us through the applicable vesting date.

Please refer to the Option Exchange documents, including Section 8 of the Offer to Exchange, for additional terms that may apply to the new options.

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The Option Exchange is being made pursuant to the terms and conditions set forth in Sage's Tender Offer Statement on Schedule TO and the exhibits attached thereto, including the Offer to Exchange Eligible Options for Replacement Options, filed with the Securities and Exchange Commission, which are available free of charge at <http://www.sec.gov> or on the Option Exchange website located at: www.myoptionexchange.com. You should read these written materials carefully because they contain important information about the Option Exchange, including related risks.



[Elections](#)

[Value Calculator](#)

File	Description
SAGE - Schedule TO.pdf	Schedule TO
SAGE - Offer to Exchange.pdf	Offer to Exchange
SAGE - Email from Erin Lanciani to Employees Sent on December 8, 2023.pdf	Email from Erin Lanciani to Employees Sent on December 8, 2023
SAGE - Form of Follow-up Email from Peter Castrichini to Employees Sent on January 23, 2024.pdf	Form of Follow-up Email from Peter Castrichini to Employees Sent on January 23, 2024
SAGE - Form of Announcement Email.pdf	Form of Announcement Email
SAGE - Terms of Election.pdf	Terms of Election
SAGE - Form of Confirmation Email.pdf	Form of Confirmation Email
SAGE - Form of Reminder Email.pdf	Form of Reminder Email
SAGE - Screenshots of Option Exchange Website.pdf	Screenshots of Option Exchange Website
SAGE - Option Exchange Frequently Asked Questions.pdf	Option Exchange Frequently Asked Questions
SAGE - Employee Presentation.pdf	Employee Presentation

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Value Calculator

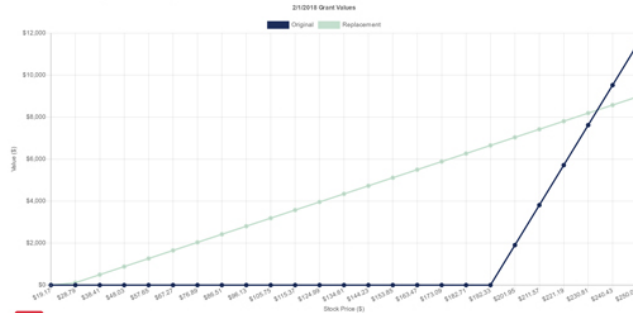
The Value Calculator has been provided to you as a convenience for purposes of making limited mathematical calculations regarding the potential amount that could be received from the new options to be granted pursuant to the Option Exchange if you choose to exchange your eligible stock options. The Value Calculator also does not take into account all of the factors that you should consider in deciding whether to participate in the Option Exchange. For example, the Value Calculator does not account for vesting or the remainder of the term of the eligible stock options. Note that you will be able to realize value from the new options only if they actually vest. Therefore, even if the Value Calculator shows that the potential value on the new options is greater than for an eligible option at the assumed prices you enter, you would be able to realize value from the new options only if they actually vest. Note also that because of the rounding resulting from fractional shares, the values shown could be higher or lower than the actual result.

See value of awards at: 26.02

[Elections](#) [Resources](#)

Eligible Option Grant				Replacement Option Grant					
Grant Date	Eligible Stock Options	Grant Price	Value ¹	Exchange Ratio	Replacement Options	Example New Exercise Price	Break-even Price	Value ¹	
2/1/2018	196	\$192.33	\$0	5.00	40	\$26.02	\$234.43	\$0	
4/2/2018	1,811	\$145.77	\$0	4.00	453	\$26.02	\$185.72	\$0	
12/19/2019	720	\$73.24	\$0	2.25	320	\$26.02	\$111.02	\$0	
12/19/2019	2,160	\$73.24	\$0	2.25	960	\$26.02	\$111.02	\$0	
4/29/2020	2	\$39.87	\$0	1.50	2	\$26.02	N/A	\$0	
4/29/2020	3,293	\$39.87	\$0	1.50	2,196	\$26.02	\$67.60	\$0	
Total	6,184	\$0	\$0		3,971			\$0	

¹Value is based on the stock price entered above by you.



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The Option Exchange is being made pursuant to the terms and conditions set forth in Sage's Tender Offer Statement on Schedule TO and the exhibits attached thereto, including the Offer to Exchange Eligible Options for Replacement Options, filed with the Securities and Exchange Commission, which are available free of charge at <http://www.sec.gov> or on the Option Exchange website located at www.myoptionexchange.com. You should read these written materials carefully because they contain important information about the Option Exchange, including related risks.

Important Legal Notification: The Value Calculator is not a financial or tax planning tool and information received using the Value Calculator does not constitute a recommendation as to whether or not to participate in the Option Exchange. The simulations are hypothetical and do not reflect your personal tax or financial circumstances. You should consult your tax, financial and legal advisors for advice related to your specific situation. Additionally, in the Value Calculator, the Company makes no forecast or projection regarding the value of the new options that will be granted in the Option Exchange or as to the future market price of company's common shares, which may increase or decrease. You are responsible for verifying the accuracy of any information that you enter into the Value Calculator.



Option Exchange

Commencement Date: **January 23, 2024**

Expiration Time: **February 20, 2024 at 11:59 PM Eastern Time**

We are offering you the opportunity to exchange some or all of your eligible stock options, as described in the Offer to Exchange (the "Offer to Exchange"), for a number of Replacement Options. We refer to this program as the "Option Exchange."

Resources

Click on any of the links below to learn more.

- [Schedule TO](#)
- [Offer to Exchange](#)
- [Email from Erin Lanciani to Employees Sent on December 8, 2023](#)
- [Form of Follow-up Email from Peter Castrichini to Employees Sent on January 23, 2024](#)
- [Form of Announcement Email](#)
- [Terms of Election](#)
- [Form of Confirmation Email](#)
- [Form of Reminder Email](#)
- [Screenshots of Option Exchange Website](#)
- [Option Exchange Frequently Asked Questions](#)
- [Employee Presentation](#)

The PDF documents above require Adobe Acrobat Reader. If necessary you can download it from [Adobe](#).

Make My Election

You have **28 days** left to elect whether to keep your eligible stock options or exchange some or all of them.

Before you make your election, we encourage you to carefully read the offering materials in the Resources section.

[Change My Elections](#)

[Print Election Confirmation](#)

Need Help?

Contact compensation@sagerx.com

The Option Exchange is being made pursuant to the terms and conditions set forth in Sage's Tender Offer Statement on Schedule TO and the exhibits attached thereto, including the Offer to Exchange Eligible Options for Replacement Options, filed with the Securities and Exchange Commission, which are available free of charge at <http://www.sec.gov> or on the Option Exchange website located at: www.myoptionexchange.com. You should read these written materials carefully because they contain important information about the Option Exchange, including related risks.

OPTION EXCHANGE FREQUENTLY ASKED QUESTIONS

The following are answers to some of the questions that you may have about the Option Exchange. We urge you to read carefully the following questions and answers. Where applicable, we have included section references to the Offer to Exchange where you can find a more complete description of the topics in this question and answer summary. We suggest that you consult with your personal financial, legal and/or tax advisors before deciding whether to participate in this Offer to Exchange. Please review these questions and answers, and the remainder of the Offer to Exchange and the Terms of Election to ensure that you are making an informed decision regarding your participation in this Offer.

For your ease of use, the questions and answers have been separated into three sections, (i) option exchange design questions, (ii) administrative and timing questions and (iii) other important questions.

Option Exchange Design Questions***What is the Option Exchange?***

The Option Exchange is being offered by Sage to allow eligible employees of Sage to exchange their outstanding stock options that were granted under the 2014 Plan or our 2016 Inducement Plan that have exercise prices equal to or greater than \$35.00, for new options covering a lesser amount of shares, which we refer to as "Replacement Options". The number of shares subject to Replacement Options that will be granted in exchange for existing Eligible Options will be determined by the exchange ratios described below. The Replacement Options will be granted on the date on which we cancel the Eligible Options accepted for exchange, which we expect will be the first business day following the expiration date of this Offer. The Replacement Options will have an exercise price equal to the closing price of our common stock on Nasdaq on the date the Replacement Options are granted, which we refer to as the Replacement Option Grant Date. The Replacement Options will be subject to the terms and conditions as provided for in our 2014 Plan. Each Replacement Option will have a term equal to seven years from the Replacement Option Grant Date.

Replacement Options will vest in equal monthly installments over a period of 18 months from the Replacement Option Grant Date, subject to continued service as an employee to Sage or any of our subsidiaries through the applicable vesting date.

Why are we making this Offer?

