ABLYNX SIGNIFICANTLY EXPANDS ITS IMMUNO-ONCOLOGY COLLABORATION WITH MERCK & CO., INC.

- Builds on the original immuno-oncology collaboration started in 2014, significantly expanding the size and scope of the deal to include up to 12 additional Nanobody programmes
- Expanded deal includes new targets and target combinations directed against immune checkpoint modulators
- Exploits ability of Ablynx’s unique Nanobody® platform to flexibly and rapidly discover and develop multi-specific therapeutics

GHENT, Belgium, 22 July 2015 - Ablynx [Euronext Brussels: ABLX; OTC: ABYLY] today announced an expansion of its immuno-oncology collaboration with a subsidiary of Merck & Co., Inc. (“Merck”) [known as MSD outside the United States and Canada], to address an increased number of immune checkpoint modulator targets.

The original collaboration announced in February 2014 focused on the discovery and development of five pre-defined Nanobody candidates (including multi-specific Nanobody combinations) directed towards immune checkpoint modulator targets for evaluation as immunotherapies for cancer.

As part of this expansion of the 2014 agreement, Ablynx will be responsible for the discovery and development of up to 12 additional Nanobody programmes against individual protein targets and target combinations (mono-specific and multi-specific Nanobodies) through to the in vivo pre-clinical proof-of-concept stage, after which Merck will have the option to advance specified lead candidates.

Under the terms of this four year expansion, Ablynx will receive a €13 million upfront payment comprising exclusivity fees and FTE payments as well as further research funding over the term of the collaboration. In addition, Ablynx will be eligible to receive additional exclusivity fees, depending on the number of programmes for which Merck decides to exercise its licensing option, plus development, regulatory and commercial milestone payments of up to €340 million per programme, as well as tiered royalties on annual net sales upon commercialisation of any Nanobody products. Merck will be responsible for clinical development, manufacturing and commercialisation of any products resulting from the collaboration.

Commenting on the announcement, Dr Edwin Moses, CEO of Ablynx, said: “This significant expansion of our collaboration with Merck after less than 18 months underlines the promise offered by our Nanobody platform in the discovery of unique new therapeutic agents. The speed and flexibility of the platform and its ability to develop multi-specific candidates against target combinations is a very powerful characteristic of the Nanobody technology. We are pleased that Merck, one of the leaders in this emerging field, has expanded its collaboration with us and we look forward to continuing our collaboration in the development of these innovative immuno-oncology drug candidates which could potentially transform the treatment of many cancers.”

“Immuno-oncology remains a key area of focus for Merck,” said Dr Joseph Miletich, Senior Vice President Discovery Research and Development, Merck Research Laboratories. “The expansion of this ongoing collaboration with Ablynx allows us to increase our ability to evaluate the potential of more immune checkpoint targets for the treatment of cancer.”
About the immuno-oncology collaboration between Ablynx and Merck & Co., Inc.

In February 2014, Ablynx entered into a research collaboration and licensing agreement with a subsidiary of Merck & Co., Inc. This exclusive collaboration and licensing agreement is focused on the discovery and development of several predefined Nanobody candidates (including bi- and tri-specifics) directed toward so-called immune checkpoint modulators.

Under the terms of the original agreement, Ablynx received an upfront payment of €20 million and is entitled to up to €10.7 million in research funding during the initial three year research term of the collaboration. In addition, Ablynx is eligible to receive development, regulatory and commercial milestone payments on achieved sales thresholds for a number of products with ultimate potential to accrue as much as €1.7 billion plus tiered royalties. Merck will be responsible for the development, manufacturing and commercialisation of any products resulting from the collaboration.

Merck and Ablynx have a separate collaboration in the field of ion channel drug development, announced in October 2012, with a €6.5 million upfront payment, €2 million research funding and up to €448 million in research, regulatory and commercial milestone payments associated with the progress of multiple candidates as well as tiered royalties on any products derived from the collaboration.

About Ablynx

Ablynx is a biopharmaceutical company engaged in the development of Nanobodies®, proprietary therapeutic proteins based on single-domain antibody fragments, which combine the advantages of conventional antibody drugs with some of the features of small-molecule drugs. Ablynx is dedicated to creating new medicines which will make a real difference to society. Today, the Company has more than 30 proprietary and partnered programmes in development in various therapeutic areas including inflammation, haematology, immuno-oncology, oncology and respiratory disease. The Company has collaborations with multiple pharmaceutical companies including AbbVie, Boehringer Ingelheim, Eddingpharm, Genzyme, Merck & Co., Inc., Merck Serono, Novartis and Taisho. The Company is headquartered in Ghent, Belgium. More information can be found on www.ablynx.com.

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