

**UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS**

\_\_\_\_\_, Individually and on behalf of all  
others similarly situated,

Plaintiff,

v.

INFINITY PHARMACEUTICALS, INC.;  
ADELINE PERKINS; and LAWRENCE  
BLOCH, JR.,

Defendants.

Civil. Action No.

**CLASS ACTION**

**JURY TRIAL DEMANDED**

**CLASS ACTION COMPLAINT**

Plaintiff \_\_\_\_, by and through his attorneys, alleges the following upon information and belief, except as to those allegations concerning himself, which are alleged upon personal knowledge. Plaintiff's information and belief is based upon, among other things, Plaintiff's counsel's investigation, which includes, without limitation: (a) review and analysis of regulatory filings made by Infinity Pharmaceuticals, Inc. ("Infinity" or the "Company"), with the United States Securities and Exchange Commission ("SEC"); (b) review and analysis of press releases, conference calls, and media reports issued by and/or disseminated by Infinity; and (c) review of other publicly available information concerning Infinity.

**NATURE OF THE ACTION AND OVERVIEW**

1. This is a class action on behalf of persons or entities who purchased or otherwise acquired Infinity securities between January 5, 2022 and July 24, 2023, inclusive (the "Class Period"). Plaintiff seeks to remedy Defendants' violations of the Securities Exchange Act of 1934 (the "Exchange Act").

2. For over a year, Defendants pushed the false narrative that Infinity’s flagship product, eganelisib, was proceeding apace in its clinical studies as a treatment for breast cancer. Specifically, Infinity touted two clinical studies: (1) MARIO-4, a randomized, double-blind Phase 3 study; and (2) MARIO-P, a platform study to evaluate additional combinations and indications where eganelisib might increase the effectiveness of available therapies.

3. Results were initially so promising that partners were being sought (and prospective partners were interested) to bring eganelisib to the next stage. Then, overnight, the promise vanished. A merger was announced with another pharmaceutical company, and breast cancer treatment wasn’t mentioned. It was as if neither MARIO-4 nor MARIO-P existed. The new entity would now focus on head and neck cancer. The stock market reaction was predictable. Investors fled in droves on staggering volume. The value of both proposed companies to the merger was *half* of cash on hand.

4. On July 24, 2023, Infinity announced that the merger had been terminated, because shareholders of the merging company voted against it. The next day, on July 25, 2023, Infinity announced a “Value Preservation and Maximization Plan”, whereby it was, among other things, terminating 78% of its workforce.

### **JURISDICTION AND VENUE**

5. The claims asserted herein arise under and pursuant to Sections 10(b) and 20(a) of the Exchange Act (15 U.S.C. §§ 78j(b) and 78t(a)) and Rule 10b-5 promulgated thereunder by the SEC (17 C.F.R. § 240.10b-5).

6. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. § 1331 and Section 27 of the Exchange Act (15 U.S.C. § 78aa).

7. Venue is proper in this Judicial District pursuant to 28 U.S.C. § 1391(b) and Section 27 of the Exchange Act (15 U.S.C. § 78aa(c)). Additionally, Infinity’s principal executive offices are located within this Judicial District.

8. In connection with the acts, transactions, and conduct alleged herein, Defendants directly and indirectly used the means and instrumentalities of interstate commerce, including the United States mail, interstate telephone communications, and the facilities of a national securities exchange.

### **PARTIES**

9. Plaintiff \_\_\_\_\_ purchased Infinity shares during the Class Period and suffered damages as a result of the federal securities law violations and false and/or misleading statements and/or material omissions alleged herein, as detailed in his certification filed with the Court.

10. Defendant Infinity is a Delaware corporation with its principal executive offices located at 110 Massachusetts Avenue, Floor 4, Cambridge, Massachusetts 02138. Infinity’s shares trade on the Nasdaq Global Select Market under the ticker symbol “INFI.” Infinity is a clinical-stage innovative biopharmaceutical company dedicated to developing novel medicines for people with cancer. Infinity purports to combine proven scientific expertise with a passion for developing novel small molecule drugs that target disease pathways for potential applications in oncology. The Company is focused on advancing egranolisib, also known as IPI-549, an orally administered, clinical-stage, immuno-oncology product candidate that reprograms macrophages through selective inhibition of the enzyme phosphoinositide-3kinase-gamma. As of July 28, 2023, Infinity had almost 90 million shares outstanding.

11. Defendant Adeline Perkins was, at all relevant times, Chairman of the Board and Chief Executive Officer (“CEO”) of Infinity. During the Class Period, Defendant Perkins signed numerous SEC filings mentioned herein, and participated in each investor conference call.

