



arGEN-X ANNOUNCES HALF-YEAR RESULTS FOR 2015

Breda, the Netherlands / Ghent, Belgium, August 25 2015 - 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, today provided a business update and announced its financial results for the first half of 2015 (six-month period ended June 30, 2015).

The results will be discussed during a webcast presentation tomorrow, August 26th, at 3:00 pm CET, 9:00 am EDT. The webcast is accessible on the arGEN-X website www.agen-x.com or [by clicking here](#). To participate in the Q&A, please select your phone number [here](#) and use the confirmation code 89351549.

Tim Van Hauwermeiren, Chief Executive Officer of arGEN-X commented: "During the quarter we made progress across our business. We were very pleased to have entered into our novel strategic partnership with LEO Pharma and to have continued making progress under our Shire and Bayer collaborations. In addition, we reported important pipeline progress in our Phase Ib study for ARGX-111 in MET amplified tumors with the opening of our expansion cohort. We also presented Phase I results on ARGX-110 in TCL patients and published a *Science Translational Medicine* paper on ARGX-115. We look forward to reporting data and further advances for our portfolio of highly differentiated antibody therapeutics, which have the potential to make a significant difference to patients with cancer and severe autoimmune diseases."

BUSINESS UPDATE AND OPERATIONAL HIGHLIGHTS

In the first half of 2015, the Company:

- Presented preliminary Phase I results of ARGX-110 in patients with T-cell lymphomas (TCL) at 13th International Conference on Malignant Lymphoma (ICML) (Lugano, June 18).
- Presented preliminary efficacy and expanded safety data from Phase I trial of ARGX-111 at American Society of Clinical Oncology (ASCO) annual meeting (Chicago, May 29).
- Entered into alliance with LEO Pharma to develop antibody-based treatments for skin conditions and receives pre-IND payments of EUR 4.5 million, including upfront payment. arGEN-X will also receive clinical, regulatory, and sales milestone payments that may total upward of EUR 100 million.
- Awarded EUR 1.5 million grant from Institute for the Promotion of Innovation by Sciences and Technology in Flanders (IWT) to advance application of proprietary NHance® technology platform.

Events after the balance sheet date:

- Entered into license agreement with University of Bern to develop ARGX-110-based combination therapies for treatment-resistant cancers.
- Published preclinical data related to CD70 blockade in combination with imatinib in *Science Translational Medicine*, demonstrating potential of ARGX-110 to overcome therapy resistance in chronic myelogenous leukemia (CML).

FIRST HALF-YEAR FINANCIAL HIGHLIGHTS

- Operating income of EUR 4.3 million (June 30, 2014: EUR 1.6 million).
- Net loss for half-year of EUR 7.0 million (June 30, 2014: EUR 4.6 million).
- Net cash burn of EUR 5.4 million, resulting in a strong cash position of EUR 50.5 million (cash, cash-equivalents and financial assets) allowing the company to pursue the progress of the product portfolio as planned.

CHANGES TO THE BOARD OF DIRECTORS AND MANAGEMENT

- Michael B. Sheffery, Non-executive Director representing OrbiMed Advisors, resigned from Board of Directors effective August 26th.
- Dr. Alain Thibault, Chief Medical Officer, left the Company in pursuit of new career opportunities, in mutual agreement with the Company.

DETAILS OF OPERATIONAL RESULTS

Products in clinical development

- ARGX-110
 - T-cell lymphoma: Phase I safety expansion cohort ongoing in patients with advanced stage TCLs. Clinical activity observed in 4 of 8 relapsed/refractory patients (cutaneous TCL, Sézary syndrome, angioimmunoblastic TCL and follicular TCL). Number of clinical sites being increased from 4 to 8.
 - Nasopharyngeal carcinoma: Phase I safety expansion cohort in stage 4 patients on track with 3 patients enrolled.
 - Chronic myelogenous leukemia: License agreement in place with University of Bern to develop and commercialize ARGX-110-based therapies to overcome treatment resistance mechanisms in hematologic cancers. Preclinical results published in *Science Translational Medicine* showing potential of ARGX-110 in overcoming imatinib treatment resistance in CML.
- ARGX-111

- Phase I safety expansion cohort in Met amplified, end stage cancer patients ongoing, with clinical sites open in Belgium and France. Number of clinical sites being increased from 2 to 5.