An objective of our equity incentive programs has been, and continues to be, to align the interests of equity incentive plan participants with those of our stockholders, and we believe that the Option Exchange is an important component in our efforts to achieve that goal. We are implementing the Option Exchange using exchange ratios designed to result in potential grants of Replacement Options with a fair value that, in the aggregate, will be approximately equal to the fair value of the Eligible Options that are surrendered in the Option Exchange.

A significant majority of our employees' options have exercise prices that exceed, in some cases significantly, the current trading price of our common stock, which remains below historical levels. We face significant competition for experienced and talented personnel in our industry, and stock options are an important part of our incentive compensation. We believe that significantly underwater stock options are less effective as performance incentives because they provide less or no perceived value to employee option holders, as stock options cannot be sold and only provide value to the holder when there is a positive spread between the exercise price and the current stock price.

As of December 31, 2023, we had a total of 8,118,041 shares of common stock subject to outstanding stock options under our Equity Plans, with a range in exercise prices from \$1.36 per share to \$192.33 per share. As a result, we have developed a significant stock option "overhang" consisting of outstanding but unexercised options, many of which are underwater and therefore not serving their intended purposes of motivating and retaining

employees. Pursuant to the Option Exchange, participants will receive new stock options covering a smaller number of shares than are covered by the surrendered stock options. If all Eligible Options are exchanged in the Option Exchange, we estimate that the net reduction in our equity overhang could be up to 16% of our overhang and 3.0% of our fully diluted share count, based on 60,043,643 shares outstanding as of December 31, 2023. Surrendered Eligible Options will be cancelled and will not be returned to the pool of shares available for future grant under the Equity Plans.

The Option Exchange is voluntary and will allow Eligible Holders to choose whether to keep their Eligible Options at existing exercise prices and terms or to exchange those options for Replacement Options with new exercise prices. We intend the Option Exchange to enable Eligible Holders to recognize value from their options, but this cannot be guaranteed considering the unpredictability of the stock market and vesting terms contingent upon continued employment. (See Section 2 of the Offer to Exchange entitled “Purpose of this Offer” for additional information.)

Subject to the limitations set forth in Sections 6 and 14 of the Offer to Exchange entitled “Conditions of this Offer” and “Extension of Offer; Termination; Amendment,” respectively, we reserve the right, before the Offer Expiration Date, to terminate or amend this Offer to Exchange and to postpone our acceptance and cancellation of any Eligible Options elected for exchange if at any time on or after the date of commencement of the Offer to Exchange and prior to the Offer Expiration Date certain events have occurred, including any increase or decrease of greater than 33% of the market price of our common stock that occurs during the offer period as measured from \$26.27, which was the closing price of our common stock on Nasdaq on January 22, 2024, or if we do not receive approval of the Option Exchange by our stockholders.

How does the Option Exchange work?

We are offering eligible employees the opportunity to exchange their outstanding options that were issued under the Equity Plans and have exercise prices equal to or greater than \$35.00 for a predetermined number of Replacement Options, rounded up to the nearest whole share, based on the exchange ratios described in the table below. The outstanding options that you hold give you the right to purchase our shares of common stock once you exercise those options by paying the applicable exercise price of those options (and satisfying any applicable tax withholding obligations). Thus, when we use the term “options” in this Offer to Exchange, we refer to the actual options you hold to purchase our shares of common stock and not the shares of common stock underlying those options.

Replacement Options will be granted with a per share exercise price equal to the per share closing price of our common stock on Nasdaq on the Replacement Option Grant Date, which we expect to be the first business day following the Offer Expiration Date. Participating in the Option Exchange requires an eligible employee to make a voluntary election to tender Eligible Options on or before 11:59 p.m., Eastern Time, on February 20, 2024 (the “Offer Expiration Date”), unless this Offer is extended, after which time such election will be irrevocable.

The exchange ratios in the Option Exchange represent the number of shares of common stock underlying an Eligible Option that an employee must surrender in order to receive one share of common stock underlying a Replacement Option, and vary based on the exercise price of the Eligible Options and the fair value of the Eligible Options within the relevant grouping. The exchange ratios for the Option Exchange were determined using the Black-Scholes model and are based on, among other things, the volatility of our stock, the expected term of a stock option and interest rates. The exchange ratios were calculated to result in an aggregate fair value of the Replacement Options approximately equal to the aggregate current fair value of the Eligible Options they replace, measured as of November 1, 2023, in order to balance the compensatory goals of the Option Exchange and the interests of our stockholders, including reducing our total number of shares of common stock underlying outstanding options, avoiding further dilution to our stockholders and minimizing the accounting expense of the grants of Replacement Options. The number of shares of common stock underlying each Replacement Option will be calculated according to the exchange ratios and will be rounded up to the nearest whole share on a grant-by-grant basis (based on the grant date of the Eligible Option). Replacement Options to purchase fractional shares will not be granted and cash will not be paid for any fractional shares. As set forth in the table below, the applicable exchange ratios will vary based on the exercise price of the Eligible Option.

<u>Exercise Price Range per Share</u>	<u>Aggregate Number of Shares Subject to Outstanding Eligible Options (as of January 16, 2024)</u>	<u>Exchange Ratio (Eligible Options to Replacement Options)</u>
\$35.00 to \$59.99	1,759,717	1.50 to 1
\$60.00 to \$99.99	879,193	2.25 to 1
\$100.00 to \$149.99	186,320	4.00 to 1
\$150.00 and above	679,450	5.00 to 1

The per share exercise price of the Replacement Options will be the per share closing price of our common stock on Nasdaq on the Replacement Option Grant Date.

Unless prevented by law or applicable regulations, Eligible Options accepted for exchange will be cancelled, and Replacement Options will be granted under the 2014 Plan.

Example

To illustrate how the exchange ratios work, assume that:

- You are a non-executive officer employee of Sage as of the Offer commencement date and remain an employee through the Offer Expiration Date.
- You have four existing option grants each to purchase 1,000 shares of common stock with corresponding per share exercise prices of: \$152.05 (hypothetical grant date of November 25, 2019), \$79.88 (hypothetical grant date of November 24, 2020), \$40.01 (hypothetical grant date of November 24, 2021) and \$31.87 (hypothetical grant date of June 14, 2022). Each option vests as to 25% of the shares subject to the option on the first anniversary of the vesting commencement date, and as to the remainder in 36 equal monthly installments thereafter, subject to continued service.
- Solely for purposes of illustration, the Replacement Option Grant Date is January 22, 2024.

If you elect to participate in the Offer:

- You will only be able to elect to exchange your three existing option grants with per share exercise prices of \$152.05, \$79.88 and \$40.01 for Replacement Options. Your election to exchange can cover zero shares or all 1,000 shares of each separate option grant (*i.e.*, with the same exercise price and grant date). You cannot elect to exchange less than the full amount of a separate option grant. For example, you cannot elect to exchange 500 shares of the option grant with the exercise price of \$152.05, \$79.88 and \$40.01. Instead, you can elect to exchange either all options with that exercise price, or none. If you have previously exercised a portion of an eligible separate option grant, only the portion of the Eligible Option grant which has not yet been exercised will be eligible to be exchanged.
- You will not be able to elect to exchange your existing option grant with a per share exercise price of \$31.87 for a Replacement Option because the exercise price for this option grant is less than \$35.00.
- All the Replacement Options will vest in equal monthly installments over a period of 18 months following the Replacement Option Grant Date, subject to your continued service to Sage or any of our subsidiaries as an employee on the applicable vesting date.
- The Replacement Options will have an exercise price per share of \$26.27, which was the closing price of our common stock on Nasdaq on January 22, 2024.

Under these facts, the table below shows the number of shares of common stock subject to each Replacement Option you would receive were you to participate in the Offer and elect to exchange the existing Eligible Options with per share exercise prices of \$152.05, \$79.88 and \$40.01.

<u>Grant Date of Eligible Option</u>	<u>Exercise Price of Eligible Option</u>	<u>Cancelled Shares Subject To Eligible Option</u>	<u>Exchange Ratio</u>	<u>Shares Subject to Replacement Option</u>
November 25, 2019	\$ 152.05	1,000	5.00 to 1	200
November 24, 2020	\$ 79.88	1,000	2.25 to 1	445
November 24, 2021	\$ 40.01	1,000	1.50 to 1	667

Which options are eligible for this Offer?

Options eligible for exchange are those held by employees who are not executive officers that were issued under the Equity Plans and have exercise prices equal to or greater \$35.00. Members of the Sage Board of Directors are not eligible to participate in the Offer. If you are eligible to participate in the Option Exchange, the Option Exchange website will indicate which of your stock options are eligible for exchange.

Eligible Options that expire pursuant to their terms prior to the completion of the Option Exchange will be forfeited as of the Offer Expiration Date and will not be eligible to be exchanged for Replacement Options.

Who is eligible to participate in this Offer?

