arGEN-X Granted first US patent covering its unique NHance™ technology

Rotterdam, the Netherlands and Ghent, Belgium April 24, 2012 – arGEN-X, a biopharmaceutical company focused on the discovery and development of human monoclonal antibodies from its proprietary SIMPLE Antibody™ platform, announces that it has been granted the first patent covering its novel NHance™ technology.

arGEN-X recently announced that it had acquired the exclusive global rights to the NHance™ technology from the University of Texas Southwestern Medical Center where the invention had originated. As of today's announcement, US Patent No 8,163,881 covering the core of the invention has been granted by the United States Patent and Trademark Office (USPTO). Other aspects of the invention are being pursued in divisional patent applications.

NHanceTM technology is one of very few proven approaches to prolonging the circulation time of therapeutic antibodies in the human body. NHanceTM is based on engineering just two specific mutations into the antibody constant region (Fc), extending product half-life without compromising immunogenicity, manufacturability or Fc-mediated effector functions. The technology provides a new treatment paradigm in terms of reduced antibody dosing, increased efficacy and improved overall convenience to the patient.

arGEN-X will apply the NHance™ technology both to its own therapeutic antibody pipeline candidates and to its partners' antibody discovery programs. In addition, arGEN-X will make the technology available to antibody-focused companies through non-exclusive licenses.

Tim Van Hauwermeiren, CEO of arGEN-X, said, "The grant of our first patent for NHance™ is a key step for arGEN-X in building the cutting edge antibody discovery capabilities to create highly differentiated antibody products. We have already shown that NHance™ is the perfect complement both to our SIMPLE Antibody™ platform and to Potelligent®, an in-licensed technology that can enhance the cell killing ability of our antibodies. As we leverage our technology into product development, we see NHance™ delivering therapeutic antibodies with increased efficacy and improved pharmacoeconomics in a patient-friendly manner. With this powerful technology portfolio I am confident that we are well placed to play a key role in transforming the therapeutic antibody space, both independently and in partnership."

About arGEN-X – <u>www.arGEN-X.com</u>

arGEN-X is a preclinical stage biopharmaceutical company that is rapidly leveraging the power of its broadly applicable, proprietary SIMPLE Antibody™ platform to generate fully human antibodies with differentiated qualities and outstanding therapeutic potential. The platform excels in delivering large panels of ultra-potent, functionally diverse antibodies against complex disease targets, especially cell surface receptors and highly conserved proteins.

The superior choice that arGEN-X brings to antibody discovery enables it to prioritise leads with best-in-class therapeutic properties, thereby increasing the probability of development success. Antibody leads generated from the SIMPLE Antibody™ platform have outstanding physicochemical properties and consistent manufacturability, enabling a seamless transition from discovery into development. arGEN-X has validated its technology on multiple diverse classes of target to date and has successfully delivered in its collaboration with Eli Lilly & Co.. Recently, arGEN-X announced a strategic alliance with Shire, focused on the discovery and development of monoclonal antibody therapeutics to treat rare diseases.

In March 2012, arGEN-X obtained an exclusive global license to the NHance $^{\text{TM}}$ technology, to optimize the pharmacokinetic half-life of its SIMPLE Antibodies and maximize their therapeutic utility.

The SIMPLE Antibody™ platform is covered by broad patent claims, enjoys an independent, unencumbered patent position and is free of target gatekeeping restrictions.

SIMPLE stands for **S**uperior **I**mmunodiversity with **M**inimal **P**rotein **L**ead **E**ngineering.

arGEN-X[™], SIMPLE Antibody[™] and NHance[™] are deposited trademarks of arGEN-X BV.

About NHance™

NHance™is an arGEN-X proprietary technology capable of increasing the half life of a therapeutic antibody in the human systemic circulation. NHance™ achieves this through 2 specific mutations in the antibody Fc region (at His433 and Asn434), resulting in an improved affinity of antibody binding to the neonatal Fc receptor at acidic pH. This receptor is responsible for recycling the antibody within the human body. Enhanced antibody serum levels resulting from prolonged half-life may lead to a higher therapeutic effect, lower material requirements for the same therapeutic effect, and/or reduced dosing frequency. The technology may also further enhance antibody transport across mucosal barriers, enabling alternative routes of antibody product administration.

For licensing inquiries about NHance™, please contact

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