12. Defendant Lawrence Bloch, Jr. was, at all relevant times, Principal Financial Officer and Principal Accounting Officer of Infinity. During the Class Period, Defendant Bloch signed numerous SEC filings mentioned herein, and participated in each investor conference call.

13. Defendants Perkins and Bloch (collectively with Infinity, the “Defendants” or “Individual Defendants”), because of their positions with the Company, possessed the power and authority to control the contents of Infinity’s reports to the SEC, press releases, and presentations to securities analysts, money and portfolio managers, and institutional investors, *i.e.*, the market. Each Defendant was provided with copies of the Company’s reports and press releases alleged herein to be misleading prior to, or shortly after, their issuance and had the ability and opportunity to prevent their issuance or cause them to be corrected. Because of their positions and access to material non-public information available to them, each of the Defendants knew that the adverse facts specified herein had not been disclosed to, and were being concealed from, the public, and that the positive representations which were being made were then materially false and/or misleading. The Individual Defendants are liable for the false statements pleaded herein, as those statements were each “group-published” information, the result of the collective actions of the Individual Defendants.

## **SUBSTANTIVE ALLEGATIONS**

### **A. Background**

14. Infinity was founded in 1995. Infinity is a clinical-stage biopharmaceutical company focusing on developing novel medicines for people with cancer. The company’s product candidates include eganelisib (IPI-549), an orally administered clinical-stage immuno-oncology

product candidate that inhibits the enzyme phosphoinositide-3-kinase-gamma, which is in Phase 2 clinical trials for the treatment of metastatic triple negative breast cancer and urothelial cancer; and Phase 1/1b clinical trials for the treatment of solid tumors. Infinity Pharmaceuticals, Inc. claims to have strategic alliances with: Intellikine, Inc. to discover, develop, and commercialize pharmaceutical products targeting the delta and/or gamma isoforms of PI3K; Verastem, Inc. to research, develop, commercialize, and manufacture duvelisib and products containing duvelisib; ad PellePharm, Inc. to develop and commercialize rights to its hedgehog inhibitor program, IPI-926, a clinical-stage product candidate; as well as collaboration agreements with f. Hoffmann-La Roche Ltd., and Bristol Myers Squibb Company.

**B. The Class Period Begins**

15. On January 5, 2022, Infinity issued a press release via BUSINESS WIRE titled “Infinity Pharmaceuticals Outlines Eganelisib Clinical Development Strategy and Provides 2022 Guidance”. The release stated, in relevant part:

- MARIO-4 registration study in frontline metastatic triple negative breast cancer to be initiated by year end 2022 -
- MARIO-P platform study in multiple solid tumors to be initiated on a rolling basis in 3Q 2022 –

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(NASDAQ: INFI) a clinical-stage biotechnology company developing eganelisib, a first-in-class, oral immuno-oncology macrophage reprogramming therapeutic, today provided an update on eganelisib clinical development plans and 2022 guidance.

“Eganelisib is a unique drug for which we have presented positive results in multiple indications where checkpoint inhibitors have provided little to no patient benefit. Based on these strong data, we will be initiating a registration study in frontline TNBC in 2022 – due to the magnitude of the unmet need in this very large patient population and the magnitude of the eganelisib benefit. Eganelisib combination therapy has demonstrated tumor volume reductions of 92.8% and 85.2%, and disease control rates of 92.8% and 81.4%, in PD-L1(+) and PD-L1 (-) frontline TNBC patients, respectively, as well as improvements in progression free survival over standard of care benchmarks regardless of PD-L1 status,” said Adelene Perkins, Chief Executive Officer and Chair, Infinity Pharmaceuticals.

***“We are aggressively advancing a registration focused study in TNBC with the goal of bringing eganelisib to patients in need as quickly as possible. We also continue to be encouraged by the overall survival benefit seen in patients with urothelial cancer, and to support the initiation of future registration trials in 2023 and beyond, we are also expanding the development of eganelisib in a platform study in additional indications where checkpoint inhibitors and other current therapies have offered little benefit,”*** said Robert Ilaria, Jr. M.D., Chief Medical Officer, Infinity Pharmaceuticals.

**Program Updates and Guidance:**

- The Company plans to initiate a frontline mTNBC randomized, double-blind, pivotal trial by the end of 2022 with progression free survival (PFS) and overall survival (OS) as endpoints. In the PD-L1 negative patients eganelisib will be evaluated in combination with chemotherapy and a checkpoint inhibitor (the eganelisib triplet) vs chemotherapy. In the PD-L1 positive patients the eganelisib triplet will be evaluated vs chemotherapy and a checkpoint inhibitor. Pending feedback from a MARIO-3 end-of-Phase 2 meeting with global regulatory authorities, ***Infinity will finalize the MARIO-4 trial design.***
- ***Infinity also plans to initiate MARIO-P, a platform study to evaluate the clinical benefit of eganelisib to support the initiation of future registration focused studies across various solid tumor indications, on a rolling basis in 3Q 2022.*** [Emphasis added.]