You are eligible to participate in the Offer if you:

- are an employee of Sage or any of our subsidiaries on the date the Offer to Exchange commences and have not submitted a notice of resignation or termination, or been notified by Sage that your employment is being terminated;
- as of the date the Replacement Options are granted, you are an employee of Sage or any of our subsidiaries and have not submitted a notice of resignation or termination, or been notified by Sage that your employment is being terminated;
- are not an executive officer of Sage or a member of Sage's Board of Directors; and
- hold at least one Eligible Option as of the commencement of the Offer.

What if I leave Sage before the Offer Expiration Date?

If you are no longer employed with Sage or any of our subsidiaries, whether voluntarily, involuntarily, or for any other reason, or have submitted a notice of resignation or termination, or been notified by Sage that your employment is being terminated, before the Offer Expiration Date, you will not be able to participate in this Offer.

ACCORDINGLY, IF YOU ARE NOT AN ELIGIBLE EMPLOYEE OF SAGE AS DESCRIBED ABOVE ON THE OFFER EXPIRATION DATE, EVEN IF YOU HAD ELECTED TO PARTICIPATE IN THIS OFFER AND HAD TENDERED SOME OR ALL OF YOUR OPTIONS FOR EXCHANGE, YOUR TENDER WILL AUTOMATICALLY BE DEEMED WITHDRAWN AND YOU WILL NOT PARTICIPATE IN THIS OFFER, AND YOU WILL RETAIN YOUR OUTSTANDING OPTION(S) IN ACCORDANCE WITH THEIR CURRENT TERMS AND CONDITIONS. IN THE CASE OF A TERMINATION OF YOUR SERVICE, YOU MAY BE ENTITLED TO EXERCISE YOUR OUTSTANDING OPTION(S) BY PAYING THE CURRENT EXERCISE PRICE DURING A LIMITED PERIOD OF TIME FOLLOWING THE TERMINATION OF SERVICE IN ACCORDANCE WITH THEIR TERMS TO THE EXTENT THAT THEY ARE VESTED AS OF SUCH TERMINATION OF SERVICE. See Section 1 of the Offer to Exchange entitled "Eligibility; Number of Options; Offer Expiration Date" and Section 5 of the Offer to Exchange entitled "Acceptance of Options for Exchange; Grant of Replacement Options" for additional information.

Why aren't the exchange ratios set at one-for-one?

The exchange ratios were calculated to result in an aggregate fair value of the Replacement Options approximately equal to the aggregate current fair value of the Eligible Options they replace, measured as of November 1, 2023, in order to balance the compensatory goals of the option exchange and the interests of our stockholders, which include reducing our total number of outstanding options, avoiding further dilution to our stockholders, and minimizing the accounting expense of the grants of Replacement Options. If we were to exchange the options on a one-for-one basis, but reduce the exercise price to the lower current fair market value of our common stock, the fair value of the Replacement Options and the associated accounting expense would be greater than the current fair value of the Eligible Options. Accordingly, the higher-value Replacement Options will cover fewer shares than the lower-value Eligible Options they replace to achieve the same relative fair value for accounting purposes.

If I participate, what will happen to my exchanged options?

Eligible Options that you elect to exchange will be cancelled on first business day following the Offer Expiration Date, which is currently scheduled for 11:59 p.m., Eastern Time, on February 20, 2024, unless this Offer is extended. Eligible Options cancelled in the Option Exchange will not be returned to the pool of shares available for issuance under the Equity Plans.

If I elect to exchange some of my Eligible Options, do I have to elect to exchange all of my Eligible Options?

No. You may elect to exchange your Eligible Options on a grant-by-grant basis (determined based on options having the same grant date and exercise price). If you elect to exchange any portion of an eligible separate option grant in the Offer, you must elect to exchange the entire eligible separate option grant. No partial exchanges of separate option grants will be permitted.

There are two types of stock options – incentive stock options and non-qualified stock options – and the tax treatment of each type is different. Some of your Eligible Option grants may consist entirely of one of these two types of options and some of your Eligible Option grants may consist of a mix of both types due to the application of certain limits on incentive stock options under U.S. tax laws. This “split” is determined automatically at the time of grant and is reflected in your Morgan Stanley at Work Shareworks (“Shareworks”) account and will also be reflected on the Option Exchange website. For this reason, you may see two awards listed as of any given grant date, one representing the portion of the grant that qualifies as incentive stock options and the other representing the portion of the grant treated as non-qualified stock options, although both awards are technically part of the same “grant” with the same grant date. For purposes of the Option Exchange, this “split” based on the tax status of the option will be disregarded. As a result, both portions of an Eligible Option grant will be treated as one “grant” for purposes of the Option Exchange. On the Option Exchange website, you will see one election box for both the incentive stock option and non-qualified stock option components of an Eligible Option grant, and you must exchange all or none of such grant. See Section 13 of this Offer to Exchange entitled “Material U.S. Federal Income Tax Consequences” for further information.

What happens to Eligible Options that I choose not to exchange or that you do not accept for exchange?

Eligible Options that you choose not to exchange or that we do not accept for exchange will remain outstanding and will retain their existing terms, exercise prices and vesting schedules.

Will I receive non-qualified stock options or incentive stock options if I participate in this Offer?

All Replacement Options issued in the Option Exchange will be granted as non-qualified stock options, even if your exchanged option was an incentive stock option. See Section 13 of the Offer to Exchange entitled “Material U.S. Federal Income Tax Consequences” for additional information.

What are the conditions to this Offer?

This Offer is subject to the conditions described in Section 6, including approval of the Option Exchange by our stockholders at the special meeting to be held on January 31, 2024. This Offer is not conditioned upon a minimum aggregate number of options being elected for exchange. (See Section 6 of the Offer to Exchange entitled “Conditions of this Offer” for additional information.)

Administrative and Timing Questions

How do I participate in this Offer?

1. If you choose to participate in the Option Exchange, you must take the following action on or before 11:59 p.m., Eastern Time, on the Offer Expiration Date: Click on the link to the Option Exchange website in the announcement email you received from Infinite Equity on January 23, 2024, announcing the Option Exchange, or go to the Option Exchange website at <https://www.myoptionexchange.com>. Log in to the Option Exchange website using the login instructions provided to you in the announcement email (or if you previously logged into the Option Exchange website, your updated login credentials).
2. After logging in to the Option Exchange website, review the information and proceed through to the “Election Form” page. You will be provided with personalized information regarding each Eligible Option grant you hold, including:
 - the grant date of the Eligible Option grant;
 - the per share exercise price of the Eligible Option grant;
 - the number of vested shares of Sage common stock subject to the Eligible Option grant as of February 20, 2024 (assuming vesting in accordance with the applicable vesting schedule, and no exercise or early termination occurs, through such date); and
 - the hypothetical number of shares of our common stock subject to the Replacement Option that would be granted in exchange for the tendered Eligible Option grant if the election is made and the Option Exchange proceeds.
3. On the “Election Form” page, make your selection next to each of your Eligible Option grants to indicate which Eligible Option grants you choose to tender in the Option Exchange by selecting “Exchange” or choose not to tender in the Option Exchange by selecting “Do Not Exchange.” If you do not select the “Exchange” choice with respect to an Eligible Option, your election with respect to that Eligible Option will default to “Do Not Exchange.” In that event, the Eligible Option will not be exchanged.
4. Proceed through the Option Exchange website by following the instructions provided. Review your election and confirm that you are satisfied with your election. After reviewing, acknowledging and agreeing to the terms and conditions stated on the Confirm Elections page and in the Option Exchange documents, submit your election. If you do not acknowledge and agree to the terms and conditions, you will not be permitted to submit your election.
5. Upon submitting your election, a confirmation statement will be generated by the Option Exchange website. Please print and keep a copy of the confirmation statement for your records. A copy of the confirmation statement will also be sent to your email. At this point, you will have completed the election process via the Option Exchange website.

It is your responsibility to confirm that we have received your correct election before the deadline. If you do not receive a confirmation, we recommend that you confirm that we have received your election by emailing sage@infiniteequity.com. We must receive your properly completed and submitted election by the Offer Expiration Date of the Option Exchange, currently expected to be 11:59 p.m., Eastern Time, on February 20, 2024. If you are unable to submit your election via the Option Exchange website as a result of technical failures of the Option Exchange website such as the Option Exchange website being unavailable or the Option Exchange website not enabling you to submit your election, please email sage@infiniteequity.com.

