



## argenx N.V.

*(a public company with limited liability (naamloze vennootschap) incorporated under the laws of the Netherlands with its official seat in Rotterdam, the Netherlands)*

On 31 May 2016, argenx N.V. (the *Company* or *argenx*, and, together with its subsidiaries, the *Group*) issued in aggregate 2,703,000 new shares in the Company (the *New Shares*) that were subscribed to pursuant to placement agreements dated 1 June 2016 (the *Transaction*). On 13 May 2015 and 28 April 2016, the General Meeting (as defined below) approved and, respectively, amended the employee stock option plan of the Company (the *argenx Employee Stock Option Plan*) pursuant to which the Board (as defined below) is authorized to grant at any time options on ordinary shares of the Company (the *Options*) equal to 14.5% of the Company's fully diluted share capital (such shares, if and when issued, the *ESOP Shares* and, together with the New Shares and the existing shares of the Company, the *Shares*). This securities note (the *Securities Note*) relates to the admission to trading of the New Shares on the regulated market of Euronext Brussels (the *Listing*) and has been prepared by the Company.

This document constitutes a securities note for the purposes of article 3 of directive 2003/71/EC of the European Parliament and of the Council of the European Union (as amended, including by Directive 2010/73/EU, the *Prospectus Directive*) and has been prepared in accordance with Chapter 5.1 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) (the *DFSA*). This Securities Note has been filed with and approved by the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) (the *AFM*).

This Securities Note is to be read in conjunction with the following documents:

- the Company's Registration Document in relation to the Company's financial year ended on 31 December 2015, as approved by the AFM on 2 June 2016 (the *Registration Document*); and
- the Company's Summary to the Prospectus, as approved by the AFM on 2 June 2016 (the *Summary*).

The Securities Note, together with the Registration Document and the Summary constitute a listing prospectus (the *Prospectus*) for the purposes of article 3 of the Prospectus Directive. The approved Prospectus will be notified by the AFM to the Belgian Financial Services and Markets Authority (the *FSMA*) for passporting in accordance with article 18 of the Prospectus Directive.

**Investing in the Shares involves substantial risks and uncertainties. An investor is exposed to the risk to lose all or part of his investment. Before making any investment in Shares, an investor must read the entire document together with the Registration Document and in particular Part 1 "Risk Factors" of the Registration Document consisting of (i) risks relating to the regulatory environment (from page 3 to 6 of the Registration Document), (ii) risks relating to the Group's business (from page 6 to 15 of the Registration Document), (iii) risks relating to the Group's dependence on third parties and key personnel (from page 15 to 18 of the Registration Document), (iv) risks relating to the Group's intellectual property (from page 18 to 22 of the Registration Document), and (v) risks relating to the Shares (from page 22 to 25 of the Registration Document).**

**The Company's main assets are intellectual property rights concerning technologies that have not led to the commercialization of any product. The Company has never been profitable and it has never commercialized any products.**

## CONTENTS

| <b>PART</b>  | <b>PAGE</b> |
|--|-------------|
| PART 1 RISK FACTORS .....  | 1           |
| PART 2 IMPORTANT INFORMATION .....   | 2           |
| PART 3 CAPITALIZATION, INDEBTEDNESS AND WORKING CAPITAL .....                                  | 5           |
| PART 4 DILUTION.....   | 6           |
| PART 5 DESCRIPTION OF SHARE CAPITAL AND GROUP STRUCTURE .....                                  | 8           |
| PART 6 TAXATION.....   | 9           |
| PART 7 INFORMATION CONCERNING THE NEW SHARES AND ESOP SHARES TO BE<br>ADMITTED TO TRADING..... | 10          |
| PART 8 INDEPENDENT AUDITORS .....  | 15          |

## **PART 1 RISK FACTORS**

*Shareholders and prospective shareholders of the Company should carefully consider the risk factors set out in the Registration Document, together with the other information contained in the Registration Document and in this Securities Note, before making an investment decision with respect to investing in the Company. All of these factors are contingencies which may or may not occur. The Company believes that the risks and uncertainties described in the Registration Document are all material risks and uncertainties relating to the Group. If additional risks and uncertainties not presently known to the Company or that are currently deemed to be immaterial occur, this may also have a material adverse effect on the Group's business, prospects, results of operation and financial condition. If any of those risks or uncertainties occurs, the price of the Shares may decline and shareholders and prospective shareholders could lose all or part of their investment.*

*In addition to considering carefully the risk factors set out in the Registration Document, the entire Registration Document and this entire Securities Note, shareholders and prospective shareholders should also consult, before making an investment decision with respect to the Shares, their own financial, legal and tax advisors to carefully review the risks associated with an investment in the Shares and consider such an investment decision in light of their personal circumstances.*

For an overview of the risks relating to the regulatory environment, the risks relating to the Group's business, the risks relating to the Group's dependence on third parties and key personnel, the risks relating to the Group's intellectual property, and the risks relating to the Shares, reference is made to Part 1 ("*Risk Factors*") of the Registration Document.

