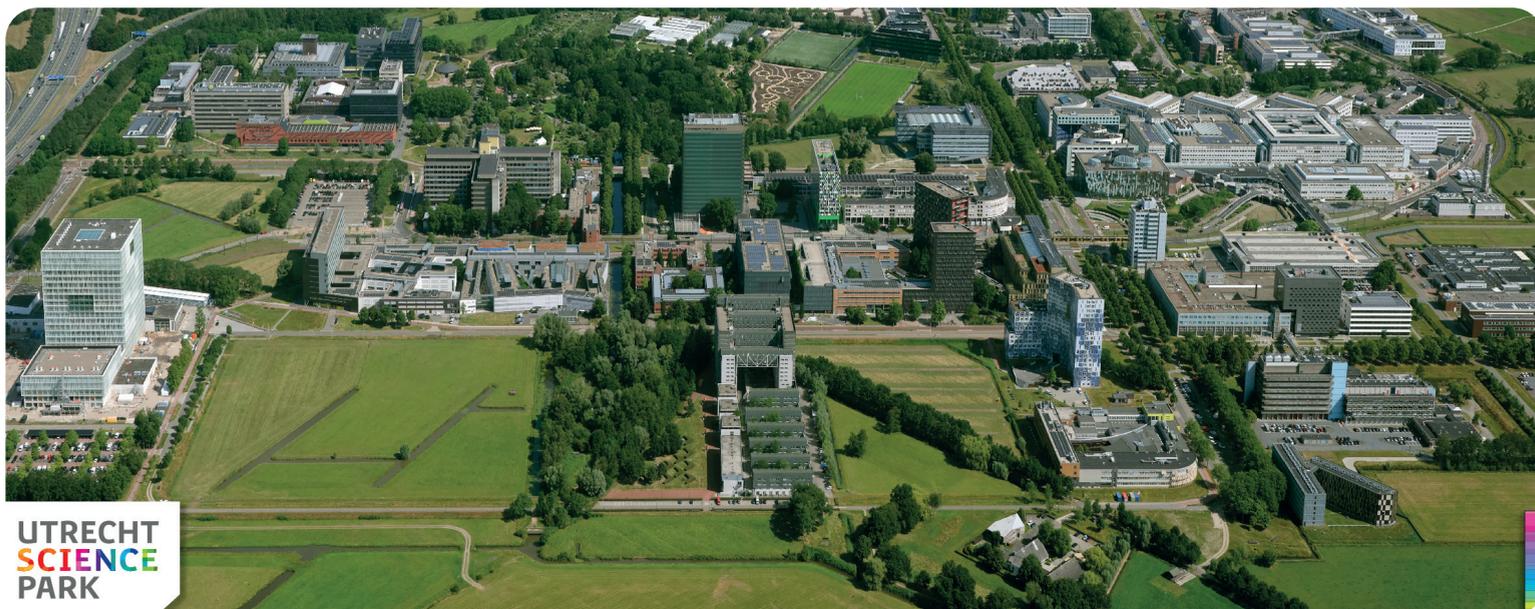


# Biotech companies at Utrecht Science Park Genmab and Merus join forces

Sources: Utrecht Science Park, Genmab, Financieel Dagblad

The Danish-Dutch biotech company Genmab is acquiring its Dutch counterpart Merus. Both companies have their main facilities next to each other at Utrecht Science Park. Genmab is paying \$8 billion (€6.8 billion) for its neighbor, thereby acquiring a promising experimental drug for head and neck cancer and colorectal cancer.



## High expectations for petosemtamab drug

Genmab is considered one of the most successful biotech companies in Europe, with a market capitalization of approximately €15.8 billion. The company is headquartered in Copenhagen and its main R&D center is located at Utrecht Science Park, where approximately 700 people work. The company is led by CEO Jan van de Winkel. Merus was founded by Ton Logtenberg, who was previously a professor of immunology at Utrecht University at the same time as Van de Winkel.

The high acquisition price for Merus is primarily based on the high expectations for the head and neck cancer drug petosemtamab. Merus's share price had already soared earlier this year following the publication of new interim research results. Of 43 seriously ill patients, 34 were still alive twelve months after treatment with petosemtamab.

## Advanced form of colon cancer

Shares in Merus rose significantly in value in May after the pharmaceutical company published positive research results for its experimental drug

against head and neck cancer. The company is also testing the efficacy of the same drug against an advanced form of colon cancer, a larger and potentially even more lucrative market.

"The proposed acquisition of Merus clearly fits our long-term strategy," Van de Winkel said in a joint press release from the two companies. He stated that the acquisition significantly advances his goal of making Genmab a global biotechnology leader.



Genmab is paying in cash. The company is also taking out \$5.5 billion in debt financing. Shares in the Danish-Dutch biotech company have already risen by a fifth this year. Investors reacted cautiously: Genmab shares fell 2.6% on the Danish stock exchange.

## 'Utrecht as a powerhouse of the biotech sector'

The knowledge and expertise of the successful

biotech company Merus will be retained in the Netherlands. According to experts, this is the most important consequence of this acquisition. "If it had been acquired by a foreign pharmaceutical company, there was a good chance that Merus and all its activities would have left the Netherlands," says Ton Logtenberg, founder and former CEO of Merus.



"This deal will make Utrecht a true powerhouse of the biotech sector," says Sebastiaan van der Schoot, financial analyst at investment bank Van Lanschot Kempen. Jan van de Winkel also indicates that the development of new medicines in the Netherlands will receive a tremendous boost thanks to this acquisition: "This is an exceptionally powerful conglomerate of research and drug development capacity. Genmab has built an impressive track record, and now we will be bringing our own medicines to market. I think that's very good for the Netherlands."