16. On January 13, 2022, Defendant Perkins gave a presentation on behalf of Infinity at the virtual 2022 J.P. Morgan Healthcare Conference. According to the summary of this conference, Defendant Perkins indicated that “[r]esults thus far for eganelisib are encouraging” and that the MARIO-4 study was expected to begin before the end of 2022.

17. On March 29, 2022, Infinity issued a press release via BUSINESS WIRE titled “Infinity Pharmaceuticals Reports Full Year 2021 Financial Results and Provides Company Highlights.” In the release, Defendant Perkins was quoted as saying:

With the additions of Dr. Robert Ilaria as our CMO and Dr. Stéphane Peluso as our CSO, in 2022 we are leveraging our data and financial resources to initiate MARIO-4, a randomized, double-blind Phase 3 study of eganelisib in a triplet combination regimen in front-line mTNBC. In parallel, we plan to initiate MARIO-P, our

platform study to evaluate eganelisib in additional combinations and indications where eganelisib may increase the effectiveness of available therapies.<sup>1</sup>

18. On March 29, 2022, Infinity filed a Form 10-K with the SEC for the fiscal year ended December 31, 2021 (the “2021 10-K”). In the 2021 10-K, Infinity pushed the narrative that eganelisib was the future of the Company, stating “We are focusing on advancing eganelisib . . . We believe eganelisib is the only selective inhibitor of P13K-gamma being investigated in clinical trials. We have worldwide development and commercialization rights to eganelisib . . .”

19. On March 29, 2022, Infinity held a conference call discussing 2021 yearly earnings and results with investors and analysts. During the earnings call, Defendant Perkins stated:

[I]n 2021, we strengthened our balance sheet, having raised \$92 million in the first quarter of last year. With over \$80 million on our balance sheet at the beginning of 2022, we have the resources required to initiate our registration trial in frontline metastatic TNBC and expand our development of eganelisib through our MARIO-P study this year. Altogether, we are very encouraged that even in the face of global uncertainty and market volatility, Infinity's future is bright.

20. During the same March 29, 2022 call, Defendant Bloch stated: “[O]ur guidance is we're going to be starting the [MARIO-4] study by year end.”

21. Over the next two days, Infinity stock rose 14%.

22. Infinity announced its first quarter 2022 results on May 3, 2022. It issued a press release on that day via BUSINESS WIRE titled “Infinity Pharmaceuticals Reports First Quarter 2022 Financial Results.” (the “First Quarter 2022 Release”). The release quoted defendant Perkins as stating:

We are pleased to further advance the development of eganelisib, building on our encouraging MARIO-3 results, by initiating our first registration study, MARIO-4, in front-line metastatic TNBC by the end of the year. In parallel, we are also planning to start our platform clinical program, MARIO-P, on a rolling basis. MARIO-P is being designed to rapidly expand eganelisib development in additional combinations and indications where it may increase the effectiveness of

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<sup>1</sup> “mTNBC” means metastatic triple negative breast cancer.

available therapies. We continue to leverage eganelisib's unique mechanism of action and differentiated clinical data to advance our clinical development program and maximize the value of eganelisib for patients and shareholders.

23. The First Quarter 2022 Release continued the false narrative that the future of Infinity was using eganelisib for breast cancer treatment.

24. On May 3, 2022, Infinity filed a Form 10-Q with the SEC for the quarter ended March 31, 2022 (the "First Quarter 2022 10-Q") signed by Defendant Bloch. The First Quarter 2022 10-Q stated Infinity was "planning a randomized, double-blind, registration study in front-line metastatic triple negative breast cancer, or MTNBC", which it called MARIO-4. Infinity also stated it expected "to initiate MARIO-P, our clinical program designed to evaluate the clinical benefit of eganelisib in additional solid tumor indications." Once again, Defendants touted the initiation of the MARIO-4 and MARIO-P studies.

25. On August 9, 2022, Infinity held a conference call discussing second quarter earnings and results with investors and analysts. During the earnings call, Defendant Perkins stated:

We have two objectives in partnering. First, to expand the development of eganelisib across a broad array of solid tumors with a partner who shares our belief and the magnitude of the eganelisib opportunity and is willing to fund an extensive R&D program, potentially combining eganelisib with prospective partners' drugs to create differentiated treatment regimens. Second, to establish a partnership structure that enables the creation of meaningful value for our Infinity shareholders. Since our last quarterly call, we have completed our midyear strategic review. And we've made the decision that we put a partnership in place prior to initiating new clinical trials for a couple of key reasons. One is that we are in discussions with multiple potential partners. And given the breadth of activity we've seen with eganelisib, we have multiple development options.