## **PART 2 IMPORTANT INFORMATION**

The content of the Registration Document and this Securities Note is not to be considered or interpreted as legal, financial or tax advice. Each shareholder and prospective shareholder of the Company should consult his own stockbroker, bank manager, lawyer, auditor or other financial, legal or tax advisors before making any investment decision with regard to the Shares, to consider such investment decision in light of the shareholder's or prospective shareholder's personal circumstances, and in order to determine whether or not such shareholder or prospective shareholder is eligible to subscribe for or purchase the Shares.

### **1. GENERAL AND RESPONSIBILITY STATEMENT**

This Securities Note is made available by the Company. The Company, represented by its board of directors (the **Board** or **Board of Directors**), assumes responsibility for the information given in the Securities Note. Having taken all reasonable care to ensure that such is the case, the Company attests that the information contained in this Securities Note is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

In making an investment decision, shareholders must rely on their own assessment of the Company and the terms of the Registration Document and this Securities Note, including the merits and risks involved. Any purchase of the Shares should be based on the assessments that the investor in question may deem necessary, including possible tax consequences that may apply, before deciding whether or not to invest in the Shares. In addition to their own assessment of the Company, shareholders and prospective shareholders should rely only on the information contained in the Registration Document and this Securities Note, including the risk factors described therein and herein, and any notices that are published by the Company under current legislation or the rules of Euronext Brussels applying to issuers of shares.

No person has been authorized to give any information or to make any representation in connection with the Company other than those contained in the Registration Document and this Securities Note, and, if given or made, such information or representation must not be relied upon as having been authorized.

This Securities Note has been approved by the AFM on 2 June 2016 and passported to the FSMA. This Securities Note has been prepared in English.

The information in this Securities Note is as of the date printed on the front of the cover, unless expressly stated otherwise. The delivery of the Registration Document and this Securities Note at any time after the date hereof shall not, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date hereof or that the information set forth in the Registration Document and this Securities Note is correct as of any time since its respective date.

The distribution of this Securities Note may, in certain jurisdictions, be restricted by law, and this Securities Note may not be used for the purpose of, or in connection with, any offer or solicitation by anyone. This Securities Note does not constitute an offer of, or an invitation to, purchase any Shares. The Company requires persons into whose possession this Securities Note comes to inform themselves of and observe all such restrictions. The Company does not accept any legal responsibility for any violation by any person, whether or not a shareholder or prospective shareholder, of any such restrictions.

### **2. SERVICE OF PROCESS AND ENFORCEMENT OF CIVIL LIABILITIES**

The ability of shareholders in certain countries other than the Netherlands to bring an action against the Company may be limited under law. The Company is a public company with limited liability (*naamloze vennootschap*) incorporated in the Netherlands and has its official seat (*statutaire zetel*) in Rotterdam, the Netherlands. The directors and officers of the Company named herein are non-residents of the United States. All or a substantial proportion of the assets of these individuals are located outside the United States. The Company's assets are predominantly located outside of the United States. As a result, it may be impossible or difficult for investors to effect service of process upon such persons or the Company or to enforce against them in U.S. courts a judgment obtained in such courts. In addition, there is doubt as to the enforceability, in the Netherlands, of original actions or actions for enforcement based on the federal or state securities laws of the United States or judgments of U.S. courts, including judgments based on the civil liability provisions of the U.S. federal or state securities laws.

The United States and the Netherlands do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Accordingly, a judgment rendered by a court in the United States will not be recognized and enforced by the Dutch courts. However, if a person has obtained a final and conclusive judgment for the payment of money rendered by a court in the United States which is enforceable in the United States and files his claim with the competent Dutch court, the Dutch court will generally give binding effect to the foreign judgment insofar as it finds that the jurisdiction of the foreign court has been based on grounds which are internationally acceptable and that proper legal procedures have been observed and except to the extent that the foreign judgment contravenes Dutch public policy.

### **3. AVAILABLE INFORMATION**

This Securities Note is available in English and can be obtained free of charge from the Company's website ([www.argenx.com](http://www.argenx.com)).

