

Works Council response to request

Date of request	03 October 2025
Type of request:	Request for Advice
Subject	Intended acquisition of Merus by Genmab
Requester	The board of directors of Merus (the "Board")
Response deadline	30 October 2025
Actual response date	30 October 2025

Dear members of the Board,

On 28 September 2025 at 11:00 PM CEST, the Works Council (WC) was informed of the intended acquisition of Merus N.V. (Merus) by Genmab A/S (Genmab). Subsequently, a formal written request for advice (RfA) was submitted in accordance with Article 25 of the Dutch Works Councils Act (WCA) on 3 October 2025.

Details of the request

The WC understands that the request for advice (RfA) essentially concerns the following:

On 29 September 2025, Genmab A/S, through its wholly owned subsidiary Genmab Holding II B.V., entered into a Transaction Agreement with Merus N.V. Under this agreement, Genmab intends to make a tender offer to acquire all outstanding Merus shares for USD 97.00 per share in cash. After completion of the offer and the subsequent offering period, Genmab, the Purchaser, and Merus plan to implement a series of “Back-End Transactions” to achieve full ownership of Merus, which may include a statutory merger between Merus and a newly incorporated subsidiary (“New TopCo”). In connection with the financing of the transaction, Merus and its subsidiaries will act as guarantors and security providers under Genmab’s USD 6 billion debt financing.

Together, these steps — the Offer, the Back-End Merger, and the financing arrangements — are referred to as the **Intended Transactions**, while the accompanying **changes to the board composition and governance structure** are referred to as the Intended Governance Changes. Collectively, these constitute the Intended Decisions.

This means that advice is being requested from the Works Council pursuant to Article 25, paragraph 1, sub a (both the support by the board of directors of the offer by Genmab and the, provisional, Back-End merger), sub e (governance changes), and sub j of the WCA.

To facilitate a thorough understanding of the proposed acquisition and its implications, several meetings were held, providing the Works Council with the opportunity to ask questions and seek clarification regarding the subsequent processes and currently available information. These meetings, attended by both Bill Lundberg (CEO) and Peter Silverman (GC, COO), took place on 7 October and 10 October 2025.

Following these previous meetings, on 15 October 2025, the WC submitted a comprehensive list of questions prepared in collaboration with independent legal counsel (Van der Kolk Legal). During the consultation meetings held on 20 October 2025 and 27 October 2025, the Request for Advice was discussed in detail.

Based on the above and the information we have received (a list of key reference documents is included at the end of this document), we provide you with the following findings and advice.

General feedback

The RfA describes the rationale behind the Board of Directors (the “Board”) being open to the acquisition by Genmab, as it ultimately serves the benefit of patients, given Genmab’s expertise in antibody development and commercialization in oncology, and that Genmab represents a cultural fit with Merus.

The WC understands this rationale.

The WC notes that it was involved at a late stage of the transaction and therefore had limited influence on the choice of purchaser, which is not uncommon for publicly traded companies. The involvement of the WC at an earlier stage could have led to a timelier and more efficient consultation process.

The RfA outlines two possible Back-End Transaction scenarios through which Merus N.V. would be integrated into the Genmab group. The WC understands that the choice between these scenarios depends on a tax ruling by the Dutch Tax Authorities. In both scenarios, the legal entity of Merus N.V. will be converted into or merged with Merus B.V., which will become a subsidiary of Genmab Holding II B.V., in turn a subsidiary of Genmab A/S.

We understand that all employees of Merus N.V. will automatically become employees of Merus B.V. by operation of law, with their existing employment contracts and terms of employment continuing unchanged. In case the Back-End Merger is implemented, Merus shall merge with “New TopCo”, called Merus Merger B.V., and in that scenario all employment agreements, with all rights and obligations, shall pass over to that TopCo.

As discussed in the meeting of 10 October 2025, the Merus WC will remain in place after completion of the transaction, continuing as the employee representation body of the enterprise of Merus B.V. or, in case of implementation of the Back-End Merger, Merus Merger B.V.

Accordingly, any intended changes in staffing, employment conditions, benefits, or other matters affecting the employees of the Merus enterprise will be dealt with in accordance with Articles 25 and 27 of the Dutch WCA.

HR-related topics after the transaction

This advice is issued based on the explicit assurance that the employment terms and conditions of Merus employees will not be amended to their detriment during the first year following completion of the transaction.

The WC also wishes to emphasize that, under Dutch employment law, even after this one-year period, any unilateral change to employment conditions to the detriment of employees is in principle not permitted.

Genmab management has confirmed that no integration or reorganization plans affecting Merus employees are currently under consideration. Should such matters arise in the future, the Works Council will have its statutory advisory rights under the WCA according to articles 24, 25 and 27 WCA.

Merus has confirmed that all options issued and outstanding under Merus' equity plans at closing of the offer will vest in full at the acceptance of the offer and will be settled in cash. Thereafter, no further awards shall be outstanding under Merus equity plans, and any issuance of equity awards thereafter would take place under Genmab's equity-based incentive plans.