26. Also on August 9, 2022, Infinity issued a press release via BUSINESS WIRE titled "Infinity Pharmaceuticals Reports Second Quarter 2022 Financial Results and Provides Business Update." In the release, Defendant Perkins is quoted as saying:

Based on the positive eganelisib data generated to-date in several indications and settings, we remain in discussions with multiple parties regarding potential partnerships to further advance the development of eganelisib. At this stage in eganelisib's clinical development, and given the current market environment, we have decided to prioritize establishing potential partnerships before beginning new efficacy studies, including MARIO-4 in the TNBC and the MARIO-P platform study. Infinity has a track record of fiscal discipline, and this approach allows us to focus our current resources on ongoing clinical trials, extend our cash runway into 2024, and provide the flexibility to accommodate potential partners' input on the prioritization and design of our next studies. These initiatives support our commitment to advancing development of eganelisib across multiple oncology indications to maximize value for patients and shareholders.

27. The false narrative was now advancing to the next stage: eganelisib was so promising that partners indicated significant interest in the product, but the MARIO-4 and MARIO-P studies would be initiated after the establishment of these partnerships.

28. Infinity filed a Form 10-Q with the SEC on August 9, 2022 for the quarter ended June 30, 2022 ("June 2022 10-Q"), signed by defendant Bloch. In the June 2022 10-Q, the Company stated "At this stage in eganelisib's clinical development, and given the current market environment, we have decided to prioritize establishing potential partnerships before beginning new efficacy studies, including MARIO-4 in TNBC, and the MARIO-P platform study." Infinity reported cash and cash equivalents of \$56.6 million on June 30, 2022.

29. The statements Defendants made concerning the second quarter 2022 results continued the false narrative that there were viable partnership opportunities for eganelisib's development, but the MARIO-4 and MARIO-P studies would be initiated after the establishment of these partnerships.

30. From August 9 to August 11, 2022, Infinity stock rose 35%.

31. Infinity held a conference call discussing third quarter 2022 results with investors on November 14, 2022, during which both Defendant Perkins and Defendant Bloch spoke. During the November 14, 2022 conference call Defendant Perkins stated:

Our business development discussions are directed towards an initial focused development plan in a randomized-controlled setting. The benefit seen across a broad array of solid tumors in which eganelisib has been studied to-date, including breast, urothelial, head and neck, ovarian, and melanoma cancers provide multiple potential future development tests. It is our goal to announce the partnership and the focus of the prioritized clinical development plan for eganelisib in the third quarter of 2023.

32. Infinity issued a press release on November 14, 2022 via BUSINESS WIRE, titled “Infinity Pharmaceuticals Reports Third Quarter 2022 Financial Results and Provides Business Update.” (the “Third Quarter 2022 Press Release”). In the release, Defendant Perkins stated:

We are encouraged by the long-term benefits seen in front-line TNBC patients reported earlier today from MARIO-3. These data are consistent with the long-term benefit seen in other indications in which eganelisib has been studied, giving us multiple potential paths forward to be prioritized with a prospective partner.

33. On November 14, 2022, Infinity filed a Form 10-Q with the SEC for the quarter ended September 30, 2022 (the “September 2022 10-Q”), signed by Defendant Bloch. The September 2022 10-Q stated, among other things, “we are prioritizing establishing potential partnerships before beginning new efficacy studies.”

### **The Truth Is Slowly Revealed**

34. On February 23, 2023, before the stock market opened, Infinity announced via a webcast (the “Webcast”) that it had entered into a merger agreement with MEI Pharma, Inc. The proposed transaction was all stock, pursuant to which Infinity shareholders will receive shares of MEI common stock. Infinity will become a wholly-owned subsidiary of MEI, with outstanding equity post-closing being held 58% by MEI shareholders and 42% by Infinity shareholders.

35. During the Webcast, Defendant Perkins stated Infinity would “prioritize head and neck cancer.” No mention at all was made of breast cancer treatments. It was as if MARIO-4 and MARIO-P never existed, and TNBC was never a priority for eganelisib treatment.

36. This pivot did not go unnoticed by the stock market, and the value of Infinity stock plummeted. Infinity stock had closed at \$0.55 on February 22, 2023. The following day, on extraordinary volume of over 3 million shares, Infinity stock lost half its volume, closing at \$0.28 per share. Typically, volume of shares traded on a daily basis was fewer than 500,000 shares. Infinity stock averaged over 2 million shares traded per day over the next week as the market absorbed the shocking news.