The posting of the Securities Note on the internet does not constitute an offer to sell or a solicitation of an offer to buy any of the Shares to or from any person. The electronic version may not be copied, made available or printed for distribution. Information on the Company's website ([www.argenx.com](http://www.argenx.com)) or any other website does not form part of the Securities Note.

### **4. MARKET AND INDUSTRY INFORMATION AND INFORMATION DERIVED FROM THIRD PARTIES**

The Registration Document contains, and this Securities Note may contain, statistics, data and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to the Company's business and markets. To the extent available, such information has been extracted from reliable third-party sources such as professional organizations, consultants and analysts and information otherwise obtained from third party sources, including Nature Publishing Group, mAbs (journal), the Journal of Clinical Oncology and La Merie Publishing Group. Such information has been accurately reproduced, and, as far as the Company is aware from such information, no facts have been omitted which would render the information provided inaccurate or misleading.

Certain other statistical or market-related data has been estimated by management based on reliable third-party sources, where possible, including those referred to above or based on data generated in-house by the Group. Although management believes its estimates regarding markets, market sizes, market shares, market positions and other industry data to be reasonable, these estimates have not been verified by any independent sources (except where explicitly cited to such sources), and the Company cannot assure shareholders as to the accuracy of these estimates or that a third party using different methods to assemble, analyze or compute market data would obtain the same results. Management's estimates are subject to risks and uncertainties and are subject to change based on various factors. The Company does not intend, and does not assume any obligation, to update the industry or market data set forth herein.

Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. The Company has not independently verified and cannot give any assurance as to the accuracy of market data contained in the Registration Document or in this Securities Note that were extracted or derived from these industry publications or reports. Market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market.

As a result, shareholders should be aware that statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data in the Registration Document and in this Securities Note and estimates and assumptions based on that information are necessarily subject to a high degree of uncertainty and risk due to the limitations described above and to a variety of other factors, including those described in Part 1 ("*Risk Factors*") and elsewhere in the Registration Document or in this Securities Note.

## 5. FORWARD-LOOKING STATEMENTS

Certain statements in the Registration Document and this Securities Note, such as statements that include the words or phrases “aims”, “would”, “could”, “is expected to”, “will continue”, “anticipates”, estimate”, “intend”, “plan”, “project”, “objective”, “goal”, “intention”, “forecast”, “strategy” or similar expressions, may constitute forward-looking statements. Other forward-looking statements can be identified by the context in which the statements are made. Forward-looking statements may appear in a number of places in this Securities Note.

Although management believes that the expectations reflected in these forward-looking statements are reasonable, such forward-looking statements are based on management’s current views and assumptions and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of the Company and are difficult to predict, that may cause actual results or developments to differ materially from any future results or developments expressed or implied from the forward-looking statements. Some of the factors that could cause actual results to differ materially from those contemplated by the forward-looking statements include, but are not limited to those discussed in Part 1 (“*Risk Factors*”) of the Registration Document.

Should one or more of these risks or uncertainties materialize, or should any underlying assumptions prove to be incorrect, the Company’s actual financial condition, cash flows or results of operations could differ materially from what is described herein as anticipated, believed, estimated or expected. Investors are urged to read the sections of the Registration Document entitled Part 1 (“*Risk Factors*”), Part 5 (“*Business Description*”) and Part 7 (“*Operating and financial review and prospects*”) for a more complete discussion of the factors that could affect the Company’s future performance and the industry in which it operates.

The forward-looking statements included in the Registration Document and this Securities Note speak only at the date of the relevant document and are expressly qualified in their entirety by the cautionary statements included in the Registration Document and this Securities Note. Without prejudice to its obligations under Dutch law in relation to disclosure and on-going information, the Company undertakes no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

**PART 3**  
**CAPITALIZATION, INDEBTEDNESS AND WORKING CAPITAL**

**1. CAPITALIZATION AND INDEBTEDNESS**

The table below sets out the Company's capitalization and indebtedness as at 31 March 2016.

The capitalization and indebtedness information has been extracted without material adjustment from the Group's unaudited financial information that is publicly available as at 31 March 2016.

