

Merus

Merus Announces Pricing of Public Offering of Common Shares

November 5, 2019

UTRECHT, The Netherlands, and CAMBRIDGE, Mass., Nov. 05, 2019 (GLOBE NEWSWIRE) -- Merus N.V. (Nasdaq: MRUS), a clinical-stage bispecific antibody company developing Biclomics®, today announced the pricing of an underwritten public offering of 4,750,000 common shares, at a public offering price of \$14.50 per share, before underwriting discounts and commissions. Merus also granted the underwriters a 30-day option to purchase up to an additional 712,500 common shares. The gross proceeds from the offering, before deducting underwriting discounts and commissions and estimated offering expenses, are expected to be approximately \$68.9 million, excluding any exercise of the underwriters' option to purchase additional common shares. All of the shares in the offering are to be sold by Merus.

Citigroup and Jefferies are acting as joint bookrunners for the offering, with Kempen, Berenberg and Roth Capital Partners acting as co-managers. The offering is expected to close on or about November 7, 2019, subject to customary closing conditions.

Merus intends to use the net proceeds from the offering to advance the clinical development of its product candidates, preclinical research and technology development, and for working capital and other general corporate purposes.

The common shares described are being offered by Merus pursuant to a shelf registration statement on Form F-3 (File No. 333-233367) that was filed with the Securities and Exchange Commission (SEC) on August 20, 2019, including a prospectus, which was declared effective by the SEC on August 27, 2019. A preliminary prospectus supplement to the prospectus describing the terms of the offering was filed with the SEC on November 4, 2019, and a final prospectus supplement will be filed with the SEC. The offering will be made only by means of a written prospectus and prospectus supplement that form a part of the registration statement, which, for the avoidance of doubt, will not constitute a "prospectus" for the purposes of the Regulation (EU) 2017/1129 and has not been reviewed by any competent authority in any member state in the European Economic Area. Copies of the preliminary prospectus supplement and the accompanying prospectus relating to the offering may be obtained from Citigroup Global Markets Inc., c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, NY 11717, or by telephone at (800) 831-9146; or Jefferies LLC, Attention: Equity Syndicate Prospectus Department, 520 Madison Avenue, 2nd Floor, New York, NY 10022, or by telephone at (877) 547-6340, or by e-mail at Prospectus_Department@Jefferies.com.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy these securities nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

This press release is an advertisement and not a prospectus within the meaning of Directive 2003/71/EC of the European Parliament and the Council of 4 November 2003, as amended or superseded including by Directive 2010/73/EU and as implemented in each member state of the European Economic Area, and of EU Regulation 2017/1129 (the Prospectus Regulations).

European Economic Area:

In relation to each Member State of the EEA (each, a Member State), no offer of the Company's shares may be made to the public in that Member State other than:

to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the representatives;

in any other circumstances falling within Article 1(4) of the Prospectus Regulation, provided that no such offer of the Company's shares shall require us or any of our representatives to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation and each person who initially acquires any shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with each of the representatives and us that it is a "qualified investor" as defined in the Prospectus Regulation.

For the purposes of this provision, the expression an "offer of shares to the public" in relation to any shares in any Member State means the communication in any form and by means of sufficient information on the terms of the offer and the shares to be offered so as to enable an investor to decide to purchase shares, the expression "Prospectus Regulation" means Regulation (EU) 2017/1129 (as amended).

In addition, in the United Kingdom, the transaction to which this press release relates will only be available to, and will be engaged in only with, investment professionals falling within Article 19(5) of the Financial Services and Markets Act (Financial Promotion) Order 2005, as amended (the Order), persons falling within Article 49(2)(a) to (d) of the Order, and other persons to whom this announcement may lawfully be communicated (all such persons together being referred to as relevant persons). The securities referred to herein are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with relevant persons. Any person who is not a relevant person should not act or rely on this communication or any of its contents.

This press release is not an approved prospectus by the Financial Services Authority or by any other regulatory authority in the United Kingdom within the meaning of Section 85 of the Order.

About Merus N.V.

Merus is a clinical-stage immuno-oncology company developing innovative full-length human bispecific antibody therapeutics, referred to as Biclomics®. Biclomics, which are based on the full-length IgG format, are manufactured using industry standard processes and have been observed in preclinical and clinical studies to have

several of the same features of conventional human monoclonal antibodies, such as long half-life and low immunogenicity.

Forward Looking Statement

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this press release that do not relate to matters of historical fact should be considered forward-looking statements, including without limitation, statements regarding the completion of the proposed offering and our intended use of any proceeds from the offering. These statements are neither promises nor guarantees, but involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to, the following: our need for additional funding, which may not be available and which may require us to restrict our operations or require us to relinquish rights to our technologies or Biclomics® and bispecific antibody candidates; potential delays in regulatory approval, which would impact our ability to commercialize our product candidates and affect our ability to generate revenue; the lengthy and expensive process of clinical drug development, which has an uncertain outcome; the unpredictable nature of our early stage development efforts for marketable drugs; potential delays in enrollment of patients, including for the treatment of rare subpopulations such as NRG1 fusions, which could affect the receipt of necessary regulatory approvals; our reliance on third parties to conduct our clinical trials and the potential for those third parties to not perform satisfactorily; we may not identify suitable Biclomics® or bispecific antibody candidates under our collaboration with Incyte or any of our other collaborators, or Incyte or any of our other collaborators may fail to perform adequately under our collaborations with them; our reliance on third parties to manufacture our product candidates, which may delay, prevent or impair our development and commercialization efforts; protection of our proprietary technology; our patents may be found invalid, unenforceable, circumvented by competitors and our patent applications may be found not to comply with the rules and regulations of patentability; we may fail to prevail in potential lawsuits for infringement of third-party intellectual property; and our registered or unregistered trademarks or trade names may be challenged, infringed, circumvented or declared generic or determined to be infringing on other marks.

These and other important factors discussed under the caption "Risk Factors" in our Annual Report on Form 20-F filed with the SEC on April 3, 2019, and our other subsequent reports filed with the SEC, could cause actual results to differ materially from those indicated by the forward-looking statements made in this press release. Any such forward-looking statements represent management's estimates as of the date of this press release. While we may elect to update such forward-looking statements at some point in the future, we disclaim any obligation to do so, even if subsequent events cause our views to change, except as required under applicable law. These forward-looking statements should not be relied upon as representing our views as of any date subsequent to the date of this press release.

Biclomics® is a registered trademark of Merus N.V.

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