Genmab management has confirmed that it intends to treat Merus employees equivalently to Genmab employees in terms of equity compensation. All new Genmab employees from Merus will receive a new hire grant in accordance with Genmab's existing equity plans. Merus employees will also be eligible for an annual grant of equity awards to which all Genmab employees are eligible, subject to the performance criteria that must be achieved in order to receive such annual grant. The WC is pleased to have this confirmation that Merus employees can continue to take part in the potential commercial success of petosemtamab. The WC's advice is based on the assumption that — immediately after closing — Merus employees will be enrolled either in both equity plans or, at a minimum, in the annual grant. The WC also assumes that the date of the annual grant will be the same as that currently maintained by Merus, and otherwise no later than 30 April 2026. Please confirm that these assumptions are correct.

At present, Merus employees participate in a pension scheme that qualifies as a defined benefit plan. The WC assumes that this defined benefit arrangement will remain in force until it is lawfully amended, and that any such amendment would require the prior consent of the WC, also considering the Future of Pensions Act (Wet Toekomst Pensioenen).

Furthermore, the WC assumes that, even after the integration has taken place, Merus employees will be appropriately compensated for any adverse effects resulting from a change to the pension scheme.

The WC also notes that many Merus employees are bound by a non-competition clause. The WC assumes and recommends that, after closing, where an employee wishes to leave due to the acquisition, requests for release from the non-compete obligation will be handled reasonably and with due consideration for the employee's circumstances, especially as the acquisition constitutes a change beyond the employee's control.

Company culture and integration

The WC has identified key aspects of Merus' company culture as experienced by Merus N.V. employees, characterized by respect for the individual, appreciation of employee contributions, and a collaborative environment.

The WC assumes that Genmab's culture shares many elements of the Merus culture, given Genmab's strong Dutch presence, and encourages open dialogue to ensure that both organizations can learn from each other.

The WC recommends that cultural differences be mapped out and compared on an equal footing, and that integration efforts be conducted transparently and with ongoing communication and support for Merus employees and its WC.

The WC particularly notes that Merus' R&D working culture — characterized by transparency, scrupulousness, creativity, and commitment — should be preserved and valued as part of the integration. The WC also encourages Genmab to consider adopting certain established practices and ways of working from Merus, where these contribute positively to employee satisfaction and engagement.

Merus' R&D platform

Finally, with regard to the company's R&D platform, the WC understands that:

- There is no current intention to sell or transfer the R&D platform or its intellectual property (IP) rights;
- The Merus R&D platform is complementary to Genmab's technology and may create long-term synergies and new clinical opportunities;
- R&D activities will remain in Utrecht; and
- After completion of the intended transaction, Genmab will respect all legal obligations related to Merus' ongoing R&D contracts, IP rights, subsidies, know-how, and innovation activities.

The WC appreciates the assurance that R&D will remain a core focus for the Utrecht site and expects Genmab to continue supporting Merus' innovative research culture.

Advice

Following careful deliberation, and with the support of independent legal counsel, the WC of Merus N.V. hereby issues a positive advice pursuant to Article 25 of the WCA with respect to the intended acquisition of Merus by Genmab, as described in the RfA dated 3 October 2025 as well as the other intended decisions which follow from the intended acquisition by Genmab as mentioned in the RfA.

The WC trusts that Merus and Genmab will ensure open communication, early consultation, and respect for all employee rights and obligations throughout the implementation of the transaction and any subsequent integration process.

Furthermore, it goes without saying that the WC shall be involved, pursuant to Article 25 paragraph 5 (last sentence) WCA, in so-called implementation decisions (“uitvoeringsbesluiten”). The WC looks forward to receiving the final decision as referred to in article 25, paragraph 5, of the WCA.

The WC trusts that Merus and Genmab will ensure open communication, early consultation of relevant stakeholders, and full respect for all employee rights and obligations throughout the implementation of the transaction and any subsequent integration process.

The WC kindly requests to be informed of the final decision as referred to in Article 25, paragraph 5 WCA, and looks forward to receiving this decision in due course.

Kind regards,

The Merus N.V. Works Council

Reference documents	<ul style="list-style-type: none">- “Works Council request for advice (part 1) - signed.pdf”- Merus’ SEC filings published on https://ir.merus.nl in the period 29 September 2025 – 21 October 2025: “Form 8-K”, “Forms DEFA14A”, “Form SC14D9”, “Forms SC14D9C”, “Form SC TO-C”, “Form SC TO-T”- Meeting minutes Consultation Meeting 07Oct25- Meeting minutes Consultation Meeting 10Oct25- Confidential email correspondence on questions submitted on 10Oct25, 18Oct25 and 22Oct25- “Final draft October 18 2025 Questions WC Merus.pdf”- Meeting minutes Consultation Meeting 20Oct25- “24 October 2025 Merus QA(003).pdf”- Meeting minutes Consultation Meeting 27Oct25
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