Investors should read this section together with the information contained in the Part 7 ("*Operating and financial review and prospects*") of the Registration Document and the financial information incorporated by reference in the Registration Document (see Part 14 ("*Information incorporated by reference*")).

|   | <b>At 31 March 2016</b><br><b>(unaudited)</b><br>EUR'000 |
|---|--|
| <b>Total current debt</b>   | <b>0</b>   |
| Guaranteed  | 0  |
| Secured   | 0  |
| Unguaranteed/unsecured  | 0  |
| <b>Total non-current debt (excluding current portion of long-term debt)</b> | <b>0</b>   |
| Guaranteed  | 0  |
| Secured   | 0  |
| Unguaranteed/unsecured  | 0  |
| <b>Shareholder's equity</b>   | <b>50,873</b>  |
| Share capital   | 1,729  |
| Share premium   | 98,000   |
| Accumulated deficits  | (54,088)   |
| Other reserves  | 5,233  |
| <b>Total</b>  | <b>50,873</b>  |
| Cash  | 47,024   |
| Cash equivalent   | 0.00   |
| Trading securities  | <b>0</b>   |
| <b>Liquidity</b>  | <b>47,024</b>  |
| <b>Current Financial Assets</b>   | <b>6,823</b>   |
| Current bank debt   | 0  |
| Current portion of non-current debt   | 0  |
| Other current financial debt  | 0  |
| <b>Net Current financial Indebtedness</b>                                   | <b>0</b>   |
| Non current bank loans  | 0  |
| Bonds issued  | 0  |
| Other non current loan  | 0  |
| <b>Non Current Financial Indebtedness</b>                                   | <b>0</b>   |
| <b>Net Financial Indebtedness (cash)</b>                                    | <b>(53,847)</b>  |

The Group has no indirect and contingent indebtedness.

**2. WORKING CAPITAL STATEMENT**

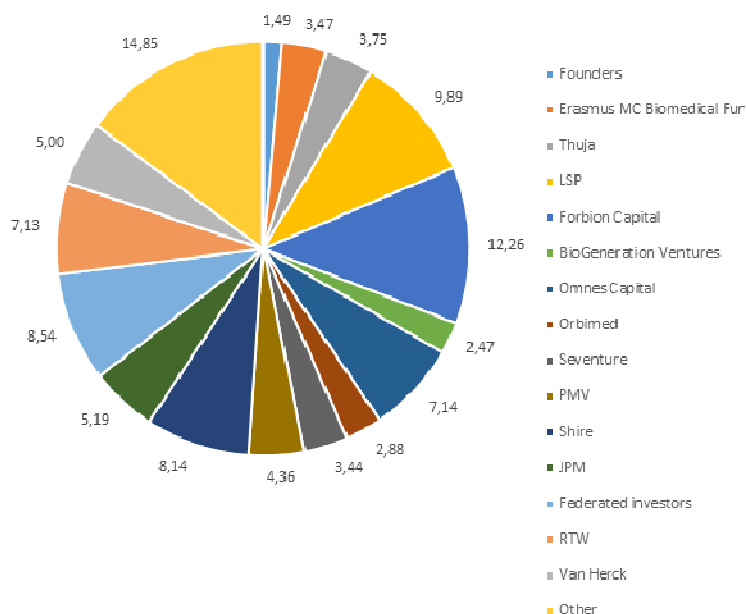
On the date of this Securities Note, the Company is of the opinion that it has sufficient working capital to meet its present requirements for a period of at least 12 months as of the date of this Securities Note.

## PART 4 DILUTION

### 1. SHAREHOLDINGS PRIOR TO THE ISSUE OF THE NEW SHARES AND THE ESOP SHARES

Before the issue of the New Shares, the issued share capital of the Company amounted to EUR 1,733,847.90 and was represented by 17,338,479 ordinary Shares, which number includes the 152,947 Options that have been exercised as at the date of this Summary.

The following major shareholdings fell under the mandatory notice provisions of article 5:38 of the DFSA before the issue of the New Shares and the ESOP Shares: Erasmus (3.47%), Thuja (3.75%), PMV (4.36%), Seventure (3.44%), Shire (8.14%), LSP (9.89%), Omnes (7.14%), Forbion (12.26%), Federated investors (8.54%), RTW (7.31%), A. van Herk (5%) and JP Morgan Asset Management Holdings Inc. (5.19%) as displayed in the chart below:

