Genmab

2002 ANNUAL REPORT

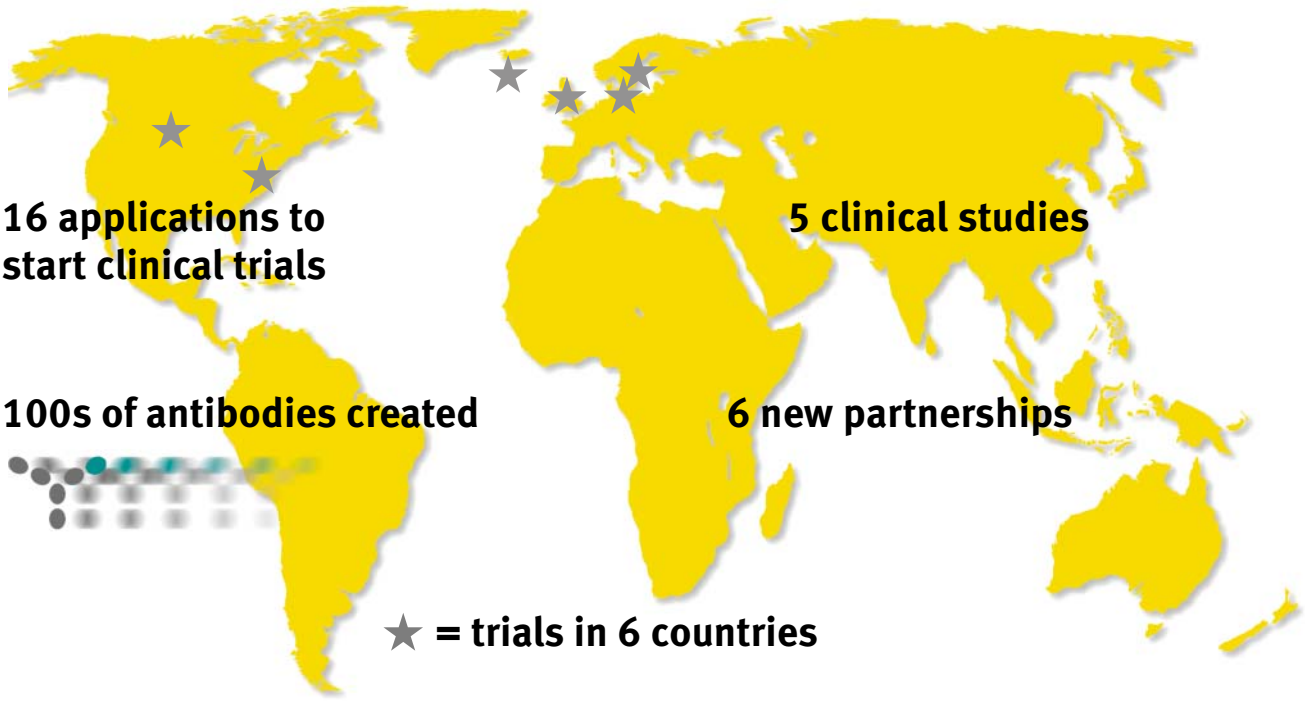
ABOUT GENMAB

Genmab A/S is a biotechnology company that creates and develops human antibodies for the treatment of life-threatening and debilitating diseases. Genmab has numerous products in development to treat cancer, rheumatoid arthritis, psoriasis and other inflammatory conditions, and intends to assemble a broad portfolio of new therapeutic products arising from research into the human genome. At present, Genmab has multiple partnerships to gain access to disease targets and develop novel human antibodies including agreements with Roche and Amgen. A broad alliance provides Genmab with access to Medarex, Inc.'s array of proprietary technologies, including the UltiMAb™ platform for the rapid creation and development of human antibodies to virtually any disease target. Genmab is headquartered in Copenhagen, Denmark and has operations in Utrecht, The Netherlands and Princeton, New Jersey in the US.

