

arGEN-X and LEO Pharma Enter into Alliance to Develop Antibody-based Treatments for Skin Conditions

Breda, the Netherlands/Ghent, Belgium and Ballerup, Denmark, 21 May 2015 - arGEN-X N.V. (Euronext Brussels: ARGX), a clinical-stage biopharmaceutical company focused on creating and developing differentiated therapeutic antibodies to treat cancer and severe autoimmune diseases, and LEO Pharma A/S, a global healthcare company dedicated to helping people achieve healthy skin, today announced an alliance in which they will collaborate to develop innovative antibody-based solutions for the treatment of chronic inflammation underlying many skin conditions.

Under the terms of the agreement, LEO Pharma receives exclusive access to an existing arGEN-X antibody currently in preclinical development for inflammation-related skin diseases. arGEN-X receives pre-IND payments of EUR 4.5 million, including an upfront payment. arGEN-X will also receive clinical, regulatory, and sales milestone payments that may total upward of EUR 100 million, as well as tiered, potentially double digit royalties on resulting products. The companies will co-fund product development costs up to clinical trial application (CTA) filing. Additional terms and financial details of the collaboration were not disclosed.

"We see huge potential in this new partnership in harnessing the complementary expertise of both companies: arGEN-X' advanced knowledge and capabilities in therapeutic antibody development and LEO Pharma's global expertise in bringing products to market that meets the needs of dermatology patients," said Tim Van Hauwermeiren, Chief Executive Officer of arGEN-X. "We see LEO Pharma's selection of our program and approach to antibody creation as an important validation of our position in the therapeutic antibody space. This collaboration is central to arGEN-X' strategy to be the preferred antibody partner of global leaders in specific disease areas beyond our own focus."

"At LEO Pharma we listen to the needs of people with skin conditions and translate this insight into better, personalised solutions. Our alliance with arGEN-X is an important step forward as it marks our entry into the area of biotherapeutics for dermatology," said Thorsten Thormann, Senior Vice President, New Product Discovery at LEO Pharma. "Therapeutic antibodies have been clinically validated and proven to be successful in the treatment of inflammatory disorders including diseases afflicting the skin. This collaboration accentuates LEO Pharma's strong commitment to build strategic partnerships - ultimately with the aim to deliver new innovative solutions to patients - faster."

Torreya Partners (Europe) LLP acted as financial advisor to arGEN-X on the transaction.

About arGEN-X

arGEN-X (ARGX) combines the diversity of the llama immune system with antibody engineering to advance a clinical pipeline to treat patients with cancer and autoimmune diseases. Our platforms allow us to unlock novel and complex targets and develop antibody-based drugs designed for longer duration of effect and greater efficacy. The strength of our team, our deep understanding of the biology, and our

committed collaborations with industry leaders contribute to the success of our journey.

www.argen-x.com

About LEO Pharma

LEO Pharma helps people achieve healthy skin. By offering care solutions to patients in more than 100 countries globally, LEO Pharma supports people in managing their skin conditions. Founded in 1908 and owned by the LEO Foundation, the healthcare company has devoted decades of research and development to delivering products and solutions to people with skin conditions. LEO Pharma is headquartered in Denmark and employs around 4,800 people worldwide.

www.leo-pharma.com

argEN-X Forward-looking Statement

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.

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