

Exchange Commission (“SEC”) and disseminated to Company stockholders. The Proxy Statement recommends that Company stockholders vote in favor of a proposed transaction whereby Antioch Merger Sub, Inc. (“Merger Sub”), a wholly owned subsidiary of Pfizer, will merge with and into Arena with Arena surviving the merger as a wholly owned subsidiary of Pfizer (the “Proposed Transaction”). Pursuant to the terms of the definitive agreement and plan of merger the companies entered into (the “Merger Agreement”) each Arena common share issued and outstanding will be converted into the right to receive \$100.00 in cash (the “Merger Consideration”).

3. As discussed below, Defendants have asked Arena stockholders to support the Proposed Transaction based upon the materially incomplete and misleading representations and information contained in the Proxy Statement, in violation of Sections 14(a) and 20(a) of the Exchange Act. Specifically, the Proxy Statement contains materially incomplete and misleading information concerning the Company’s financial forecasts and financial analyses conducted by the financial advisors of the Company, Evercore Group L.L.C. (“Evercore”) and Guggenheim Partners, LLC (“Guggenheim” and together with Evercore, the “Financial Advisors”) in support of their fairness opinions, and relied upon by the Board in recommending the Company’s stockholders vote in favor of the Proposed Transaction.

4. It is imperative that the material information that has been omitted from the Proxy Statement is disclosed to the Company’s stockholders prior to the forthcoming stockholder vote so that they can properly exercise their corporate suffrage rights.

5. For these reasons and as set forth in detail herein, Plaintiff seeks to enjoin Defendants from taking any steps to consummate the Proposed Transaction unless and until the material information discussed below is disclosed to Arena stockholders or, in the event the

Proposed Transaction is consummated, to recover damages resulting from the Defendants' violations of the Exchange Act.

JURISDICTION AND VENUE

6. This Court has subject matter jurisdiction pursuant to Section 27 of the Exchange Act (15 U.S.C. § 78aa) and 28 U.S.C. § 1331 (federal question jurisdiction) as Plaintiff alleges violations of Section 14(a) and 20(a) of the Exchange Act and SEC Rule 14a-9.

7. Personal jurisdiction exists over each Defendant either because the Defendant conducts business in or maintains operations in this District, or is an individual who is either present in this District for jurisdictional purposes or has sufficient minimum contacts with this District as to render the exercise of jurisdiction over defendant by this Court permissible under traditional notions of fair play and substantial justice.

8. Venue is proper in this District under Section 27 of the Exchange Act, 15 U.S.C. § 78aa, as well as under 28 U.S.C. § 1391, because Pfizer is headquartered in this District, and the Company's stock is traded on the NASDAQ Stock Exchange, also headquartered in this District.

PARTIES

9. Plaintiff is, and has been at all relevant times, the owner of Arena common stock and has held such stock since prior to the wrongs complained of herein.

10. Individual Defendant Amit D. Munshi has served as a member of the Board since June 2016 and is the President and Chief Executive Officer of the Company.

11. Individual Defendant Garry A. Neil, M.D. has served as a member of the Board since February 2017 and the Company's Chair of the Board since February 2021.

12. Individual Defendant Jayson Dallas, M.D. has served as a member of the Board since February 2017.

13. Individual Defendant Oliver Fetzer, Ph.D. has served as a member of the Board since February 2017.

14. Individual Defendant Kieran T. Gallahue has served as a member of the Board since July 2018.

15. Individual Defendant Jennifer Jarrett has served as a member of the Board since June 2017.

16. Individual Defendant Katharine Knobil, M.D. has served as a member of the Board since June 2020.

17. Individual Defendant Tina S. Nova has served as a member of the Board since September 2004.

18. Individual Defendant Nawal Ouzren has served as a member of the Board since February 2021.

19. Individual Defendant Steve Schoch has served as a member of the Board since June 2021.

20. Defendant Arena is incorporated in Delaware and maintains its principal offices Park City, Utah. The Company's common stock trades on the NASDAQ Stock Exchange under the symbol "ARNA."

21. The defendants identified in paragraphs 10-19 are collectively referred to as the "Individual Defendants" or the "Board."

22. The defendants identified in paragraphs 10-20 are collectively referred to as the "Defendants."

SUBSTANTIVE ALLEGATIONS

A. The Proposed Transaction

23. Arena, a biopharmaceutical company, focuses on providing novel medicines with pharmacology and pharmacokinetics to patients worldwide. Its investigational clinical programs include Etrasimod (APD334) that is in Phase III clinical trial for ulcerative colitis, Phase IIb/III clinical trial for Crohn's disease, Phase II clinical trial for alopecia areata, Phase III clinical trial for atopic dermatitis, and Phase IIb clinical trial for eosinophilic esophagitis; Olorinab (APD371), which is in Phase IIb clinical trial for the treatment of abdominal pain associated with irritable bowel syndrome; APD418 that is in Phase I clinical trial for acute heart failure; and Temanogrel for coronary microvascular obstruction is in Phase II clinical trial. It also develops ralinepag (APD811), which is in Phase III clinical trial for pulmonary arterial hypertension. The company has collaboration agreements with Second Genome, Inc.; United Therapeutics Corporation; Everest Medicines Limited; Beacon Discovery; Boehringer Ingelheim International GmbH; Eisai Co., Ltd.; Eisai Inc.; and Aristeia Therapeutics, Inc. for the development of RIST4721 for treatment of serious immune-mediated inflammatory diseases. Arena was incorporated in 1997 and is based in Park City, Utah.

24. On December 13, 2021, Arena announced that it had entered into the Proposed Transaction:

NEW YORK & PARK CITY, Utah--(BUSINESS WIRE)-- Pfizer Inc. (NYSE: PFE) and Arena Pharmaceuticals, Inc. (Nasdaq: ARNA) today announced that the companies have entered into a definitive agreement under which Pfizer will acquire Arena, a clinical stage company developing innovative potential therapies for the treatment of several immuno-inflammatory diseases. Under the terms of the agreement, Pfizer will acquire all the outstanding shares of Arena for \$100 per share in an all-cash transaction for a total equity value of approximately \$6.7 billion. The boards of directors of both companies have unanimously approved the transaction.

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