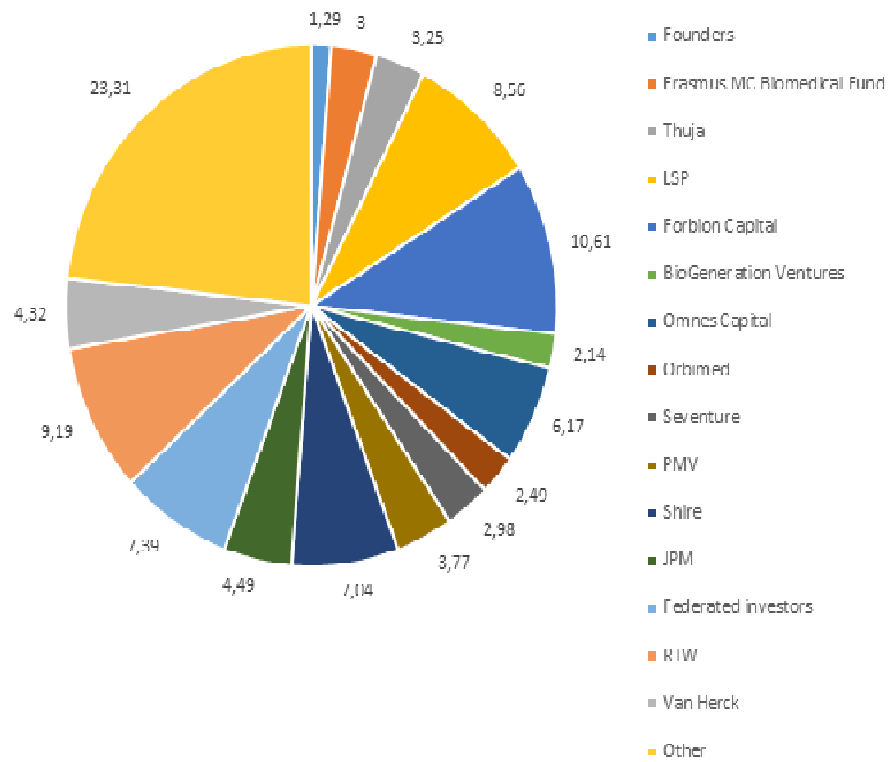


### 2. SHAREHOLDINGS ON THE DATE OF THIS SECURITIES NOTE

On the date of this Securities Note, the issued share capital of the Company amounts to EUR 2,004,147.90 and is represented by 20,041,479 ordinary Shares.

The following major shareholdings fall under the mandatory notice provisions of articles 5:38 of the DFSA after the issue of the New Shares and before the issue of any ESOP Shares: Erasmus (3%), Thuja (3.25%), PMV (3.77%), Shire (7.04%), LSP (8.56%), Omnes (6.17%), Forbion (10.61%), Federated investors (7.39%), MPM (4.23%), RTW (9.19%), A. van Herk (4.32%) and JP Morgan Asset Management Holdings Inc. (4.49%) as displayed in the chart below:





The total number of Options outstanding as at the date of this Securities Note totals 1,986,585.

**PART 5**  
**DESCRIPTION OF SHARE CAPITAL AND GROUP STRUCTURE**

For a summary of certain relevant information concerning the Shares, the articles of association of the Company and certain provisions of Dutch law in force on the date of this Securities Note, reference is made to Part 10 (*“Description of share capital and Group structure”*) of the Registration Document.

**PART 6  
TAXATION**

For a summary of certain material Belgian federal income tax consequences of the ownership and disposal of Shares by an investor that purchases such Shares, certain Netherlands tax consequences in connection with the acquisition, ownership and disposal of the Shares, and certain material US federal income tax considerations relevant to the acquisition, ownership and disposition of the Shares, reference is made to Part 11 (“*Taxation*”) of the Registration Document.

**PART 7**  
**INFORMATION CONCERNING THE NEW SHARES TO BE ADMITTED TO TRADING**

**1. THE CAPITAL INCREASES**

**1.1 Admission to trading of the New Shares**

The Securities Note has been prepared for the purpose of the admission to trading of the New Shares on the regulated market of Euronext Brussels pursuant to and in accordance with Chapter 5.1 of the DFSA.

An application will be made for the listing and admission to trading on the regulated market of Euronext Brussels of all New Shares. The New Shares are expected to be listed as the existing Shares under the symbol “ARGX” with the ISIN code of NL0010832176. It is expected that the admission to trading will become effective and that dealings in the New Shares on the regulated market of Euronext Brussels will commence on or around the date of publication of the Securities Note.

**1.2 Capital increases decided by the Board**

*1.2.1. New Shares*

All New Shares were issued at the occasion of a capital increase resolved upon by the Board on 31 May 2016 in consideration for a total cash contribution of € 30003,300 (of which € 270,300 was booked as nominal share capital and € 29,733,000 as issuance premium as further described in Section 1.4). This capital increase was resolved upon by the Board pursuant to the authorization to issue Shares and grant rights to subscribe for Shares and to limit or exclude pre-emption rights of shareholders for such Shares with the prior consent of the majority of the non-executive directors (*niet-uitvoerende bestuurders*) of the Company (the *Non-Executive Directors*) for a period of eighteen months from 28 April 2016, granted by the general meeting of shareholders of the Company (the *General Meeting*) on 28 April 2016.