If you wish to exchange any portion of an individual Eligible Option grant in the Option Exchange, you must exchange the entire individual Eligible Option grant. No partial exchanges of an Eligible Option grant will be permitted. As discussed above, some of your Eligible Option grants may consist of both incentive stock options and non-qualified stock options due to the application of certain limits on incentive stock options under U.S. tax law. For this reason, you may see two awards listed as of any given grant date, one representing the portion of the grant that qualifies as incentive stock options and the other representing the portion of the grant that qualifies as non-qualified stock options. For purposes of the Option Exchange, this “split” based on the tax status of the option will be disregarded. As a result, both portions of an Eligible Option grant will be treated as one “grant” for purposes of the Option Exchange. On the Option Exchange website, you will see one election box for both the incentive stock option and non-qualified components of an Eligible Option, and you must exchange all or none of such grant.

If you hold more than one Eligible Option grant, however, you may choose to exchange one or more of such individual Eligible Option grants, on a grant-by-grant basis, without having to exchange all of your Eligible Option grants. If you are eligible to participate in the Option Exchange, the Option Exchange website will list all of your Eligible Option grants.

How do I find out the details about my existing options?

Certain information regarding your Eligible Options will be provided to you on the Option Exchange website. To access the Option Exchange Website:

1. Click on the link to the Option Exchange website in the announcement email you received from Infinite Equity on January 23, 2024, announcing the commencement of the Option Exchange, or go to the Option Exchange website at <https://www.myoptionexchange.com>. Log in to the Option Exchange website using the login instructions provided to you in the announcement email (or if you previously logged into the Option Exchange website, your updated login credentials).
2. After logging in to the Option Exchange website, review the information and proceed through to the “Election Form” page. You will be provided with personalized information regarding each Eligible Option grant you hold, including:
 - the grant date of the Eligible Option grant;
 - the per share exercise price of the Eligible Option grant;
 - the number of vested shares of Sage common stock subject to the Eligible Option grant as of February 20, 2024 (assuming vesting in accordance with the applicable vesting schedule, and no exercise or early termination occurs, through such date); and
 - the hypothetical number of shares of our common stock subject to the Replacement Option that would be granted in exchange for the tendered Eligible Option grant if the election is made and the Option Exchange proceeds.

If you believe there is an error with respect to your personalized information presented on the Option Exchange website, please contact compensation@sagerx.com. If you are unable to submit your election via the Option Exchange website as a result of technical failures of the Option Exchange website such as the Option Exchange website being unavailable or the Option Exchange website not enabling you to submit your election, please email sage@infiniteequity.com.

For further details about your existing options, you should refer to the Equity Plans and the option award agreement for your Eligible Options which are available on the Shareworks website.

What will happen if I do not submit my election by the deadline?

If you do not submit your election by the deadline, then you will not be permitted to participate in this Offer, and all options currently held by you will remain in effect at their original exercise price and subject to their original terms and conditions.

Please note that if you do not wish to participate in this Offer, no action by you is needed and you are not required to visit the Option Exchange website. (See “Risk Factors” for additional information.)

IF YOU FAIL TO PROPERLY SUBMIT YOUR ELECTION BY THE DEADLINE, YOU WILL NOT BE PERMITTED TO PARTICIPATE IN THIS OFFER.

During what period of time can I withdraw or change my previous elections?

You can withdraw or change your previously submitted election to exchange or not exchange Eligible Options at any time on or before 11:59 p.m., Eastern Time, on the Offer Expiration Date, which is scheduled to occur on February 20, 2024, unless extended by us. If this Offer is extended beyond February 20, 2024, you can withdraw or change your election at any time until the extended expiration date of this Offer.

Election Changes and Withdrawals via the Option Exchange Website:

Participation in this Offer is voluntary. If you choose to participate in this Offer, you must do the following on or before the Offer Expiration Date, which is expected to be 11:59 p.m., Eastern Time, on February 20, 2024.

1. Log in to the Option Exchange website at www.myoptionexchange.com.
2. After logging in to the Option Exchange website, review the information and proceed through to the “Election Form” page, where you will find personalized information regarding each Eligible Option grant you hold, including:
 - the grant date of the Eligible Option grant;
 - the per share exercise price of the Eligible Option grant;
 - the number of vested shares of our common stock subject to the Eligible Option grant as of February 20, 2024 (assuming vesting in accordance with the applicable vesting schedule, and no exercise or early termination occurs, through such date); and
 - the hypothetical number of shares of our common stock subject to the Replacement Option that would be granted in exchange for the tendered Eligible Option grant if the election is made and the Option Exchange proceeds.
3. On the “Election Form” page, change your selection next to each of your Eligible Option grants to indicate which Eligible Option grants you choose to tender in the Option Exchange by selecting “Exchange” or choose not to tender in the Option Exchange by selecting “Do Not Exchange.” If you do not select the “Exchange” choice with respect to an Eligible Option, your election with respect to that Eligible Option will default to “Do Not Exchange.” In that event, the Eligible Option will not be exchanged.
4. Proceed through the Option Exchange website by following the instructions provided. Review your election and confirm that you are satisfied with your election. After reviewing, acknowledging and agreeing to the terms and conditions stated on the Confirm Elections page and in the Option Exchange documents, submit your election. If you do not acknowledge and agree to the terms and conditions, you will not be permitted to submit your election.
5. Upon submitting your election, a confirmation statement will be generated by the Option Exchange website. Please print and keep a copy of the confirmation statement for your records. A copy of the confirmation statement will also be sent to your email. At this point, you will have completed the process for changing your previous election or withdrawing from participation in the Option Exchange via the Option Exchange website.

It is your responsibility to confirm that we have received your correct election before the deadline. If you do not receive a confirmation, we recommend that you confirm that we have received your election by emailing sage@infiniteequity.com. In all cases, the last election submitted and received prior to the deadline will be final and irrevocable. (See Section 4 of the Offer to Exchange entitled "Withdrawal Rights" for additional information.)

AFTER THE DEADLINE TO WITHDRAW OR CHANGE YOUR ELECTION HAS OCCURRED, YOU WILL NOT BE PERMITTED TO WITHDRAW OR CHANGE YOUR ELECTION.

Can I exchange the remaining portion of an Eligible Option grant that I have already partially exercised?

Yes, any unexercised portion of an eligible separate option grant can be exchanged. If you have previously exercised a portion of an Eligible Option grant, only the portion of that option grant that has not yet been exercised will be eligible to be exchanged. The Replacement Option will only replace the portion of Eligible Option grant that is cancelled upon the expiration of this Offer.

Can I select which of my Eligible Options to exchange?

Yes. You can exchange your Eligible Options on a grant-by-grant basis, determined based on the current exercise price of the Eligible Option. However, no partial exchanges of eligible separate option grants will be permitted.

Can I exchange both vested and unvested Eligible Options?

Yes. You can exchange Eligible Options, whether or not they are vested. The vesting schedule for Replacement Options is described below.

What will be my new option exercise price?

The per share exercise price of the Replacement Options will be the per share closing price of our common stock on Nasdaq on the Replacement Option Grant Date, which is expected to occur on the first business day following the Offer Expiration Date. IF THE MARKET PRICE OF OUR COMMON STOCK INCREASES BEFORE THE REPLACEMENT OPTION GRANT DATE, THE REPLACEMENT OPTIONS THAT YOU RECEIVE IN EXCHANGE FOR YOUR ELIGIBLE OPTIONS MAY HAVE A HIGHER EXERCISE PRICE THAN SOME OR ALL OF YOUR ELIGIBLE OPTIONS. (See Section 1 of the Offer to Exchange entitled "Eligibility; Number of Options; Offer Expiration Date," Section 2 of the Offer to Exchange entitled "Purpose of this Offer" and "Risk Factors" for additional information.)

When will the Replacement Options be granted?

We expect to grant the Replacement Options on the first business day following the Offer Expiration Date, which is the date we cancel options elected for exchange. The Offer Expiration Date is currently scheduled for February 20, 2024. If this Offer is extended beyond February 20, 2024, then we expect that the Replacement Options will be granted promptly following the expiration date of the extended Offer. (See Section 8 of the Offer to Exchange entitled "Source and Amount of Consideration; Terms of Replacement Options" for additional information.)

When will the Replacement Options vest?

Replacement Options will vest in equal monthly installments over a period of 18 months from the Replacement Option Grant Date, subject to your continued service to Sage or any of our subsidiaries as an employee through the applicable vesting date.

Like all of our outstanding options, the vesting of the Replacement Options is dependent upon continued service to Sage as an employee through the applicable vesting date. Replacement Options are subject to the terms and conditions as provided for in the 2014 Plan and may be forfeited if not vested at the time of a termination of service as an employee. (See Section 8 of the Offer to Exchange entitled "Source and Amount of Consideration; Terms of Replacement Options" for additional information.)

What will be the terms and conditions of my Replacement Options?

Replacement Options will have terms and conditions set forth in the 2014 Plan and will be subject to an applicable form of option award agreement. In addition, the number of shares subject to the Replacement Options and the Replacement Options' exercise prices and vesting dates will be different from such terms that are applicable to Eligible Options, but the Replacement Options will otherwise have terms and conditions generally similar to the surrendered Eligible Options, including any provisions in an option agreement or other agreement providing for extended exercisability upon certain terminations.

