



Arena Pharmaceuticals Announces Launch of Longboard Pharmaceuticals With \$56M Financing, Building a Novel Neuroscience Drug Development Company

- *Longboard Pharmaceuticals (formerly Arena Neuroscience) is an Arena-founded independent company focused on advancing promising investigational therapies for rare neurological diseases*
- *Longboard's investor syndicate includes Farallon Capital, Cormorant Asset Management, HBM Healthcare Investments, Highside Capital Management, and T. Rowe Price Associates, with participation from Arena Pharmaceuticals*
- *Kevin R. Lind leading as President & Chief Executive Officer of Longboard*

SAN DIEGO, Calif., October 28, 2020 - [Arena Pharmaceuticals, Inc.](#) (Nasdaq: ARNA), and [Longboard Pharmaceuticals, Inc.](#), today announced the launch of Longboard Pharmaceuticals and the completion of a \$56 million financing led by Farallon Capital Management, LLC, and other top tier healthcare investors, including Cormorant Asset Management, HBM Healthcare Investments, Highside Capital Management, and T. Rowe Price Associates, with participation from Arena. Longboard was previously a wholly-owned subsidiary of Arena and formerly known as Arena Neuroscience. Vincent Aurentz, Executive Vice President and Chief Business Officer of Arena, and Laurie Stelzer, Executive Vice President and Chief Financial Officer of Arena, will serve on Longboard's Board of Directors.

Longboard is focused on developing novel central nervous system (CNS)-targeted assets discovered by Arena's validated world-class G protein-coupled receptor (GPCR) research engine. Proceeds from the financing will be used to support the development of LP352, a clinical stage program for treatment-resistant developmental and epileptic encephalopathies (DEE), and preclinical programs relating to LP143 and LP659 for the potential treatment of microglial neuroinflammatory diseases.

"When the new leadership team joined Arena in 2016, we realized the promise of the assets that were discovered and optimized over decades of world-class GPCR research. Our goal has been to maximize the value of the pipeline for shareholders, and more importantly to deliver potentially life-changing medicines to patients suffering from grievous illnesses. With the launch of Longboard, we believe these compounds will receive the focus they deserve, and Arena shareholders will continue to participate in the value of these assets via Arena's equity position in the new company and future royalty streams," said Amit D. Munshi, President & Chief Executive Officer of Arena.

"We are focused on advancing these compounds with the goal of helping underserved patients living with devastating neurological conditions," stated Kevin R. Lind, President & Chief

Executive Officer of Longboard. "I want to thank the Arena management team and Board of Directors for conceiving this idea, the broader Arena team for helping us execute on the strategy, and our new investors for supporting this endeavor. I look forward to leading Longboard as we strive to deliver multiple important medicines."

LP352, LP143 and LP659 are investigational compounds that are not approved for any use in any country.

About Arena Pharmaceuticals

[ARENA Pharmaceuticals](#) is a team with a singular purpose – deliver our important medicines to patients.

In a rapidly changing global market, we work with a sense of urgency every day to understand the needs of all our stakeholders, identify bold, sometimes disruptive, ideas to get our medicines to patients, and relentlessly execute until it's done.

ARENA - Care More. Act Differently.

About Longboard Pharmaceuticals

[Longboard Pharmaceuticals](#) is a team driven to deliver novel, transformational medicines with optimized pharmacology and pharmacokinetics to patients with rare neurological diseases. Longboard's proprietary pipeline includes multiple potentially first- or best-in-class programs with broad clinical utility. Longboard is evaluating LP352, a next-generation 5-HT_{2C} agonist, in development for the potential treatment of developmental and epileptic encephalopathies, or DEEs. Longboard is also evaluating LP143, a centrally acting, full agonist of the cannabinoid type 2 receptor (CB₂), and LP659, a centrally acting, next-generation, highly selective S1P receptor modulator.

Longboard, formerly known as Arena Neuroscience, was a wholly-owned subsidiary of Arena Pharmaceuticals, Inc. until its launch in October 2020. Longboard's compounds were discovered and evolved out of Arena's validated world-class GPCR research engine.

Forward-Looking Statements

Certain statements in this press release are forward-looking statements that involve a number of risks and uncertainties. Such forward-looking statements may be identified by words such as "focused on," "will," "potential," "promise," "goal," "believe," "strategy," "look forward to," "strive to," "excited to," "aim to," and "evaluating," and include, without limitation, statements about the following: Arena shareholders participating in the value of the assets in Longboard Pharmaceuticals' pipeline through Arena's equity position in Longboard Pharmaceuticals and future royalty streams, the potential broad applicability, market potential and other attributes of the assets in Longboard Pharmaceuticals' pipeline, and Arena's and Longboard's purpose, work, understanding, ideas, and execution. For such statements, Arena claims the protection of the Private Securities Litigation Reform Act of 1995. Actual events or results may differ materially from Arena's expectations. Factors that could cause actual results to differ materially from the forward-looking statements include, but are not limited to, the following: clinical trials and preclinical studies may not proceed at the time or in the manner expected, or at all; the timing and

outcome of research, development and regulatory review is uncertain, and Arena's or Longboard's drug candidates may not advance in development or be approved for marketing; the duration and severity of the COVID-19 pandemic, including but not limited to its impact on Arena's clinical trials and operations, the operations of Arena's and Longboard's suppliers, partners, collaborators, licensees, and the capital markets, which in each case remains uncertain; risks related to developing and commercializing drugs; Arena and Longboard may need additional funds to advance all of their programs; risks and uncertainties relating to cash and revenues that may be generated from product sales or other sources, including the impact of competition; risks related to unexpected or unfavorable new data; nonclinical and clinical data is voluminous and detailed, and regulatory agencies may interpret or weigh the importance of data differently and reach different conclusions than Arena, Longboard, or others, request additional information, have additional recommendations or change their guidance or requirements before or after approval; results of clinical trials and other studies are subject to different interpretations and may not be predictive of future results; topline data may not accurately reflect the complete results of a particular study or trial; satisfactory resolution of litigation or other disagreements with others; government and third-party payor actions, including relating to reimbursement and pricing; risks related to relying on licenses or collaborative arrangements, including lack of control and potential disputes; the entry into or modification or termination of licenses or collaborative arrangements; and Arena's, Longboard's, and third parties' intellectual property rights. Additional factors that could cause actual results to differ materially from those stated or implied by Arena's forward-looking statements are disclosed in Arena's filings with the Securities and Exchange Commission (SEC), including but not limited to Arena's Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, which was filed with the SEC on August 5, 2020. These forward-looking statements represent Arena's judgment as of the time of this release. Arena disclaims any intent or obligation to update these forward-looking statements, other than as may be required under applicable law.

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