*1.2.2. ESOP Shares*

On 18 December 2014, the Board has adopted the argenx Employee Stock Option Plan, which was approved by the General Meeting on 13 May 2015 and amended by the General Meeting on 28 April 2016. The aim of the argenx Employee Stock Option Plan is to establish an ownership culture among employees of the Group, incentivizing key employees, directors (including any member of the Board) and key outside consultants and advisors of the Group to contribute to the value of the Company.

In connection with the argenx Employee Stock Option Plan, the Board has also established an Option allocation scheme. The Option allocation scheme contains (i) the date on which Options are granted each year, which shall be the same date each year, and (ii) the number of Options granted to each person or to each group of persons, which shall be based on objective criteria only.

The Board, in each case subject to the approval of the majority of the Non-Executive Directors and subject to the provisions of the argenx Employee Stock Option Plan, has the power to determine the employees, directors (including any member of the Board) or key outside consultants or advisors to whom Options may from time to time be granted, the number of Options granted and the terms and conditions of the Options (subject to the limitations provided in the argenx Employee Stock Option Plan) and in accordance with the Option allocation scheme. The Board may also grant Options at its discretion outside the Option allocation scheme, but only in a period when no inside information (as specified in the Company’s insider trading policy) is available. Persons to whom Options are granted cannot refuse to accept such Options. In line with the Company’s articles of association, any director to whom Options are granted does not participate in the discussions regarding such grant of Options.

The Options are granted free of charge. Each Option converts into one ordinary share of the Company upon exercise. Any Shares issued under the argenx Employee Stock Option Plan by the Company may consist, in whole or in part, of newly issued Shares or treasury Shares. No amounts are paid or payable by the recipient on receipt of the Option. The Options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

On 28 April 2016, the General Meeting designated the Board to issue ESOP Shares under the argenx Employee Stock Option Plan for a period of 18 months.

### 1.3 Cancellation of preferential subscription rights of the shareholders

#### 1.3.1. New Shares

The New Shares were subscribed for on 31 May 2016 by certain qualified institutional investors. In order to allow Piper Jaffray & Co., 345 Park Avenue, Suite 1200, New York, NY 10154, US and Wedbush Securities Inc., 1000 Wilshire Blvd., Los Angeles, CA 90017, US (each, a *Placement Agent* and together the *Placement Agents*), investment banks selected by the Company, to assist the Company in identifying and contacting prospective purchasers of these New Shares, the Board has, at the occasion of the issue of the New Shares on 31 May 2016, cancelled the preferential subscription right of the shareholders.

#### 1.3.2. ESOP Shares

On 28 April 2016, the General Meeting designated the Board to limit or exclude pre-emption rights of shareholders for ESOP Shares with the prior consent of the majority of the Non-Executive Directors for a period of 18 months from 28 April 2016.

### 1.4 Issuance price of the New Shares and ESOP Shares

#### 1.4.1. New Shares

The total issuance price of the New Shares (nominal value plus issuance premium) at which the New Shares were issued and subscribed to in the framework of the Transaction was € 11.10 per New Share. The closing price of the Shares on Euronext Brussels on 31 May 2016, before the publication of the Transaction, was € 11.40 per Share. Of the issuance price of the New Shares, an amount equal to the nominal value of the existing Shares, i.e. € 0.10 (rounded) per New Share, was booked as share capital and the balance booked as issuance premium. A total amount of € 270,300 was hence booked as nominal share capital and a total amount of € 29,733,000 was booked as issuance premium.

#### 1.4.2. ESOP Shares

The Option exercise price is the average closing price of the Shares on the stock exchanges during the 30 calendar day period preceding the Option's date of grant. The table below shows the Options which are in existence as at the date of this Securities Note and which are exercisable at closing of each period presented, as well as the exercise price of such Options.

| Expiry date  | Exercise price per stock options | Outstanding Options |
|--------------|----------------------------------|---------------------|
| 2019         | € 3.95                           | 50,279              |
| 2020         | € 3.95                           | 62,460              |
| 2021         | € 3.95                           | 3,800               |
| 2021         | € 2.44                           | 273,320             |
| 2021         | € 2.44                           | 157,530             |
| 2021         | € 2.44                           | 83,820              |
| 2021         | € 3.95                           | 55,747              |
| 2021         | € 2.44                           | 169,862             |
| 2024         | € 7.17                           | 537,917             |
| 2025         | € 11.44                          | 56,500              |
| 2025         | € 10.34                          | 3,000               |
| 2025         | € 9.47                           | 243,400             |
| 2026         | € 11.47                          | 288,950             |
| <b>Total</b> | -                                | <b>1,986,585</b>    |

## **2. DESCRIPTION OF THE NEW SHARES AND ESOP SHARES**

All the New Shares and ESOP Shares that have been, or may be, issued are dematerialized shares without nominal value, having the same rights and benefits as, and ranking *pari passu* in all respects with, the existing and outstanding Shares of the Company at the moment of their issuance and are entitled to distributions in respect of which the relevant record date or due date falls on or after the date of issuance of the New Shares and ESOP Shares. Each New Share and each ESOP Share represents the same portion of share capital as the other existing Shares of the Company.