37. On February 21, 2023, Infinity's market cap was around \$50 million, with \$40 million in cash and a pipeline of products. On February 24, 2023, Infinity had a \$20 million market cap, trading at half its cash value and essentially allocating \$0 value to its pipeline. The combined market caps of both Infinity and MEI is \$50 million. David Usso, of MEI, stated on the Webcast that expected cash after the merger was expected to be \$100 million. So the price at which the two companies were trading was equivalent to only half of cash on hand.

38. On July 24, 2023, Infinity announced that it was terminating the merger, because MEI did not obtain stockholder approval for the merger. The press release, issued on BUSINESS WIRE, stated as follows:

At a special meeting of MEI stockholders on July 23, 2023, ***MEI did not obtain MEI stockholder approval for the merger with Infinity, nor could MEI obtain approval for an adjournment of the special meeting.*** In the process of attempting to obtain approval for the merger, which the MEI board supported based on the value creation potential of the combined companies with eganelisib as the lead asset, MEI was forced to contend with an unsolicited public proposal to acquire MEI by certain activist stockholders who launched a public campaign to buy MEI at a significant discount to its cash on hand.

Infinity has continued to prepare for the initiation of a planned global Phase 2 clinical trial evaluating eganelisib in head and neck squamous cell carcinoma, and, following FDA feedback, the final protocol has been submitted to the FDA. Based on the strength of the eganelisib data generated across several tumor types to date, Infinity's board of directors continues to believe in the value of eganelisib and will explore strategic alternatives intended to realize this potential value. Infinity's board believes that eganelisib offers a near-term value creation opportunity and

would be attractive to potential acquirers and intends to engage one or more strategic advisors to assist in the process. In an effort to conserve resources and preserve value for stockholders during this process, the company's board and management team expect to undertake a series of cost saving measures.

Infinity provided a conditional notice of termination to MEI indicating that Infinity was terminating the merger agreement if MEI did not obtain stockholder approval of the issuance of MEI common stock in connection with the merger. As a result of the termination of the merger agreement, we believe Infinity is entitled to reimbursement of certain expenses and fees of \$1,000,000 from MEI in accordance with the terms of the merger agreement. Infinity has the potential to receive an additional \$4,000,000 termination fee from MEI under certain circumstances outlined in the joint proxy statement/prospectus relating to the merger.

39. On that day, the stock dropped to close at \$0.13, down 40% from \$0.22 on the previous trading day, July 21, 2023.

40. On July 25, 2023, Infinity issued a press release via BUSINESS WIRE titled "Infinity Pharmaceuticals Announces Value Preservation and Maximization Plan". The press release stated, in pertinent part, as follows:

CAMBRIDGE, Mass.--(BUSINESS WIRE)--Jul. 25, 2023-- Infinity Pharmaceuticals, Inc. (Nasdaq: INFI) ("Infinity" or the "Company"), a clinical-stage biotechnology company developing eganelisib, a potential first-in-class, oral, immuno-oncology macrophage reprogramming therapeutic, today announced a series of actions designed to reduce the Company's burn rate and enhance our ability to maximize value of eganelisib, following the termination of its previously announced merger agreement with MEI Pharma, Inc.

The Company continues to believe, based on the data generated to date, that eganelisib offers a near-term value creation opportunity that would be attractive to potential third-party acquirers. Infinity has advanced eganelisib toward the initiation of a planned global Phase 2 clinical trial in head and neck squamous cell carcinoma, and, following FDA feedback, has submitted the final protocol to the FDA.

Infinity's Board of Directors (the "Board") intends to seek a strategic transaction to maximize eganelisib's potential and intends to retain SSG Capital Advisors LLC, an independent investment bank, to lead this process.

In parallel, in order to reduce ongoing expenditures Infinity is implementing the following measures:

- A reduction in force of 21 employees or approximately 78% of the current workforce.
- A reduction in the size of the Board from eight members to five, with Dr. Brian Schwartz, Dr. Sam Agresta, and Mr. Sujay Kango departing.
- The remaining five members of the Board have agreed to serve without compensation for the remainder of their Board service.

The reduction in force and other value preservation measures are expected to result in a one-time charge of \$3.4 million in severance and restructuring costs in the third quarter of 2023.

The Company is evaluating whether to withdraw the request that it submitted to Nasdaq for an appeal of Nasdaq's delisting determination regarding the Company's common stock. The Company expects that a withdrawal would result in the delisting of its shares from Nasdaq.

41. Again, even at the announcement of the termination, as well as the announcement of the Value Preservation and Maximization Plan, no mention was made of the MARIO-4 and MARIO-P studies.

