arGEN-X announces publication on therapeutic potential of antibody ARGX-115 in cancer immunotherapy

Results on ARGX-115 published in *Science Translational Medicine* indicating inhibition of immune checkpoint GARP in *in vivo* mouse model

Breda, the Netherlands/Ghent, Belgium - 23 April - arGEN-X N.V. (Euronext Brussels: ARGX), a clinical-stage biopharmaceutical company focused on creating and developing differentiated therapeutic antibodies for the treatment of cancer and severe autoimmune diseases, and de Duve Institute / Université Catholique de Louvain (UCL) / WELBIO (BE)today announced the publication of new data showing that the preclinical therapeutic antibody ARGX-115 blocks the activity of GARP, a novel immune checkpoint. These findings were published in the leading journal *Science Translational Medicine* and suggest potential for the antibody candidate in cancer immunotherapy.

"Combining the expertise of the de Duve Institute/UCL/WELBIO in cancer immunology with arGEN-X's proprietary SIMPLE Antibody™ platform led to the discovery of ARGX-115, a highly differentiated monoclonal antibody that inhibits the novel immune checkpoint GARP," commented Hans de Haard, Chief Scientific Officer of arGEN-X. "We believe there is potential for ARGX-115 as a future cancer immunotherapy as it inhibits specific downstream effects of regulatory T-cells (Tregs), a known contributor to cancer progression through the inhibition of anti-tumor immune responses. Additionally, there may be possibilities to use ARGX-115 in combination with tumor vaccines or other therapeutic antibodies in order to improve the efficiency of cancer immunotherapy regimens."

Sophie Lucas, leading the research group at de Duve Institute working on ARGX-115, emphasizes: "This monoclonal antibody is the first therapeutic agent to show an inhibitory activity on the immunosuppressive function of human Tregs. The relevance of GARP in converting inactive TGF-Beta into its active form on Tregs was now convincingly demonstrated in *in vitro* and *in vivo* models by the neutralizing antibody. ARGX-115 highlights the importance of active TGF-Beta production in immunosuppression by human Tregs, and provides means to inhibit this immunosuppression *in vivo*."

ARGX-115 RE-ACTIVATES IMMUNITY TO CANCER

In cancer patients, tumors grow as they escape from immune surveillance. Tumors can suppress the immune system by co-opting different immunosuppressive cells such as Tregs, which exert contact-dependent inhibition of immune cells through the production of active TGF-Beta. On the Treg cell surface, membrane protein GARP regulates the production of active TGF-Beta. Preclinical studies completed at de Duve Institute/UCL/WELBIO show ARGX-115 can inhibit the immunosuppressive activity of human Tregs by binding to GARP in complex with inactive TGF-Beta and preventing release of active TGF-Beta.

SCIENCE TRANSLATIONAL MEDICINE PUBLICATION

Cuende J. et al., Science Translational Medicine, 2015 April 22, Vol 7, Issue 284

ABOUT arGEN-X

arGEN-X is a clinical-stage biopharmaceutical company focused on creating and developing differentiated therapeutic antibodies for the treatment of cancer and severe autoimmune diseases. arGEN-X has generated a pipeline of differentiated clinical and preclinical antibody candidates using its SIMPLE Antibody(TM) discovery platform. SIMPLE Antibody(TM) has a particular strength in addressing novel, complex disease targets that are difficult to access using established antibody technology platforms. Proprietary Fc engineering technologies (NHance® and ABDEG(TM)) and POTELLIGENT® technology (licensed from BioWa, Inc.) further enhance the therapeutic properties of SIMPLE Antibody(TM) leads in

terms of tissue penetration/residence time in the body, ability to clear disease targets or pathogenic antibodies and cell-killing potency through Antibody-Dependent Cell-mediated Cytotoxicity (ADCC), respectively. arGEN-X has leveraged its suite of antibody technologies in forging strategic collaborations with pharmaceutical and biotechnology companies to provide new approaches to diseases with unmet medical needs.

arGEN-X is listed on the Euronext Brussels exchange under the symbol ARGX. www.arGEN-X.com

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Forward-looking Statements

The contents of this announcement include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will", or "should", and include statements arGEN-X makes concerning the intended results of its strategy. By their nature, forward-looking statements involve risks and uncertainties and readers are cautioned that any such forward-looking statements are not guarantees of future performance. arGEN-X' actual results may differ materially from those predicted by the forward-looking statements. arGEN-X undertakes no obligation to publicly update or revise forward-looking statements, except as may be required by law. "Management's Discussion and Analysis of Financial Condition and Results of Operations"