You are encouraged to consult the 2014 Plan and the form of option award agreement for complete information about the terms of the Replacement Options, which are available through Sage's option administration website, www.shareworks.solum.com. Each Replacement Option will have a term equal to seven years from the Replacement Option Grant Date, subject in most cases to earlier expiration of the option following termination of your employment with Sage or any of our subsidiaries. (See Section 8 of the Offer to Exchange entitled "Source and Amount of Consideration; Terms of Replacement Options" for additional information.)

What if my employment with Sage is terminated after the Replacement Options are granted?

If your employment with Sage or any of our subsidiaries is terminated for any reason after the Replacement Option has been granted, you will forfeit any shares of common stock underlying your Replacement Options that are unvested at the date of your termination, subject to any provisions providing for accelerated vesting. You may exercise your Replacement Options that are vested as of the date of your termination within the time set forth in your option award agreement (generally, within three months following the date of your termination of employment). (See Section 8 of the Offer to Exchange entitled "Source and Amount of Consideration; Terms of Replacement Options" for additional information.)

What happens if Sage is subject to a change in control AFTER the Replacement Options are granted?

Although we are not currently contemplating a merger or similar transaction that could result in a change in control of our Company, we reserve the right to take any actions that we deem necessary or appropriate to complete a transaction that our Board of Directors believes is in the best interest of our Company and our stockholders. It is possible that, after the grant of Replacement Options, we could undertake a transaction, such as a merger or other similar transaction, as a result of which the current share ownership of our Company would change such that a new group of stockholders would hold the number of votes necessary to control stockholder voting decisions. We refer to this type of transaction as a "change in control" transaction.

For information about the change in control provisions governing your Eligible Options, you can refer to our 2014 Plan and the prospectus for the 2014 Plan. Your option award agreement(s) and certain other agreements between you and Sage may also contain provisions that affect the treatment of your options in the event of a change in control.

What happens if Sage is subject to a change in control BEFORE the Replacement Options are granted?

Although we are not currently contemplating a merger or similar transaction that could result in a change in control of our Company, we reserve the right to take any actions that we deem necessary or appropriate to complete a transaction that our Board of Directors believes is in the best interest of our Company and our stockholders. This could include terminating this Offer and/or your right to receive Replacement Options under this Offer. If we were to terminate your right to receive Replacement Options under this Offer in connection with such a transaction, your Eligible Options would remain outstanding pursuant to their original terms.

Any change in control transaction, or announcement of such transaction, could have a substantial effect on our share price, including potentially substantial appreciation in the price of our common stock. Depending on the structure of such a transaction, price appreciation in the common stock associated with the Replacement Options could be drastically altered. For example, if our shares of common stock were to be acquired in a cash merger, the fair market value of our shares, and hence the price at which we grant the Replacement Options, would likely be a price at or near the cash price being paid for the common stock in the transaction. As a result of such a transaction, it is possible that the exercise price of the Replacement Options may be higher than you might otherwise anticipate. In addition, in the event of an acquisition of our Company for stock, tendering Eligible Holders might have their Replacement Options convert into options to purchase shares of a different issuer. (See Section 2 of the Offer to Exchange entitled "Purpose of this Offer" for additional information.)

Are there other circumstances where I would not be granted Replacement Options?

Yes. Even if we accept your tendered options, we will not grant Replacement Options to you if we are prohibited by applicable law or regulations from doing so, or until all necessary government approvals have been obtained. We will use reasonable efforts to avoid a prohibition, but if prohibited by applicable law or regulation on the Offer Expiration Date, you will not be granted Replacement Options, if at all, until all necessary government approvals have been obtained.

Under the terms of the Equity Plans, we are also required to receive approval from our stockholders of the Option Exchange. The consummation of the Offer therefore is subject to our stockholders approving the Option Exchange at the special meeting to be held on January 31, 2024. If our stockholders do not approve the Option Exchange at the special meeting, the Offer will be terminated and all options currently held by you will remain in effect at their original exercise price and subject to their original terms and conditions.

In addition, we will not grant Replacement Options to you if you are not an Eligible Holder on the Replacement Option Grant Date. Please see Section 12 of the Offer to Exchange entitled “Agreements; Legal Matters; Regulatory Approvals” for additional information.

After the Offer Expiration Date, what happens if my options end up underwater again?

The price of our common stock may not appreciate over the long term, and your Replacement Options may become underwater after the Offer Expiration Date. WE CAN PROVIDE NO ASSURANCE AS TO THE PRICE OF OUR COMMON STOCK AT ANY TIME IN THE FUTURE. (See Section 2 of the Offer to Exchange entitled “Purpose of this Offer” for additional information.)

Other Important Questions

What are the U.S. federal income tax consequences of my participation in this Offer?

This Offer includes disclosures regarding the expected material U.S. federal income tax consequences of the proposed option exchange. These disclosures do not address any other tax considerations (such as state, local or foreign taxes) to which you may be subject. You should review these disclosures carefully before deciding whether or not to participate in this Offer. These disclosures are provided for your general information only, and do not constitute any tax, legal or financial advice from the Company to you, nor any recommendation from the Company to you regarding whether or not you should participate in the Offer. You are cautioned that U.S. federal income tax laws and regulations are technical in nature and their application may vary in individual circumstances, and are subject to change at any time. If you are subject to the tax laws of a country other than the U.S., even if you are a resident of the U.S., you should be aware that there may be other tax consequences that may apply to you. Tax consequences may vary depending on each individual’s circumstances. Consequently, you are urged to consult your tax advisor with respect to any questions you may have about your participation in the Offer.

Please also see Section 13 of the Offer to Exchange entitled “Material U.S. Federal Income Tax Consequences” for additional information.

How should I decide whether or not to participate?

The decision to participate must be your personal decision and will depend largely on your assumptions about the future of our business, our share price, the overall economic environment, and the performance of publicly traded stocks generally. If Replacement Options are granted with a lower exercise price than your Eligible Options, such lower exercise price may allow you to recognize value from your option sooner. There is an inflection point, however, at higher Sage share prices where the value of the Eligible Option you surrendered would have been greater than the value of the Replacement Option. The reason for this is because your Replacement Option will cover fewer shares than the Eligible Option you surrendered. The inflection point for each option grant varies depending on the exercise price and the exchange ratio of such Eligible Option grant. You will be able to model how many new Replacement Options you would receive in exchange for your Eligible Options and evaluate this inflection point on the Option Exchange website on a grant-by-grant basis.

In addition, the Replacement Options will be completely vested on the Replacement Option Grant Date, regardless of whether the Eligible Option was wholly or partially vested; it is possible that your Replacement Options could take longer to fully vest than your Eligible Options and, if your service to Sage or any of our subsidiaries as an employee terminates prior to your Replacement Options becoming fully vested, you will forfeit your unvested Replacement Options even if your surrendered options would have been fully vested.

We understand that this will be a challenging decision for all eligible employees. THE OPTION EXCHANGE CARRIES CONSIDERABLE RISK, AND THERE ARE NO GUARANTEES OF OUR FUTURE SHARE PERFORMANCE OR THE PRICE OF OUR COMMON STOCK ON THE OFFER EXPIRATION DATE. (See Section 17 of the Offer to Exchange entitled "Miscellaneous" for additional information.)

What do the executive officers and the members of our Board of Directors think of this Offer? Who can I contact to help me decide whether or not I should exchange my Eligible Options?

Although our Board of Directors has approved this Offer, neither our executive officers nor the members of our Board of Directors make any recommendation as to whether you should elect to exchange or refrain from exchanging your Eligible Options. Please contact your personal financial, legal and/or tax advisors to assist you in determining if you should exchange your Eligible Options.

What are some of the potential risks if I choose to exchange my outstanding Eligible Options?

We cannot predict how our common stock or the stock market will perform before the date that the Replacement Options will be granted, and the price of Sage common stock may increase or decrease significantly at any time. A significant increase in the price of Sage common stock prior to the date the Replacement Options are granted could result in the new grants having a higher exercise price than those you exchanged and could make the Replacement Options less valuable than those you exchanged. In addition, because the Replacement Option you will receive will be exercisable for fewer shares than the Eligible Option you surrendered, there is an inflection point at higher Sage share prices where the value of the Eligible Option you surrendered would have been greater than the value of your Replacement Option. You will be able to model how many new Replacement Options you would receive in exchange for your Eligible Options and evaluate this inflection point on the Option Exchange website on a grant-by-grant basis.

The Replacement Options you receive may also have a longer vesting period than your Eligible Options, and if your service to Sage or any of our subsidiaries as an employee terminates before the Replacement Options are vested, you will not be able to exercise any unvested Replacement Options.