42. By representing to shareholders that Infinity was moving forward on the MARIO-4 and MARIO-P studies for breast cancer and that Infinity had multiple partnership options, only to thereafter completely abandon that lead indication, was materially false and misleading. Infinity shareholders now know that Infinity's lead candidates were being abandoned, Infinity is no longer partnering, Infinity is merging into a company with a lower market cap, and the merger candidate had recently abandoned its lead candidate, leaving Infinity with a pipeline that will take at least 6+ years to get a product on the market if the therapy even works.

### **CLASS ACTION ALLEGATIONS**

43. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a class, consisting of all those who purchased or otherwise acquired Infinity securities between January 5, 2022 and July 24, 2023, inclusive, seeking to pursue remedies under the Exchange Act, and were damaged thereby (collectively, the "Class").

Excluded from the Class are Defendants, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which Defendants have or had a controlling interest.

44. The members of the Class are so numerous that joinder of all members is impracticable. While the exact number of Class members is unknown to Plaintiff at this time and can only be ascertained through appropriate discovery, Plaintiff believes that there are hundreds or thousands of members in the proposed Class. Millions of Infinity shares were traded publicly during the Class Period on the NASDAQ. Record owners and other members of the Class may be identified from records maintained by Infinity or its transfer agent and may be notified of the pendency of this action by mail, using the form of notice similar to that customarily used in securities class actions.

45. Plaintiff's claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by Defendants' wrongful conduct in violation of federal law that is complained of herein.

46. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation.

47. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

- (a) whether the federal securities laws were violated by Defendants' acts as alleged herein;

(b) whether statements made by Defendants to the investing public during the Class Period omitted and/or misrepresented material facts about the business, operations, and prospects of Infinity; and

(c) whether the members of the Class have sustained damages and, if so, what is the proper measure of damages.

48. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation makes it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

49. The market for Infinity's securities was open, well-developed, and efficient at all relevant times. As a result of these materially false and/or misleading statements, and/or failures to disclose, Infinity's securities traded at artificially inflated prices during the Class Period. Plaintiff and other members of the Class purchased or otherwise acquired Infinity's securities relying upon the integrity of the market price of the Company's securities and market information relating to Infinity, and have been damaged thereby.

50. During the Class Period, Defendants materially misled the investing public, thereby inflating the price of Infinity's securities, by publicly issuing false and/or misleading statements and/or omitting to disclose material facts necessary to make Defendants' statements, as set forth herein, not false and/or misleading. Said statements and omissions were materially false and/or misleading in that they failed to disclose material adverse information and/or misrepresented the truth about Infinity's business, operations, and prospects as alleged herein.

51. At all relevant times, the material misrepresentations and omissions particularized in this Complaint directly or proximately caused or were a substantial contributing cause of the damages sustained by Plaintiff and other members of the Class. As described herein, during the Class Period, Defendants made or caused to be made a series of materially false and/or misleading statements about Infinity's financial well-being and prospects. These material misstatements and/or omissions had the cause and effect of creating in the market an unrealistically positive assessment of the Company and its financial well-being and prospects, thus causing the Company's securities to be overvalued and artificially inflated at all relevant times. Defendants' materially false and/or misleading statements during the Class Period resulted in Plaintiff and other members of the Class purchasing the Company's securities at artificially inflated prices, thus causing the damages complained of herein.

#### **LOSS CAUSATION**

52. Defendants' wrongful conduct, as alleged herein and in particular with reference to their statements concerning eganelisib breast cancer treatment and partnering options, directly and proximately caused the economic loss suffered by Plaintiff and the Class.

53. During the Class Period, Plaintiff and the Class purchased Infinity's securities at artificially inflated prices and were damaged thereby. The price of the Company's securities significantly declined when the misrepresentations made to the market, and/or the information alleged herein to have been concealed from the market, and/or the effects thereof, were revealed, causing investors' losses.

#### **SCIENTER ALLEGATIONS**

44. As alleged herein, Defendants acted with scienter in that Defendants knew that the public documents and statements issued or disseminated in the name of the Company were

materially false and/or misleading; knew that such statements or documents would be issued or disseminated to the investing public; and knowingly and substantially participated or acquiesced in the issuance or dissemination of such statements or documents as primary violations of the federal securities laws. As set forth in more detail herein, Defendants, by virtue of their specific misrepresentations which lacked a factual basis, receipt of information reflecting the true facts regarding Infinity, their control over, and/or receipt and/or modification of Infinity's allegedly materially misleading misstatements and/or their associations with the Company which made them privy to confidential proprietary information concerning Infinity, participated in the fraudulent scheme alleged herein.

