

Merus

Merus Announces Pricing of Public Offering of Common Shares

November 5, 2021

UTRECHT, The Netherlands, and CAMBRIDGE, Mass., Nov. 04, 2021 (GLOBE NEWSWIRE) -- Merus N.V. (Nasdaq: MRUS) ("Merus", the "Company," "we" and "our"), a clinical-stage oncology company developing innovative, full-length multispecific antibodies (Biclomics® and Triclomics™), today announced the pricing of an underwritten public offering of 3,859,650 common shares, at a public offering price of \$28.50 per share (the "Offer Shares"). Merus also granted the underwriters a 30-day option to purchase up to an additional 578,947 common shares (the "Option Shares" and together with the Offer Shares, the "Shares"). The gross proceeds from the offering, before deducting underwriting discounts and commissions and estimated offering expenses and excluding the underwriters' option to purchase the Option Shares, are approximately \$110.0 million. All of the shares in the offering are to be sold by Merus.

The offering is expected to close on or about November 9, 2021, subject to customary closing conditions.

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

Jefferies LLC and SVB Leerink LLC are acting as joint book-running managers for the offering. Kempen & Co is acting as lead manager for the offering. H.C. Wainwright & Co. and Roth Capital Partners are acting as co-managers for the offering.

The offering is being made pursuant to a shelf registration statement on Form S-3 that was filed with the Securities and Exchange Commission (SEC) on May 7, 2021 and was effective upon filing. 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 (i) Regulation (EU) 2017/1129 (the "Prospectus Regulation") and has not been reviewed by any competent authority in any member state in the European Economic Area (the "EEA") and (ii) the Prospectus Regulation as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "UK Prospectus Regulation") and has not been reviewed by the Financial Conduct Authority in the United Kingdom. A preliminary prospectus supplement to the prospectus describing the terms of the offering was filed with the SEC on November 4, 2021, and a final prospectus supplement will be filed with the SEC. Copies of the final prospectus supplement and the accompanying prospectus relating to the offering may be obtained, when available, from Jefferies LLC, Attention: Equity Syndicate Prospectus Department, 520 Madison Avenue, 2nd Floor, New York, NY 10022, by phone at (877) 821-7388, or by email at Prospectus_Department@Jefferies.com or SVB Leerink LLC, Attention: Syndicate Department, 53 State Street, 40th Floor, Boston, MA 02109, by telephone at (800) 808-7525, ext. 6105, or by email at syndicate@svbleerink.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 either the Prospectus Regulation or the UK Prospectus Regulation.

EEA:

In relation to each member state of the EEA (each, a "Relevant State"), no Shares have been offered or will be offered pursuant to the offering to the public in that Relevant State, other than:

- to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation), subject to obtaining the prior consent of the underwriters for any such offer; and
- 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 the above, the expression an "offer of shares to the public" in relation to any Shares in any Relevant 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.

United Kingdom:

No Shares have been offered or will be offered pursuant to this offering to the public in the United Kingdom prior to the publication of a prospectus in relation to the Shares which has been approved by the Financial Conduct Authority, except that the Shares may be offered to the public in the United Kingdom at any time:

- a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
- b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the representatives for any such offer; or

c) in any other circumstances falling within Section 86 of the Financial Services and Markets Act 2000 (the “FSMA”)

provided that no such offer of the Shares shall require us or any of our representatives to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an “offer to the public” in relation to the Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares.

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 persons who are “qualified investors” (as defined in the UK Prospectus Regulation) (i) who have professional experience in matters relating to investments falling within Article 19(5) of the FSMA (Financial Promotion) Order 2005, as amended (the Order), and/or (ii) who are high net worth entities (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”). In the United Kingdom, 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 in the United Kingdom who is not a relevant person should not act or rely on this communication or any of its contents.

About Merus N.V.

Merus is a clinical-stage oncology company developing innovative full-length human bispecific and trispecific antibody therapeutics, referred to as Multiclronics®. Multiclronics® 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 Statements

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, the anticipated gross proceeds from the offering and our intended use of any proceeds from the offering. These forward-looking statements are based on management’s current expectations. 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 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, 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; impacts of the COVID-19 pandemic; we may not identify suitable Biclronics® or bispecific antibody candidates under our collaborations or our collaborators may fail to perform adequately under our collaborations; 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 Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2021 filed with the SEC on November 2, 2021, in the prospectus supplement related to the offering, and in our other 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.

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The Merus logo consists of the word "Merus" in a bold, blue, sans-serif font. The letter 'M' is significantly larger than the other letters, and the 'e' and 's' are also larger than the 'r' and 'u'. The logo is positioned in the bottom left corner of the page.