Please also see the section entitled "Risk Factors" for a discussion of risks and uncertainties that you should consider before surrendering your Eligible Options for exchange in the Option Exchange.

To whom should I ask questions regarding this Offer?

If you have questions regarding the Offer or have requests for assistance (including requests for additional copies of this Offer to Exchange document or other documents relating to the Offer), please email compensation@sagerx.com.

SAGE MAKES NO RECOMMENDATION AS TO WHETHER YOU SHOULD PARTICIPATE IN THE OFFER. YOU MUST MAKE YOUR OWN DECISION WHETHER AND TO WHAT EXTENT TO PARTICIPATE. WE ENCOURAGE YOU TO SPEAK WITH YOUR FINANCIAL, LEGAL AND/OR TAX ADVISORS, AS NECESSARY, BEFORE DECIDING WHETHER TO PARTICIPATE IN THE OFFER.



Sage Option Exchange Program Overview

January 2024



Agenda

- Background
- Stock Options
- Option Exchange Program Details
- Making Your Elections via the Option Exchange Portal
- Q&A

Purpose of our Equity Program

- Our equity program is an important element of our Total Rewards Philosophy
 - Keeps us competitive
 - Supports our long-term growth strategy
 - Creates stronger link between pay and Company performance
 - Supports retention
 - Helps align the interests of our employees with those of stockholders

Voluntary Underwater Option Exchange Program



Potential value creation through Sage equity has been a tenet of our rewards strategy and stock options have been an important component of our compensation packages since the Company's founding

~99% of stock options held by employees other than our executive officers are underwater; many significantly underwater*



Subject to stockholder approval, Sage is offering a **one-time voluntary opportunity to exchange underwater options with an exercise price \geq \$35.00** for a lesser number of new options (at varying exchange ratios dependent on the option exercise price)

New options will vest monthly over 18 months after the close of the exchange offer period and have a 7-year grant life

This Exchange Program is contingent on stockholder approval at Special Meeting on January 31, 2024

*The term "Underwater" refers to outstanding stock options that have an exercise price that is greater than the current market price for our stock

Why Now?

- Supports retention of our talented people and allows them to focus on achieving Corporate Goals at a critical time

Why a Stock Option Exchange?

- To restore/reset equity awards that will help motivate
 - Our equity pool is not unlimited; the exchange provides an opportunity to repurpose options that are no longer providing an incentive
- Support retention of our talent in a competitive market
- Effective way to further align stockholder and employee interests

Equity 101 – Stock Option Refresher

- The right to purchase a fixed number of shares of Sage stock at a fixed price (exercise price) over a fixed period-of-time

- Upon vesting, you have a right to exercise the vested portion at any time until the date the option expires in accordance with its terms
 - Exercising an option means you buy the stock at the exercise price set on the date of grant
 - If the price of Sage’s stock is greater than the exercise price when you exercise and sell the shares, you receive the gain (after taxes)
 - However, when Sage’s stock price is less than the exercise price, the stock option has no intrinsic value and is considered “underwater”

- *“In-the-money”* example:
 - You are awarded a stock option with a per share exercise price of \$20
 - The option is fully vested and Sage’s stock price increases to \$30
 - The option will be worth \$10 if exercised on that date (before taxes)

- *“Underwater”* example:
 - You are awarded a stock option with a per share exercise price of \$20
 - The option is fully vested and Sage’s stock price decreases to \$15
 - The option will have **no intrinsic value** as of that date

Exchange Program – Eligibility

- Subject to stockholder approval, you will be eligible to participate in the Option Exchange if:

1 You are an employee of Sage or its subsidiaries on the date the Offer to Exchange commences and

- Have not submitted a notice of resignation or termination, or been notified by Sage that your employment is being terminated;

2 As of the date the Replacement Options are granted, you are an employee of Sage or its subsidiaries and

- Have not submitted a notice of resignation or termination, or been notified by Sage that your employment is being terminated;

3 Are not an executive officer of Sage or a member of Sage's Board of Directors; and

4 You hold at least one "Eligible Option", which are outstanding stock options with an exercise price of \geq \$35 and

- That remain outstanding and unexercised as of the completion date of the option exchange

Exchange Ratio

- Board of Directors approved the exchange ratios to result in a fair value of the replacement stock options that will be approximately equal, on an aggregate basis, to the fair value of the eligible stock options
- Exchange ratios were established by grouping together eligible stock options with similar exercise prices
- The exchange ratios are based on the fair value of the eligible stock options (calculated using a Black-Scholes option pricing model) within the relevant grouping

Exercise Price Range per Share	Exchange Ratio (Surrendered Stock Options to New Stock Options)
\$35.00 to \$59.99	1.50 to 1
\$60.00 to \$99.99	2.25 to 1
\$100.00 to \$149.99	4.00 to 1
\$150.00 and above	5.00 to 1

Vesting and Term of New Replacement Option Grant

- Vesting:

Subject to stockholder approval, eligible stock options, both vested and not vested, as of the exchange date, may be exchanged for new stock options with a new 18-month vesting schedule, vesting in equal monthly installments over the vesting term, subject to the applicable employee's continued service through each vest date

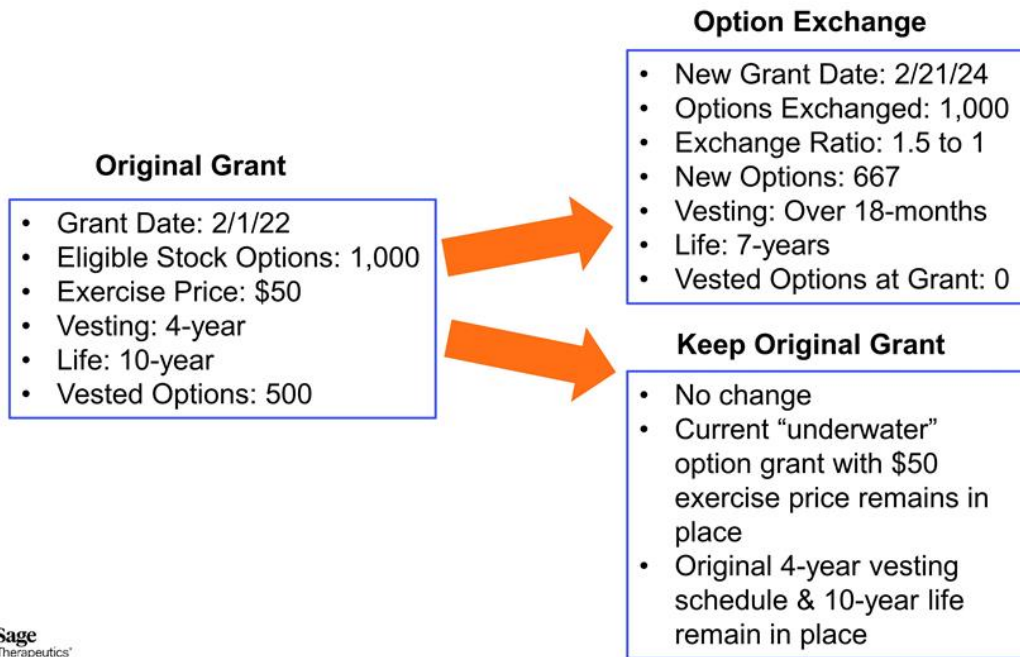
- Example: 1,800 new options would vest 100 per month until 100% vested after 18 months

- Term (or, "life") of New Options:

New stock options will expire 7 years following the date we grant the new stock options

New stock options will be subject to the terms of the 2014 Equity Plan and Option Agreement

Hypothetical Option Exchange Example



Tax Impact

- If you participate in the Option Exchange and you are a U.S. taxpayer, then for U.S. tax purposes, you will not be required to recognize income for income taxes or other taxes at the time of the exchange, or when the new options are granted

You should consult with your personal legal counsel, accountant, financial, and/or tax advisor(s) to determine the personal tax consequences to you of participating in the Option Exchange.

If you are a resident of or subject to the tax laws in more than one country, you should be aware that there may be additional or different income tax, social insurance contributions and other tax consequences that may apply to you.

Please reference the Tender Offer Statement on Schedule TO and the related exhibits, including the Offer to Exchange Eligible Options for Replacement Options and Terms of Election (collectively, the “Offering Materials”) for more information. All of the Offering Materials are available on the Option Exchange website we’ll discuss next and on the Securities and Exchange Commission’s website at www.sec.gov.