For a further description of the Shares and the rights and benefits attached thereto, see Part 10 (“*Description of share capital and Group structure*”) of the Registration Document.

All New Shares and ESOP Shares are, or will be, delivered in book-entry form only, to investors’ securities accounts via Euroclear Nederland, the Dutch central securities depository. The address of Euroclear Nederland is Herengracht 459-469, 1017 BS Amsterdam, the Netherlands. All New Shares and ESOP Shares will be fully paid-up upon their delivery and freely transferable.

The New Shares and ESOP Shares are, or will be, denominated in EUR and are, or will be, issued under Dutch law.

## **3. USE OF PROCEEDS**

### **3.1 New Shares**

The net proceeds of the Transaction will be used for the following purposes:

- to support the further clinical development of ARGX-113, including to continue a Phase 1 healthy volunteer trial and to advance ARGX-113 in two parallel Phase 2 clinical trials; and for
- general corporate purposes.

The exact amounts and timing of the use of proceeds will depend on numerous factors, including the opportunities that may offer themselves, the status of the Company’s product development and commercialization efforts and the amount of cash received from industrial partnerships, contract services and licensing activities. Based on the conditions that exist as of the date of approval of this document by the AFM, it is estimated that 80% will be used for the further clinical development of ARGX-113 and 20% for general corporate purposes.

### **3.2 ESOP Shares**

For a description of the rationale of the issuance of the ESOP Shares, reference is made to Section 1.2.2 above and Part 10 (“*Description of share capital and Group structure*”), Section 5 (“*Employee stock option plan*”) of the Registration Document.

## **4. EXPENSES RELATED TO THE ISSUE OF THE NEW SHARES**

The costs and expenses incurred by the Company in relation to the issue and the admission to trading of the New Shares on the regulated market of Euronext Brussels (consisting of administrative fees, and of other fees, including legal fees) amount to approximately € 350,000. Additionally, fees and commissions payable to the Placement Agents by the Company are expected to be approximately USD 1,250,000 (not including a discretionary fee).

## **5. MATERIAL INTERESTS TO THE ISSUE**

There is no natural or legal person involved in the issue of New Shares and having an interest that is material to the Transaction, other than the Placement Agents.

In connection with the Transaction, each of the Placement Agents and any of their respective affiliates, acting as an investor for its own account, may take up New Shares in the Transaction and in that capacity may retain, purchase or sell for its own account such Shares or related investments and may offer or sell such Shares or other investments otherwise than in connection with the Transaction. Accordingly, references in this Securities Note to Shares being placed should be read as including any placement of New Shares to any of the Placement Agents or any of their respective affiliates acting in such capacity. None of the Placement Agents intends to disclose the extent of any such

investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so. In addition, certain of the Placement Agents or their affiliates may enter into financing arrangements (including swaps) with investors in connection with which such Placement Agents (or their affiliates) may from time to time acquire, hold or dispose of Shares.

Certain of the Placement Agents and/or their respective affiliates have in the past provided, and may in the future, from time to time, engage in commercial banking, investment banking and financial advisory and ancillary activities in the ordinary course of their business with the Company or any parties related to it, in respect of which they may, in the past have received or in the future receive, customary fees and commissions.

As a result of these transactions, these parties may have interests that may not be aligned, or could possibly conflict with the interests of shareholders or prospective shareholders.

There is no natural or legal person involved in the issue of ESOP Shares and having an interest that is material to the issue, other than the beneficiaries of the argenx Employee Stock Option Plan. Reference is made to Section 1.2.2 (“*ESOP Shares*”) above.

## **6. PAYING AGENT**

The financial services for the Shares will be provided in Belgium by KBC Bank NV/SA, Havenlaan 2, 1080 Brussels, Belgium. Should the Company alter its policy in this matter, this will be announced in accordance with applicable law.