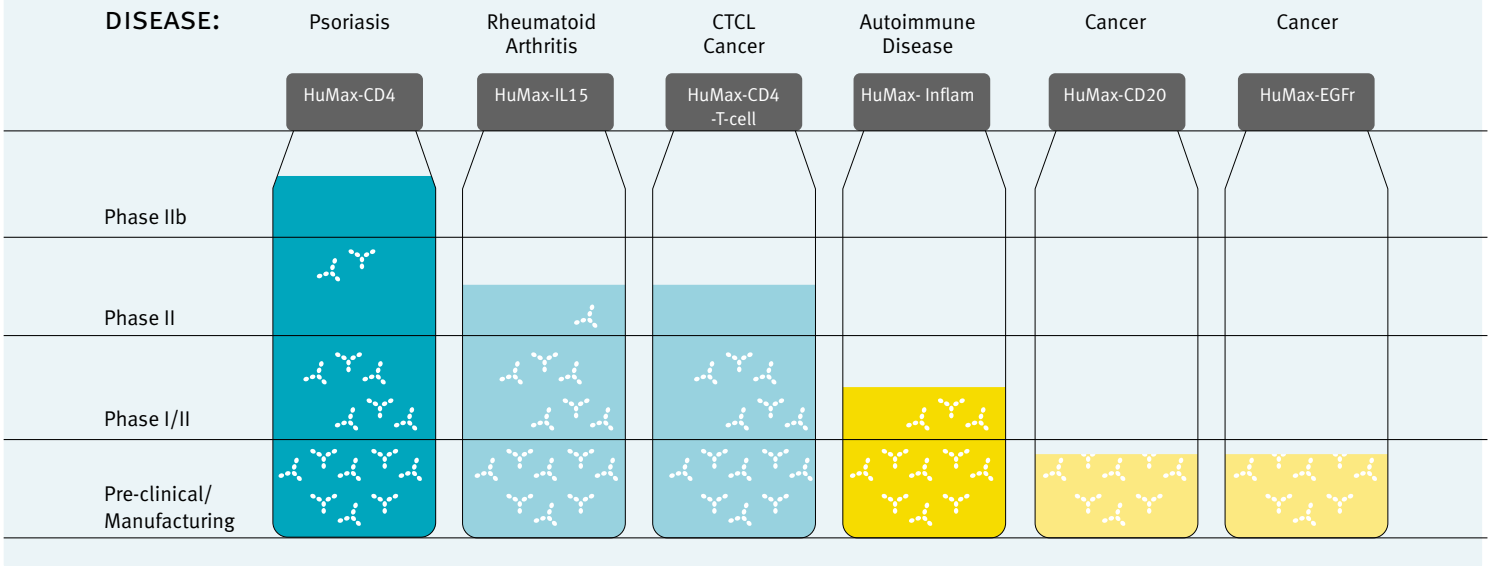
Supplementary Report
Management has chosen to place a Supplementary Report before the Directors' Report to make it easier for the reader to find detailed information on the status of Genmab's products and scientific progress. The information in the Supplementary Report is considered essential to the reader to gain an understanding of the company and its operations. Placing the Supplementary Report before the Directors' Report and the statutory parts of the Annual Report is a deviation from the Danish Financial Statements Act. The Management believes this approach facilitates a true and fair presentation of the Annual Report. All main items in the Supplementary Report have also been included in a summarized form in the Directors' Report.

CONTENTS

2002 HIGHLIGHTS



CURRENT FOCUS PROGRAMS



LETTER FROM THE CHIEF EXECUTIVE OFFICER

Dear Shareholder,

Genmab is the company that, in 2002, filed 16 Investigational New Drug and Clinical Trial Applications in six countries for five clinical programs. We are also the company that created hundreds of antibodies to more than 20 disease targets and signed six new partnerships to continue fueling the pre-clinical engine. These accomplishments form the basis of our 2003 plans to run six clinical studies, including three Phase II programs, with expectations of releasing a significant number of clinical results.

We have built a team overwhelmingly focused on bringing products forward with 82% of our approximately 200 employees working in research and development. These experienced scientists, drug development and regulatory professionals employ our human antibody technology and strong financial resources of DKK 1.37 billion (~USD 193 million) to accomplish our goals.

As we look forward to 2003 and the future of Genmab, we plan to leverage our concrete accomplishments, resources and development expertise to build a business based on therapeutic products where we believe potential revenues could be quite significant. We choose this route because most successful biotech companies to date have been built around revenues from products. We approach this goal with a desire to move medicine forward by developing new ways to treat disease and by improving on existing therapies. This is both an opportunity and a challenge, as attempts to accomplish these goals will involve some risk that not every new approach will work. To balance this risk, we will focus on building and expanding our already deep pipeline, giving Genmab, the patients who are waiting, and the investors who make this enterprise possible, multiple chances for success.

Late Stage Development

One of our achievements during 2002 was to present promising data from a Phase I/II trial for HuMax-IL15 in rheumatoid arthritis (RA), where over 60% of the patients achieved an industry recognized response of ACR20 or better. Based on these results, we are using HuMax-IL15 to treat RA in one of our Phase II programs.

Lisa N. Drakeman, Ph.D.
President & Chief Executive Officer

Our two Phase II HuMax-CD4 programs are also built on knowledge gained in 2002. Although HuMax-CD4 did not show an effect in a Phase II trial for RA, we collected a considerable body of useful data that has led us to a new potential use for this antibody. We are now putting our past work to use investigating HuMax-CD4 to treat a different disease, T-cell lymphoma, where there is a significant unmet medical need. In addition, after seeing promising results in a short-term study of psoriasis patients, we launched a Phase IIb study to treat patients for a longer period of time.

Partnerships

Our technology and antibody development capabilities attracted multiple new partners throughout 2002, and we have built up a solid base of alliances that gives us access to new disease targets. We also signed an important expansion of our partnership with the pharmaceutical company Roche at mid-year that included an equity investment in Genmab of USD 20 million. At the time, Roche announced plans to add 15 new antibody product development programs.

Dedication

One of the great strengths of Genmab is the teamwork and cooperation of our personnel, which helps us meet our goals and work in a dedicated fashion toward success for our shareholders. I would like to take this opportunity to thank all of Genmab's shareholders for your support during the past year, which enables us to continue our efforts to develop new therapeutics and to build an antibody business.

