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FOR IMMEDIATE RELEASE

Caprion Biosciences and HistoGeneX Unite Businesses to Create Global Leader in Immune Monitoring and Biomarker Development

Partnership Facilitated by Major Investment from Arsenal Capital Partners

NEW YORK, July 31, 2019 – Caprion Biosciences (“Caprion”) and HistoGeneX announced today they have agreed to combine their respective businesses. The new partnership creates a global leader in immune monitoring, protein characterization, and tissue pathology solutions for immunotherapy and drug development.

The combined business will provide a full suite of immune monitoring and biomarker development services, from preclinical through late stage clinical trials and companion diagnostics, to biopharmaceutical organizations globally. Services will include multiparametric flow cytometry for monitoring immune system responses, quantitative mass spectrometry for large-scale proteomic profiling and targeted quantitative bioanalytical assays, single and multiplexed immunohistochemistry assays, and molecular pathology assays, among other solutions. Together, these testing services provide customers with a broad and in-depth analysis of biomarkers to better understand the interplay between diseases such as cancer and the immune system, assess therapeutic efficacy of immune-modulating drugs, and enable patient stratification.

The leadership teams of both organizations will continue to manage and grow the combined business and will hold significant stakes in the newly formed company. Together, Caprion and HistoGeneX will build on their complementary capabilities across the drug development continuum, deep scientific expertise, exemplary quality and compliance track records, and global resources to expand and develop new services and solutions that will deliver additional value to their clients.

The partnership was facilitated by a substantial investment from Arsenal Capital Partners (“Arsenal”), a leading specialized private equity firm that invests in middle-market healthcare and specialty industrial companies. Arsenal is focused on partnering with management teams to build market-leading businesses that make a positive impact on healthcare, and will provide the partnership with significant strategic, operational and financial resources to support future growth initiatives. The terms of Arsenal’s investment were not disclosed.

Mark Kockx, MD, PhD, and Dirk Hendriks, PharmD, PhD, co-founders of HistoGeneX, along with Christopher Ung, chief business officer and member of the executive committee, commented, “We believe there is tremendous potential for the combined entity. We respect Caprion’s scientific expertise and industry reputation for scientific rigor and quality execution and are looking forward to leveraging the combined company’s capabilities to develop the next generation of solutions and services for precision medicine.” Dr. Kockx and Dr. Hendriks will join the board of directors of the newly formed company.

Martin LeBlanc, co-founder of Caprion, said, “We found a shared vision with the leadership of HistoGeneX and Arsenal to create the global leader in immune monitoring and drug development services and solutions. We look forward to continuing to deliver high quality science and superior service and are very excited about what this combination means for our client partners and employees.” Mr. LeBlanc will serve as CEO of the combined businesses and has joined the board of directors. David Spaight, an Arsenal Operating Partner, will serve as the executive chairman.

Stephen McLean, a Senior Partner of Arsenal, commented, "This partnership is the result of our continued efforts to back market leading, strategically important platforms that systemically improve the efficacy and efficiency of the biopharmaceutical drug development process. Under the leadership of Martin, Mark, Dirk and Christopher, both organizations have assembled strong and visionary management teams and highly-talented, global scientific staff that are uniquely positioned to transform the field of drug development under a combined company. We are excited to support the development of the new business through continued investment in next generation technology solutions and more integrated services, further international expansion and complementary acquisitions to support the global needs of biopharmaceutical companies across the drug development life cycle."

Caprion and HistoGeneX will continue to provide their current solutions and services to customers with the highest levels of quality and scientific expertise. In the coming months, the company will introduce innovative new offerings to help customers meet the challenges posed by the continuing evolution of the immunotherapy landscape. The union is expected to close in the coming weeks, subject to customary closing conditions.

William Blair & Company acted as financial advisor, and Kirkland & Ellis LLP and Jones Day LLP acted as legal advisors to Arsenal. Ropes & Gray LLP and Osler, Hoskin & Harcourt LLP acted as legal advisors to Caprion. Crosstree Capital acted as financial advisor, and Allen & Overy LLP acted as legal advisor to HistoGeneX.

About Caprion Biosciences

Caprion is the leading provider of specialized flow cytometry immune monitoring and quantitative mass spectrometry proteomics services to the biopharmaceutical industry. With laboratory facilities globally located in Montreal (Quebec, Canada), Fremont (California, USA), Carlsbad (California, USA), Gosselies (Belgium), Guildford (UK) and Sydney (Australia), Caprion has achieved top-tier growth in recent years both organically and through the recent acquisitions of Primity Bio and Serametrix Corporation. For more information: www.caprion.com.

About HistoGeneX

Founded by internationally recognized pathologists leading the shift to precision medicine, HistoGeneX provides pathology and biomarker assessment services spanning the drug development continuum. The company leverages its facilities located in Antwerp (Belgium), Chicago (Illinois, USA) and opening in late 2019, Jining (Shandong, China) to provide a networked footprint for global immune-oncology clinical trials. For more information: www.histogenex.com.

About Arsenal Capital Partners

Arsenal is a leading private equity firm that specializes in investments in middle-market specialty industrials and healthcare companies. Since its inception in 2000, Arsenal has raised institutional equity investment funds of \$5.3 billion, completed 45 platform investments, and achieved 30 realizations. Arsenal invests in industry sectors in which the firm has significant prior knowledge and experience and seeks companies typically in the range of \$100 million to \$500 million of initial enterprise value. The firm works with management teams to build strategically important companies with leading market positions, high growth, and high value-add. For more information, visit www.arsenalcapital.com.

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