Making Your Elections

- Your elections must be made through the Option Exchange Program website: www.myoptionexchange.com
- You will be able to do the following:
 - View all eligible options, offer documents, Q&As and offer materials
 - Use the “Value Calculator” to view the potential value of your exchanged replacement option grant and break-even prices at assumed future stock prices
 - Elect to exchange eligible options on a grant-by-grant basis (must exchange entire grant)
 - View key Option Exchange dates and contact information
- You will receive a confirmation by email of your elections upon completion
 - You may change your election choice(s) anytime during the offering period; once the exchange program has closed, only the final election will be considered
- If approved by stockholders at the 1/31 meeting, new options are expected to be granted effective after the close of the offering period on February 21, 2024

Your final elections must be received prior to the Exchange Program deadline of February 20, 2024 at 11:59pm ET

Portal Welcome & Election Form

1. Go to www.MyOptionExchange.com and log into your account or register for an account if you haven't done so already. The only valid email address will be your Sage email address, not a personal address.
2. You will want to click the 'Change My Elections' button or the 'Election Form' tab in order to proceed with making your elections.

INFINITE EQUITY | Welcome | Election Form | Value Calculator | Resources | Admin | Hello Demo User! | Logout

Option Exchange

Commencement Date: January 23, 2024
Expiration Time: February 28, 2024 at 11:59 PM Eastern Time

We are offering you the opportunity to exchange some or all of your eligible stock options, as described in the Offer to Exchange (the "Offer to Exchange"), for a number of Replacement Options. We refer to this program as the "Option Exchange."

Resources

Click on any of the links below to learn more.

- Schedule TO
- Offer to Exchange
- Email from Erin Lanciani to Employees Sent on December 8, 2023
- Form of Follow-up Email from Peter Castichini to Employees Sent on January 23, 2024
- Form of Announcement Email
- Terms of Election
- Form of Confirmation Email
- Form of Reminder Email
- Screenshots of Option Exchange Website
- Option Exchange Frequently Asked Questions
- Employee Presentation

The PDF documents above require Adobe Acrobat Reader. If necessary you can download it from [Adobe](#).

Make My Election

You have 28 days left to elect whether to keep your eligible stock options or exchange some or all of them.

Before you make your election, we encourage you to carefully read the offering materials in the Resources section.

[Change My Elections](#) [Print Election Confirmation](#)

Need Help?


Contact compensation@sagerx.com

The Option Exchange is being made pursuant to the terms and conditions set forth in Sage's Tender Offer Statement on Schedule TO and the exhibits attached thereto, including the Offer to Exchange Eligible Options for Replacement Options, filed with the Securities and Exchange Commission, which are available free of charge at <http://www.sec.gov> or on the Option Exchange website located at: www.myoptionexchange.com. You should read these written materials carefully because they contain important information about the Option Exchange, including related risks.


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Portal Election Form Details

- You can now proceed with making your elections.


Welcome Election Form Value Calculator Resources Admin

Hello Demo User! Logout



Election Form

Indicate your decision to tender your eligible stock options for exchange by selecting the "Exchange" choice in the Election column.

If you do not want to tender one or more of your eligible stock options for exchange, select the "Do Not Exchange" choice in the Election column for those particular stock options.

If you do not select the "Exchange" choice with respect to an eligible stock option, your election with respect to an eligible stock option will default to "Do Not Exchange." In that event, the eligible stock option will not be exchanged.

You may not tender only a portion of an eligible stock option grant.

Option Exchange
Commencement Date: January 23, 2024
 Expiration Time: February 20, 2024 at 11:59 PM Eastern Time

[Value Calculator](#)
[Resources](#)

Grant Number	Grant Date	Award Type	Grant Price	Shares Underlying Option Grant	Vested Options as of 2/20/2024*	Exchange Ratio	Replacement Options	Election
DEMOGRANT1	2/1/2018	Options (NQ)	\$192.33	198	198	5.00	40	Exchange
DEMOGRANT2	4/2/2018	Options (ISO)	\$145.77	1,811	1,811	4.00	453	Do Not Exchange
DEMOGRANT3	12/19/2019	Options (ISO)	\$73.24	720	660	2.25	320	Exchange
DEMOGRANT3SPLIT	12/19/2019	Options (NQ)	\$73.24	2,160	2,160	2.25	960	Exchange
DEMOGRANT4	4/28/2020	Options (ISO)	\$39.87	2	2	1.50	2	Do Not Exchange
DEMOGRANT4SPLIT	4/28/2020	Options (NQ)	\$39.87	3,293	3,293	1.50	2,196	Do Not Exchange

*This column displays the number of shares of our common stock subject to the stock option grant as of February 20, 2024 (assuming no exercise or early termination occurs, through February 20, 2024).

**This column displays the number of vested shares of our common stock subject to the stock option grant as of February 20, 2024 (assuming vesting in accordance with the applicable vesting schedule, and no exercise or early termination occurs, through February 20, 2024).

In all events, vesting is subject to continued service with us through the applicable vesting date.

Please refer to the Option Exchange documents, including Section 8 of the Offer to Exchange, for additional terms that may apply to the new options.

Back

Next

The Option Exchange is being made pursuant to the terms and conditions set forth in Sage's Tender Offer Statement on Schedule TD and the exhibits attached thereto, including the Offer to Exchange Eligible Options for Replacement Options, filed with the Securities and Exchange Commission, which are available free of charge at <http://www.sec.gov> or on the Option Exchange website located at www.myoptionexchange.com. You should read these written materials carefully because they contain important information about the Option Exchange, including related risks.

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Portal Election Form Details

4. After making your elections, you will be asked to confirm them through electronic signature.
5. You'll be sent an email confirmation after you hit 'Submit'.

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[Welcome](#) | [Admin](#)

[Hello Denis User!](#) | [Logout](#)



Confirm Elections

You have made the following elections with respect to your eligible stock options.

Grant Number	Grant Date	Award Type	Grant Price	Shares Underlying Option Grant*	Vested Options as of 2/20/2024**	Exchange Ratio	Replacement Options	Election
DEMOGRANT1	2/10/18	Options (NQ)	\$162.33	198	198	5.00	40	Exchange
DEMOGRANT2	4/3/2018	Options (SO)	\$145.77	1,811	1,811	4.00	453	Do Not Exchange
DEMOGRANT3	12/19/2019	Options (SO)	\$73.24	720	660	2.25	320	Exchange
DEMOGRANT3SPLIT	12/19/2019	Options (NQ)	\$73.24	2,160	2,160	2.25	960	
DEMOGRANT4	4/28/2020	Options (SO)	\$38.87	2	2	1.50	2	Do Not Exchange
DEMOGRANT4SPLIT	4/28/2020	Options (NQ)	\$38.87	3,293	3,293	1.50	2,196	

*This column displays the number of shares of our common stock subject to the stock option grant as of February 20, 2024 (assuming no exercise or early termination occurs, through February 20, 2024).

**This column displays the number of vested shares of our common stock subject to the stock option grant as of February 20, 2024 (assuming vesting in accordance with the applicable vesting schedule, and no exercise or early termination occurs, through February 20, 2024).

In all events, vesting is subject to continued service with us through the applicable vesting date.

Please refer to the Option Exchange documents, including Section 8 of the Offer to Exchange, for additional terms that may apply to the new options.

I acknowledge that I have read all of the Option Exchange documents, including the Offer to Exchange, which contain the specific terms and conditions of the Option Exchange. I acknowledge that, if I change my election, my elections in effect as the completion of the Option Exchange (February 20, 2024, 11:59 PM Eastern Time, unless the offer is extended) will be my final election. I also agree to the Election Terms and Conditions and related instructions included in the Resources section of the Option Exchange website and attached to the announcement email dated January 23, 2024.

If I elected to exchange my eligible stock options, my electronic signature below indicates my agreement to be bound by the terms and conditions of the Sage Therapeutics Incentive Award Plan, as amended, and options agreement thereunder. If I elect not to exchange my eligible stock options, my eligible stock options will remain outstanding with their current terms and I will not receive any new options.

Electronic signature*

Clear

An email confirmation will be sent to sage@infiniteequity.com.

Cancel
Submit

The Option Exchange is being made pursuant to the terms and conditions set forth in Sage's Tender Offer Statement on Schedule TO and the exhibits attached thereto, including the Offer to Exchange Eligible Options to Replacement Options, that with the Securities and Exchange Commission, which are available free of charge at <http://www.sage.com> or on the Option Exchange website located at www.myoptionexchange.com. You should read these written materials carefully because they contain important information about the Option Exchange, including related risks.

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Portal Value Calculator

- **[MyOptionExchange.com](https://www.myoptionexchange.com)** has tools to model out the value of your Stock Options at various potential future Stock Prices based on which grants you choose to exchange.
- Just click the 'Value Calculator' button on the exchange page or the 'Value Calculator' tab to access this tool.