**APPLICABILITY OF PRESUMPTION OF RELIANCE  
(FRAUD-ON-THE-MARKET DOCTRINE)**

45. The market for Infinity's securities was open, well-developed, and efficient at all relevant times. As a result of the materially false and/or misleading statements and/or failures to disclose, Infinity's securities traded at artificially inflated prices during the Class Period. On August 29, 2022, the Company's stock closed at a Class Period high of \$1.53 per share. Plaintiff and other members of the Class purchased or otherwise acquired the Company's securities relying upon the integrity of the market price of Infinity's securities and market information relating to Infinity, and have been damaged thereby.

46. During the Class Period, the artificial inflation of Infinity's stock was caused by the material misrepresentations and/or omissions particularized in this Complaint causing the damages sustained by Plaintiff and other members of the Class. As described herein, during the Class Period, Defendants made or caused to be made a series of materially false and/or misleading statements about Infinity's business, prospects, and operations. These material misstatements and/or omissions created an unrealistically positive assessment of Infinity and its business, operations,

and prospects, thus causing the price of the Company's securities to be artificially inflated at all relevant times, and when disclosed, negatively affected the value of the Company's stock. Defendants' materially false and/or misleading statements during the Class Period resulted in Plaintiff and other members of the Class purchasing the Company's securities at such artificially inflated prices, and each of them has been damaged as a result.

47. At all relevant times, the market for Infinity's securities was an efficient market for the following reasons, among others:

(a) Infinity stock met the requirements for listing, and was listed and actively traded on the NASDAQ Global Select Market, a highly efficient and automated market;

(b) As a regulated issuer, Infinity filed periodic public reports with the SEC and/or the NASDAQ;

(c) Infinity regularly communicated with public investors *via* established market communication mechanisms, including through regular dissemination of press releases on the national circuits of major newswire services and through other wide-ranging public disclosures, such as communications with the financial press and other similar reporting services; and/or

(d) Infinity was followed by securities analysts employed by brokerage firms who followed the Company and/or wrote reports about the Company, and these reports were distributed to the sales force and certain customers of their respective brokerage firms. These reports were publicly available and entered the public marketplace.

48. As a result of the foregoing, the market for Infinity's securities promptly digested current information regarding Infinity from all publicly available sources and reflected such information in Infinity's stock price. Under these circumstances, all purchasers of Infinity's

securities during the Class Period suffered similar injury through their purchase of Infinity's securities at artificially inflated prices and a presumption of reliance applies.

### **FIRST CLAIM**

#### **Pursuant to Section 10(b) of The Exchange Act and Rule 10b-5 Promulgated Thereunder (Against All Defendants)**

49. Plaintiff repeats and re-alleges each and every allegation contained above as if fully set forth herein.

50. During the Class Period, Defendants carried out a plan, scheme, and course of conduct which was intended to and, throughout the Class Period, did: (i) deceive the investing public, including Plaintiff and other Class members, as alleged herein; and (ii) cause Plaintiff and other members of the Class to purchase Infinity's securities at artificially inflated prices. In furtherance of this unlawful scheme, plan, and course of conduct, Defendants, and each of them, took the actions set forth herein.

51. Defendants (i) employed devices, schemes, and artifices to defraud; (ii) made untrue statements of material fact and/or omitted to state material facts necessary to make the statements not misleading; and (iii) engaged in acts, practices, and a course of business which operated as a fraud and deceit upon the purchasers of the Company's securities in an effort to maintain artificially high market prices for Infinity's securities in violation of Section 10(b) of the Exchange Act and Rule 10b-5. All Defendants are sued either as primary participants in the wrongful and illegal conduct charged herein or as controlling persons as alleged below.

52. Defendants, individually and in concert, directly and indirectly, by the use, means or instrumentalities of interstate commerce and/or of the mails, engaged and participated in a

continuous course of conduct to conceal adverse material information about Infinity's financial well-being and prospects, as specified herein.

53. These Defendants employed devices, schemes, and artifices to defraud, while in possession of material adverse non-public information and engaged in acts, practices, and a course of conduct as alleged herein in an effort to assure investors of Infinity's value and performance and continued substantial growth, which included the making of, or the participation in the making of, untrue statements of material facts and/or omitting to state material facts necessary in order to make the statements made about Infinity and its business operations and future prospects in light of the circumstances under which they were made, not misleading, as set forth more particularly herein, and engaged in transactions, practices and a course of business which operated as a fraud and deceit upon the purchasers of the Company's securities during the Class Period.

54. Each of the Individual Defendants' primary liability, and controlling person liability, arises from the following facts: (i) the Individual Defendants were high-level executives and/or directors at the Company during the Class Period and members of the Company's management team or had control thereof; (ii) each of these Defendants, by virtue of their responsibilities and activities as a senior officer and/or director of the Company, were privy to and participated in the creation, development and reporting of the Company's internal budgets, plans, projections, and/or reports; (iii) each of these Defendants enjoyed significant personal contact and familiarity with the other Defendants and were advised of, and had access to, other members of the Company's management team, internal reports, and other data and information about the Company's finances, operations, and sales at all relevant times; and (iv) each of these Defendants were aware of the Company's dissemination of information to the investing public which they knew and/or recklessly disregarded was materially false and misleading.