Preclinical development programs

- ARGX-113
 - Program on track for submission of Clinical Trial Authorization (CTA) and start of first healthy volunteer study in second half of 2015.
- ARGX-115
 - Publication on therapeutic potential of ARGX-115 in cancer immunotherapy in *Science Translational Medicine*.

Collaborations, strategic alliances & subsidies

- arGEN-X entered into strategic alliance with LEO Pharma in May 2015. Under the collaboration, Leo Pharma receives exclusive access to existing arGEN-X antibody in preclinical development for inflammation-related skin diseases. In return, arGEN-X receives pre-IND payments of EUR 4.5 million and clinical, regulatory, and sales milestone payments that may total upward of EUR 100 million.
- arGEN-X strategic alliance with Shire and collaboration with Bayer both remain on track.
- arGEN-X received EUR 1.5 million grant from IWT. Grant will be used to advance and commercialize the application of NHance® Fc modifications in therapeutic antibodies. To date, arGEN-X has secured EUR 8.7 million of IWT support.

KEY FIGURES (CONSOLIDATED)

Financial overview

in thousands of euros

	Six months ended, June 30, 2015	Six months ended, June 30, 2014	Variance
Revenue	2,708	570	2,117
Other operating income	1,640	1,075	582
Total operating income	4,348	1,645	2,699
Research and development expenses	(9,284)	(4,880)	(4,507)
General and administrative expenses	(2,314)	(1,415)	(901)
Operating loss	(7,250)	(4,650)	(2,710)

Financial income	100	65	35
Exchange gains/(losses)	130	15	115
LOSS FOR THE PERIOD	(7,019)	(4,570)	(2,559)
Net increase (decrease) in cash, cash equivalents and financial assets	(5,425)	(2,081)	(3,344)
Cash, cash-equivalents and financial assets at the end of the period	50,548	21,139	29,409

For the six-month period ended June 30, 2015, operating income reached EUR 4.3 million compared to EUR 1.6 million for the same period in 2014. The higher operating income in 2015 is mainly due to increased revenue from collaborations recognized in the first half of 2015, following the start of a collaboration agreement with Bayer in May 2014, a strategic alliance with Shire in June 2014, and a new alliance with LEO in May 2015.

Research and development (R&D) expenses increased to EUR 9.3 million for the first six months of 2015, compared to EUR 4.9 million during the same period in 2014. The EUR 4.4 million increase in 2015 reflects (i) increased clinical trial and product manufacturing activities, (ii) the recruitment of additional R&D personnel in relation to increased R&D activities, and (iii) the share based payments costs recognized in compensation for the grant of stock options to the R&D employees of the Group.

General and administrative (G&A) expenses amounted to EUR 2.3 million and EUR 1.4 million for the six-month period ended June 30, 2015 and 2014, respectively. The EUR 0.9 million increase in 2015 is principally explained by (i) additional expenses incurred for supporting activities as a public company such as investor relations, legal and audit fees, (ii) the recruitment of new employees in the first half of 2015 to strengthen the Group's G&A activities, and (iii) the share based payment costs recognized in compensation for the grant of stock options to the G&A employees.

During the first six months of 2015, the Company generated a net loss of EUR 7.0 million compared to a net loss of EUR 4.6 million in the same period of 2014.

On June 30, 2015 the Company's cash, cash equivalents and financial assets amounted to EUR 50.5 million compared to EUR 56 million on December 31, 2014 and EUR 21.1 million on June 30, 2014.

FINANCIAL CALENDAR

November 17, 2015: Q3 2015 Business Update and financial results

About arGEN-X

arGEN-X 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.

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.