## argenx Reports Third Quarter 2015 Financial Results and Provides Business Update

**Breda, the Netherlands / Ghent, Belgium, 17 November 2015** - argenx (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 development program updates and announced financial results for the third quarter ended 30 September 2015.

"We continue to be very pleased with the progress being made here at argenx as we continue to advance our clinical pipeline of four novel antibody compounds in oncology and inflammation, including the first human dosing this quarter of ARGX-113, a potential breakthrough therapy for the treatment of autoimmune crisis. This pipeline, developed in only six years, is based on our highly productive SIMPLE Antibody™ platform," commented Tim Van Hauwermeiren, chief executive officer of argenx. "With key strategic alliances from prominent industry partners, including Shire, LEO and Bayer, as well as our strong cash position, premier technology suite and growing pipeline we are well-positioned to develop a premier biotechnology company based on truly novel and value added drugs."

**BUSINESS UPDATE AND OPERATIONAL HIGHLIGHTS**

In the third quarter of 2015, the Company:

- Entered into an exclusive license agreement with the Clinical Research Department of University of Bern, enabling argenx to develop and commercialize ARGX-110-based therapies to overcome treatment resistance mechanisms in hematologic tumors. The license agreement arose from a highly productive collaboration between the two groups, jointly announced in December 2014.

- Announced the first human dosing by partner RuiYi, Inc. in a double-blind, placebo-controlled study of Gerilimzumab in healthy volunteers. Gerilimzumab is a novel monoclonal antibody neutralizing the IL-6 cytokine for the treatment of autoimmune disorders, including rheumatoid arthritis. argenx originally generated the antibody using its SIMPLE Antibody(TM) platform and in late 2012, licensed worldwide development and commercialization rights to RuiYi. Gerilimzumab has been further differentiated with argenx' NHance™ technology, which prolongs circulation time and improves tissue distribution of antibodies.

More recently, the Company:

- Completed first human dosing of ARGX-113, a potential breakthrough therapy for the treatment of autoimmune crisis. ARGX-113 is argenx' fourth drug candidate entering human trials in six years of operations.

**FINANCIAL HIGHLIGHTS (as of 30 September 2015)**

- Operating income of EUR 7.3 million (Sept 30, 2014: EUR 3.6 million).
- Net loss of EUR 10.1 million (Sept 30, 2014: EUR 6.3 million).
- Net cash burn of EUR 9.3 million, resulting in a cash position of EUR 46.6 million (cash, cash-equivalents and financial assets) allowing the company to pursue the progress of its product portfolio as planned.

**DETAILS OF OPERATIONAL RESULTS**

Products in clinical development:

- ARGX-110
  - o T-cell lymphoma (TCL): 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.
  - o Nasopharyngeal carcinoma (NPC): Phase I safety expansion cohort in Stage IV NPC patients on track with 4 patients enrolled.
- ARGX-111
  - o Phase I safety expansion cohort in Met-amplified, end-stage cancer patients Number of clinical sites being increased from 4 to 7.
- ARGX-113
  - o CTA approved for a first Phase I healthy volunteer study.
  - o Phase 1 dose escalation started in healthy volunteers: 12 healthy volunteers have been dosed.
- Corporate
  - o Continued execution on IP strategy with recent grants and notice allowances for the SIMPLE Antibody™ platform and the ARGX-111 program.
  - o Increased employee count to 48 persons to support growing product portfolio.

**KEY FIGURES (CONSOLIDATED)**

| *in thousands of euros* | **Period ended September 30, 2015** | **Period ended September 30, 2014** | **Variance** |
|---|---|---|---|
| Revenue | 4,981 | 2,196 | 2,784 |
| Other operating income | 2,320 | 1,398 | 922 |
| **Total operating income** | **7,300** | **3,594** | **3,706** |
| Research and development expenses | (14,200) | (8,023) | (6,176) |
| General and administrative expenses | (3,345) | (2,187) | (1,159) |
| **Operating profit/(loss)** | **(10,245)** | **(6,616)** | **(3,629)** |
| Financial income | 51 | 93 | (42) |
| Exchange gains/(losses) | 119 | 233 | (114) |
| **Profit/loss for the period** | **(10,075)** | **(6,289)** | **(3,785)** |
| Net increase (decrease) in cash, cash-equivalents and financial assets | (9,336) | 37,186 | (46,522) |

| | | | |
|---|---|---|---|
| Cash, cash-equivalents and financial assets at the end of the period | 46,637 | 60,407 | (13,770) |

Operating income increased by EUR 3.7 million in the nine-month period ended 30 September 2015 to reach EUR 7.3 million compared to EUR 3.6 million for the same period in 2014. The higher operating income in 2015 results primarily from the EUR 2.8 million increase of revenue recognized in the first nine months of 2015 from the collaborations with Bayer, Shire and LEO and the recognition in August 2015 of a milestone payment from the partner RuiYi. Other operating income increased by EUR 0.9 million in the first nine months of 2015 as a result of a new grant received in 2015 from the Flemish government's Institute IWT and higher tax incentives following the recruitment of new research and development (R&D) personnel.

For the nine-month period ended 30 September 2015, R&D expenses amounted to EUR 14.2 million, compared to EUR 8 million on 30 September 2014. The EUR 6.2 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 Company.

General and administrative (G&A) expenses were EUR 3.3 million and EUR 2.2 million for the nine-month period ended 30 September 2015 and 2014, respectively. The EUR 1.1 million increase in 2015 is 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 to strengthen the Company'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.

In the nine-month period ended 30 September 2015, argenx generated a net loss of EUR 10.1 million compared to a net loss of EUR 6.3 million in the same period of 2014.

On 30 September 2015 the Company's cash, cash equivalents and financial assets amounted to EUR 46.6 million compared to EUR 56 million on December 31, 2014 and EUR 60.4 million on 30 September 2014.

The Company's decrease in net cash of EUR 9.3 million in the nine-month period ended 30 September 2015 is due to the operational spent. The increase of EUR 37.2 million in net cash in 2014 was related to the EUR 41.8 million in proceeds from the successful completion of the IPO on Euronext Brussels in July 2014.

**FINANCIAL CALENDAR**

March 11, 2016 FY 2015 Financial results and Q4 Business update

**About argenx**

argenx 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 greater efficacy and longer duration of effect. 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.

argenx is listed on the Euronext Brussels exchange under the symbol ARGX.

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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 argenx 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. argenx' actual results may differ materially from those predicted by the forward-looking statements. argenx undertakes no obligation to publicly update or revise forward-looking statements, except as may be required by law.*