55. The Defendants had actual knowledge of the misrepresentations and/or omissions of material facts set forth herein, or acted with reckless disregard for the truth in that they failed to ascertain and to disclose such facts, even though such facts were available to them. Such Defendants' material misrepresentations and/or omissions were done knowingly or recklessly and for the purpose and effect of concealing Infinity's financial well-being and prospects from the investing public and supporting the artificially inflated price of its securities. As demonstrated by Defendants' overstatements and/or misstatements of the Company's business, operations, financial well-being, and prospects throughout the Class Period, Defendants, if they did not have actual knowledge of the misrepresentations and/or omissions alleged, were reckless in failing to obtain such knowledge by deliberately refraining from taking those steps necessary to discover whether those statements were false or misleading.

56. As a result of the dissemination of the materially false and/or misleading information and/or failure to disclose material facts, as set forth above, the market price of Infinity's securities was artificially inflated during the Class Period. In ignorance of the fact that market prices of the Company's securities were artificially inflated, and relying directly or indirectly on the false and misleading statements made by Defendants, or upon the integrity of the market in which the securities trade, and/or in the absence of material adverse information that was known to or recklessly disregarded by Defendants, but not disclosed in public statements by Defendants during the Class Period, Plaintiff and the other members of the Class acquired Infinity's securities during the Class Period at artificially high prices and were damaged thereby.

57. At the time of said misrepresentations and/or omissions, Plaintiff and other members of the Class were ignorant of their falsity, and believed them to be true. Had Plaintiff and the other members of the Class and the marketplace known the truth regarding the problems that

Infinity was experiencing, which were not disclosed by Defendants, Plaintiff and other members of the Class would not have purchased or otherwise acquired their Infinity securities, or, if they had acquired such securities during the Class Period, they would not have done so at the artificially inflated prices which they paid.

58. By virtue of the foregoing, Defendants have violated Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder.

59. As a direct and proximate result of Defendants' wrongful conduct, Plaintiff and the other members of the Class suffered damages in connection with their respective purchases and sales of the Company's securities during the Class Period.

## **SECOND CLAIM**

### **Pursuant to Section 20(a) of The Exchange Act (Against the Individual Defendants)**

60. Plaintiff repeats and re-alleges each and every allegation contained above as if fully set forth herein.

61. The Individual Defendants acted as controlling persons of Infinity within the meaning of Section 20(a) of the Exchange Act as alleged herein. By virtue of their high-level positions, and their ownership and contractual rights, participation in and/or awareness of the Company's operations and/or intimate knowledge of the false financial statements filed by the Company with the SEC and disseminated to the investing public, the Individual Defendants had the power to influence and control and did influence and control, directly or indirectly, the decision-making of the Company, including the content and dissemination of the various statements which Plaintiff contends are false and misleading. The Individual Defendants were provided with or had unlimited access to copies of the Company's reports, press releases, public filings, and other statements alleged by Plaintiff to be misleading prior to and/or shortly after these

statements were issued and had the ability to prevent the issuance of the statements or cause the statements to be corrected.

62. In particular, each of these Defendants had direct and supervisory involvement in the day-to-day operations of the Company and, therefore, is presumed to have had the power to control or influence the particular transactions giving rise to the securities violations as alleged herein, and exercised the same.

63. As set forth above, Infinity and the Individual Defendants each violated Section 10(b) and Rule 10b-5 by their acts and/or omissions as alleged in this Complaint. By virtue of their positions as controlling persons, the Individual Defendants are liable pursuant to Section 20(a) of the Exchange Act. As a direct and proximate result of Defendants' wrongful conduct, Plaintiff and other members of the Class suffered damages in connection with their purchases of the Company's securities during the Class Period.

#### **PRAYER FOR RELIEF**

WHEREFORE, Plaintiff prays for relief and judgment, as follows:

- (a) Determining that this action is a proper class action under Rule 23 of the Federal Rules of Civil Procedure;
- (b) Awarding compensatory damages in favor of Plaintiff and the other Class members against all Defendants, jointly and severally, for all damages sustained as a result of Defendants' wrongdoing, in an amount to be proven at trial, including interest thereon;
- (c) Awarding Plaintiff and the Class their reasonable costs and expenses incurred in this action, including counsel fees and expert fees; and
- (d) Such other and further relief as the Court may deem just and proper.

**JURY TRIAL DEMANDED**

Plaintiff hereby demands a trial by jury.

Dated: \_\_\_\_\_