

## *In re Celgene Corporation Securities Litigation*

**COURT:** United States District Court for the District of New Jersey  
**CASE NUMBER:** 2:18-cv-04772 JMV-JBC  
**CLASS PERIOD:** 04/27/2017 - 04/27/2018  
**CASE LEADERS:** Salvatore J. Graziano, Adam H. Wierzbowski  
**CASE TEAM:** Robert Kravetz, Jim Briggs

This is a securities fraud class action (the “Action”) asserting claims on behalf of all persons and entities who purchased or otherwise acquired Celgene Corporation (“Celgene” or the “Company”) common stock between April 27, 2017 and April 27, 2018, inclusive (the “Class Period”), against Celgene and certain of its senior executives (collectively, “Defendants”).

Celgene is a global biopharmaceutical company that specializes in the discovery, development and commercialization of therapies for the treatment of cancer and inflammatory diseases. The action arises from allegations that the Defendants concealed material information and made false and misleading statements concerning certain of its key products, including a late-stage developmental treatment for Crohn's disease, GED-0301, Otezla, and Ozanimod.

In particular, it is alleged that the Defendants failed to disclose that GED-0301 had not shown meaningful efficacy through an interim endoscopy trial, and that one of its phase III trials had a materially greater likelihood of failure than publicly disclosed. Company executives claimed that GED-0301 continued to show transformative promise, that the Company's guidance would be met or exceeded, and that Celgene would be able to develop the revenue streams necessary to continue the Company's growth. It also alleged that Defendants misled investors as to the likelihood that their forthcoming blockbuster product, Ozanimod, would be approved by the FDA, while Defendants knew that their testing of Ozanimod was insufficient, and that Defendants misled investors as to the financial success of Otezla.

On October 19, 2017, the Company revealed that it would be abandoning its GED-0301 program and discontinuing ongoing trials and would record a \$1.6 billion impairment charge as a result of the drug's failure. On this news, the price of Celgene stock fell \$14.63 per share to close at \$121.33 per share on October 20, 2017, a one-day decline of nearly 11%. Then, on October 26, 2017, Celgene released its third quarter 2017 results. The Company once again surprised investors by revealing that certain key drugs had missed expectations for the quarter. In the wake of these shocking disclosures, Defendants sought to reassure investors about the Company's product pipeline. On February 27, 2018, Celgene once again stunned investors when it revealed that the FDA had issued a Refusal to File letter for Ozanimod. On this news, the price of Celgene stock dropped 9%, or \$8.66 per share, to close at \$87.12 per share on February 28, 2018.

As a result of Defendants' wrongful acts and omissions, plaintiff and the class purchased Celgene common stock at artificially inflated prices.

The Court-appointed Lead Plaintiff and Class Representative, AMF Pensionsförsäkring AB, filed the Amended Complaint on December 10, 2018.

By Order and Opinion entered November 29, 2020, the Court certified the Action as a class action on behalf of the following Class:

All persons and entities who purchased the common stock of Celgene between April 27, 2017 and April 27, 2018, and were damaged thereby.

Excluded from the Class are: (i) Celgene; (ii) any directors and officers of Celgene during the Class Period and members of their immediate families; (iii) the subsidiaries, parents and affiliates of Celgene; (iv) any firm, trust, corporation or other entity in which Celgene has or had a controlling interest; and (v) the legal representatives, heirs, successors and assigns of any such excluded party.

By Order entered April 21, 2022, the Court approved the mailing of the Notice of Pendency of Class Action ("Notice") to members of the Class. A copy of the Notice is available on the Case Documents section of this page.

If you are a member of the Class, your rights will be affected by the Action. If you do not meet the Class definition, the Notice does not apply to you. If you are uncertain whether you are a member of the Class, please contact Class Counsel (as identified in the Notice) or your own attorney.

The Notice is not an admission by Defendants or an expression of any opinion by the Court as to the merits of the Action, or a finding by the Court that the claims asserted by Class Representative in the Action are valid. The Notice is intended solely to inform Class members of the pendency of the Action and of their rights concerning the Action. There is no judgment, settlement, or monetary recovery at this time, and there is no assurance that a judgment in favor of the Class will be granted or that the Court will award the Class a monetary recovery. Defendants have denied Class Representative's claims, and contend that they are not liable for the harm alleged by Class Representative. The Court has appointed AMF Pensionsförsäkring AB as the representative for the Class.

The Class definition may be subject to change by the Court pursuant to Rule 23.

More information about the Action is available at <https://www.celgenesecuritieslitigation.com>.

## Case Documents

- Notice of Pendency of Class Action ("Notice")
- November 29, 2020 - Order Granting Plaintiff's Motion for Class Certification
- November 29, 2020 - Opinion Granting Motion for Class Certification
- December 10, 2018 - Amended Consolidated Class Action Complaint