The Value Calculator has been provided to you as a convenience for purposes of making limited mathematical calculations regarding the potential amount that could be received from the new options to be granted pursuant to the Option Exchange Early Exercise to exchange your eligible stock options. The Value Calculator also does not take into account all of the factors that you should consider in deciding whether to participate in the Option Exchange. For example, the Value Calculator does not account for taxes or the remainder of the term of the eligible stock options. Note that you will be able to realize value from the new options only if they actually vest. Therefore, even if the Value Calculator shows that the potential value on the new options is greater than the eligible value of the assumed price you enter, you would be able to realize value from the new options only if they actually vest. Note also that because of the rounding resulting from fractional shares, the value shown could be higher or lower than the actual result.

Time value of assets at: 25.12

Grant Date	Eligible Option Grant			Replacement Option Grant				
	Eligible Stock Options	Grant Price	Value*	Exchange Ratio	Replacement Options	Example New Exercise Price	Break-even Price	Value*
2/1/2008	198	\$100.00	\$0	0.00	40	\$25.00	\$204.00	\$0
6/22/2008	1,811	\$145.72	\$0	4.00	453	\$26.00	\$195.72	\$0
12/19/2018	720	\$73.24	\$0	2.25	320	\$26.00	\$113.02	\$0
12/19/2019	2,160	\$73.24	\$0	2.25	960	\$26.00	\$113.02	\$0
4/26/2020	2	\$30.67	\$0	1.00	2	N/A	N/A	\$0
4/26/2020	3,293	\$28.07	\$0	1.00	2,196	\$28.00	\$87.00	\$0
Total	6,184	\$0	\$0		3,571			\$0

*Value is based on the stock price entered above for you.

2018H1 Stock Prices

Legend: Original (Blue), Replacement (Green)

The Option Exchange is being made pursuant to the terms and conditions set forth in Page(s) Tenor Offer Statement on Schedule TO and the exhibits attached thereto, including the Offer to Exchange Eligible Options for Replacement Options, that with the Securities and Exchange Commission, which are available for of charge at www.sec.gov or on the Option Exchange website located at www.myoptionexchange.com. You should read these written materials carefully because they contain important information about the Option Exchange, including related risks.

Important Legal Notification: The Value Calculator is not a financial or tax planning tool and information received using the Value Calculator does not constitute a recommendation as to whether or not to participate in the Option Exchange. The calculations are hypothetical and do not reflect your personal tax or financial circumstances. You should consult your tax, financial and legal advisors for advice relative to your specific situation. Additionally, in the Value Calculator, the Company makes no forecast or projection regarding the value of the new options that will be granted in the Option Exchange or as to the future market price of company's common shares, which may increase or decrease. You are responsible for verifying the accuracy of any information that you enter into the Value Calculator.

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Portal Resources

- On the Resource page, there are additional resources available to you regarding more information about the exchange.
- You can also access resources directly from the homepage.

File	Description
SAGE - Schedule TO.pdf	Schedule TO
SAGE - Offer to Exchange.pdf	Offer to Exchange
SAGE - Email from Erin Lanciani to Employees Sent on December 8, 2023.pdf	Email from Erin Lanciani to Employees Sent on December 8, 2023
SAGE - Form of Follow-up Email from Peter Castrichini to Employees Sent on January 23, 2024.pdf	Form of Follow-up Email from Peter Castrichini to Employees Sent on January 23, 2024
SAGE - Form of Announcement Email.pdf	Form of Announcement Email
SAGE - Terms of Election.pdf	Terms of Election
SAGE - Form of Confirmation Email.pdf	Form of Confirmation Email
SAGE - Form of Reminder Email.pdf	Form of Reminder Email
SAGE - Screenshots of Option Exchange Website.pdf	Screenshots of Option Exchange Website
SAGE - Option Exchange Frequently Asked Questions.pdf	Option Exchange Frequently Asked Questions
SAGE - Employee Presentation.pdf	Employee Presentation

Question & Answer Session

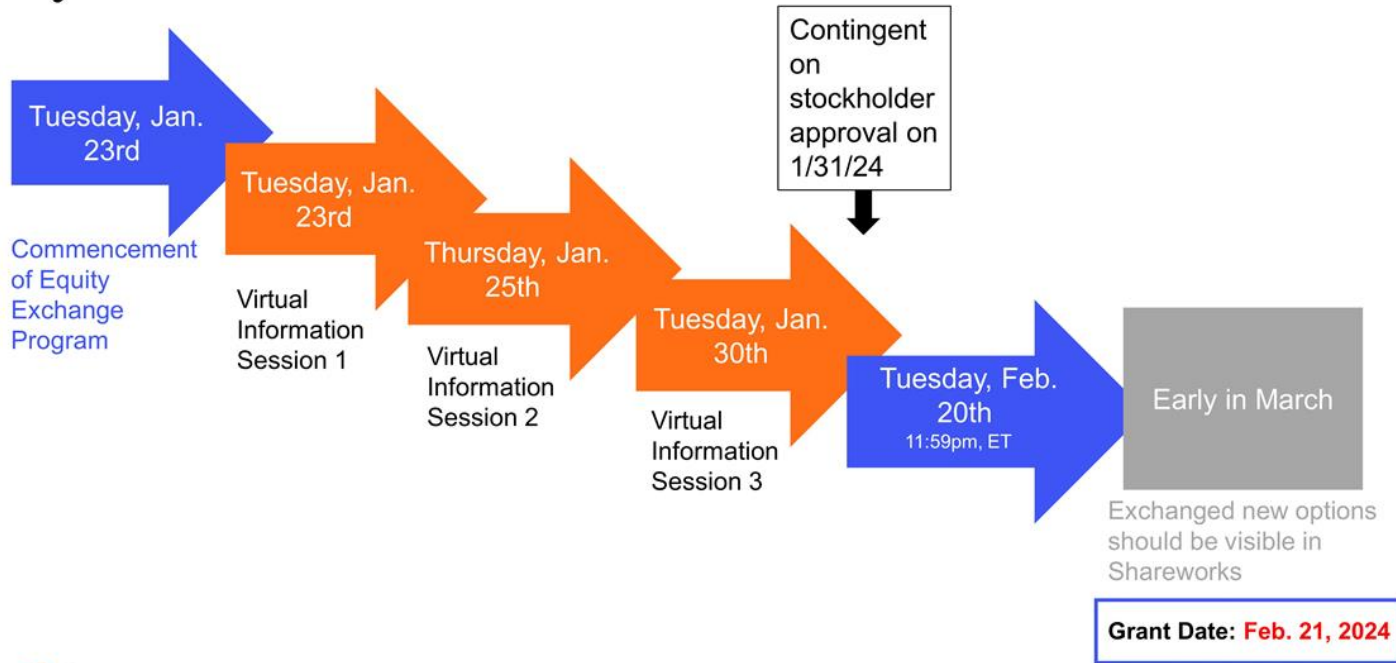
For questions, please email:

- compensation@sagerx.com for questions on the Option Exchange Program
- sage@infiniteequity.com for questions on navigating/understanding the portal exchange election tool
- equitysupport@sagerx.com for questions on the new option grants (after they are granted), and for on-going individual equity grant questions

Additionally, you can reach out to Prosper Wise, at <https://www.mmaprosperwise.com/>

(Prosper Wise is a financial well-being resource through MMA)

Key Dates & Times



Calculation of Filing Fee Tables
SCHEDULE TO
 (Form Type)
SAGE THERAPEUTICS, INC.
 (Exact Name of Registrant as Specified in its Charter)

Table 1 – Transaction Valuation

	Transaction Valuation	Fee Rate	Amount of Filing Fee
Fees to Be Paid	\$91,226,820.40 ⁽¹⁾	0.00014760	\$13,465.08 ⁽²⁾
Fees Previously Paid	—	—	—
Total Transaction Valuation	\$91,226,820.40		
Total Fees Due for Filing			\$13,465.08
Total Fees Previously Paid			—
Total Fee Offsets			—
Net Fee Due			\$13,465.08

- (1) Calculated solely for purposes of determining the filing fee pursuant to Rule 0-11 of the Securities Exchange Act of 1934, as amended. The calculation of the Transaction Valuation assumes that all outstanding stock options to purchase shares of the Registrant's common stock that may be eligible for exchange in the offer will be exchanged pursuant to the offer and is based on the product of (i) \$26.03, the average of the high and low prices per share of the Issuer's Common Stock on January 16, 2024 as reported on the Nasdaq Global Market and (ii) 3,504,680, the maximum number of shares of common stock underlying stock options to be exchanged in the transaction.
- (2) The amount of the filing fee, calculated in accordance with Rule 0-11(b) of the Securities Exchange Act of 1934, as amended, equals \$147.60 per \$1,000,000 of the aggregate amount of the Transaction Valuation (or 0.01476% of the aggregate Transaction Valuation). The Transaction Valuation set forth above was calculated for the sole purpose of determining the filing fee and should not be used for any other purpose.