## **7. ENGAGEMENT LETTER**

On 9 May 2016, the Company and Piper Jaffray & Co. have entered into engagement letter (the *Engagement Letter*) with respect to the placement of the New Shares in the Transaction. Under the terms and subject to the conditions set forth in the Engagement Letter, Piper Jaffray & Co. have agreed to place the New Shares with investors on a “best efforts” basis. In the Engagement Letter, the Company makes certain representations and warranties and agrees to indemnify Piper Jaffray & Co. against certain liabilities, including liability under the US Securities Act of 1933, as amended.

## **8. LOCK-UP AGREEMENTS**

Certain members of the Group’s Board and senior management team entered into a lock-up arrangement with Piper Jaffray & Co. Pursuant to the lock-up arrangement they will not, except as set forth below, for a period of 90 days from the closing of the Transaction, without the prior written consent of Piper Jaffray & Co., directly or indirectly: (1) offer, sell, contract to sell, pledge, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of any Shares, or any securities convertible into or exercisable or exchangeable for the Shares; (2) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Shares, or any securities convertible into or exchangeable for the Shares, regardless of whether any such transaction described herein is to be settled by delivery of the Shares or such other securities, or by delivery of cash or otherwise; (3) make any demand for, or exercise any right with respect to, the registration of any Shares or any security convertible into or exercisable or exchangeable for the Shares; or (4) publicly announce any intention to do any of the foregoing; provided, however, that the obligations for the shareholders referred to above shall not apply to any Shares acquired in connection with the Placement.

Notwithstanding the foregoing, the restrictions set forth in clause (1) and (2) above shall not apply to (a) transfers (i) as a bona fide gift or gifts, provided that the donee or donees thereof agree to be bound in writing by the restrictions set forth in the lock-up arrangement, (ii) to any trust or foundation (*stichting*) for the direct or indirect benefit of the undersigned or the immediate family of the undersigned, provided that the trustee of the trust or the foundation agrees to be bound in writing by the restrictions set forth in the lock-up arrangement, and provided further that any such transfer shall not involve a disposition for value, (iii) effected pursuant to any exchange of “underwater” options with the Company, (iv) pursuant to any merger, demerger, liquidation, transfer of universality or branch of activity or other corporate restructuring or acquisition of the Company, or (v) further to an order from a court or as otherwise mandatorily required under any applicable laws, (b) the acquisition or exercise of an option or warrant to purchase Shares (or any securities convertible into or exercisable or exchangeable for Shares), including the sale of a portion of stock to be issued in connection with such exercise to finance a “cashless” exercise, provided that any

such Shares issued upon exercise of such option or warrant (or any securities convertible into or exercisable or exchangeable for Shares) shall continue to be subject to the applicable provisions of the lock-up arrangement, (c) the disposition of Shares to satisfy any tax withholding obligations upon the vesting of restricted Shares held by the shareholder, or (d) any acceptance of a public tender or exchange offer (including, for the avoidance of doubt, by way of cash settlement of financial instruments) made to all or substantially all holders of Shares (other than Shares already owned by the offeror or persons affiliated or acting in concert with such offeror). None of the restrictions set forth in the lock-up arrangement shall apply to Shares acquired in open market transactions. In addition, if the shareholder is a partnership, limited liability company, trust, corporation or similar entity, it may distribute the Shares to its partners, members or stockholders; provided, however, that in each such case, prior to any such transfer, each transferee shall execute a duplicate form of the lock-up arrangement or execute an agreement, reasonably satisfactory to Piper Jaffray & Co., pursuant to which each transferee shall agree to receive and hold such Shares subject to the provisions of the lock-up arrangement, and there shall be no further transfer except in accordance with the provisions hereof.

## **9. NO PUBLIC OFFERING**

No action has been or will be taken in any jurisdiction that would permit a public offering of the New Shares or ESOP Shares, or the possession, circulation or distribution of the Registration Document or this Securities Note or any other material relating to the New Shares, in any jurisdiction where action for that purpose is required. Accordingly, the New Shares and the ESOP Shares may not be offered or sold, directly or indirectly, and neither the Registration Document or this Securities Note nor any other offering material or advertisements in connection with the New Shares or the ESOP Shares may be distributed or published, in or from any country or jurisdiction except in compliance with any applicable rules and regulations of such country or jurisdiction.

Persons into whose hands the Registration Document or this Securities Note comes are required by the Company to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Shares or have in their possession or distribute such offering material, in all cases at their own expense. The Company does not accept any legal responsibility for any violation by any person, whether or not a prospective subscriber or purchaser of any of the Shares, of any such restrictions.



**PART 8**  
**INDEPENDENT AUDITORS**

Reference is made to Part 12 (“*Independent auditors*”) of the Registration Document.