Sincerely yours,

Lisa N. Drakeman, Ph.D.
President & Chief Executive Officer

PRODUCT PIPELINE

In the four years since Genmab's inception, we have built a broad pipeline of products in various stages of development. Our current pipeline includes three Phase II products, one in Phase I/II, three in manufacturing development for upcoming clinical trials and over 10 pre-clinical programs. This portfolio of antibodies covers a broad array of diseases including various cancers, RA, psoriasis and other inflammatory conditions, and gives us multiple opportunities for success.

Phase II Products

HuMax-IL15

HuMax-IL15 is being developed through a collaboration with Amgen and is being tested in a Phase II clinical trial to treat patients with RA. This study follows promising Phase I/II data, where over 60% of patients achieved ACR20, a standard used by the US Food & Drug Administration (FDA) and other regulatory authorities as a benchmark for determining the effectiveness of a product. In addition, some patients in every dose group achieved ACR70 with 25% of patients overall achieving this score, which indicates very little disease activity. HuMax-IL15 was also shown to be safe and well-tolerated.

During 2002, Genmab also released details of a mouse disease model which demonstrated HuMax-IL15's potential to treat psoriasis. In this study, HuMax-IL15 was shown to be more effective than cyclosporine A, a standard therapy for severe psoriasis. HuMax-IL15 also has the potential to treat other autoimmune and inflammatory diseases, as

Focus Programs

Product	Pre-clinical/ Manufacturing	Phase I/II	Phase II	Phase IIb	Phase III
HuMax-CD4	Psoriasis				
HuMax-IL15	RA				
HuMax-CD4 T-Cell Lymphoma	Cancer				
HuMax-Inflam	Autoimmune Disease				
HuMax-CD20	Cancer				
HuMax-EGFr	Cancer				

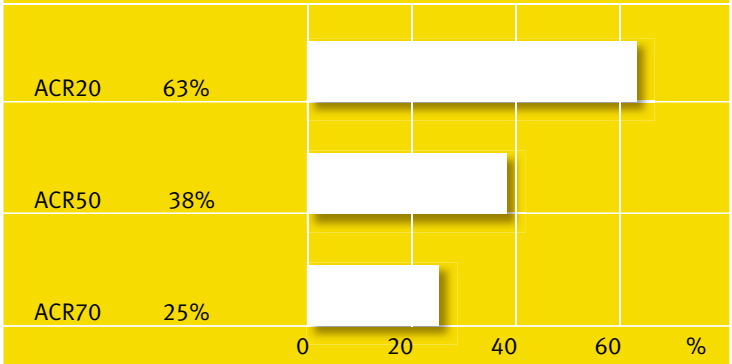
this human antibody targets Interleukin-15, a cytokine molecule involved in the inflammatory cascade at a very early stage.

HuMax-CD4

HuMax-CD4 is a human antibody currently in Phase II development for two different diseases, psoriasis and T-cell lymphoma. In earlier trials using HuMax-CD4 the antibody was shown to be safe and well-tolerated.

HuMax-IL15

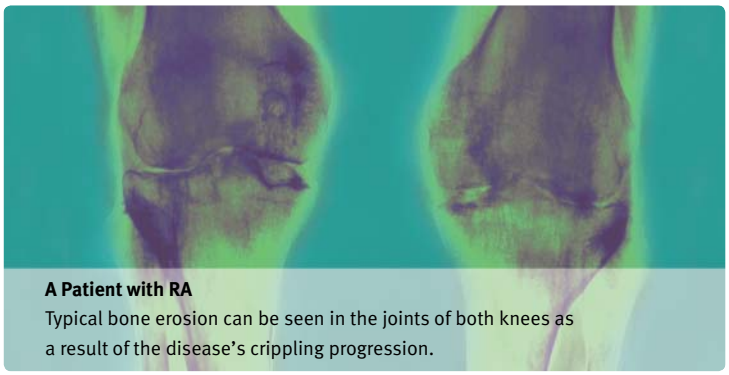
Phase I/II trial results - RA



Over 60% of patients in the trial achieved an ACR20, considered the benchmark for the effectiveness of a product. Furthermore, 38% achieved an ACR50, and 25% achieved the high score of ACR70.

PIA S: HAS SUFFERED FROM RA FOR 3 YEARS. SHE IS 50 YEARS OLD.

" RA has made me very dependent on help for everyday tasks. Emotionally I often feel powerless, and am perhaps more irritable and short-tempered than I would be otherwise. Also, I am frustrated and sad that I cannot do the things I would normally do to physically participate in family life."



A Patient with RA
Typical bone erosion can be seen in the joints of both knees as a result of the disease's crippling progression.

Rheumatoid Arthritis

Approximately one percent of the global population suffers from RA. Global sales in the RA market have been estimated for 2003 to be approximately USD 3 billion and analysts predict that growth in sales over the next few years will continue.

Source: SE Gabriel: The epidemiology of rheumatoid arthritis. Rheum Dis Clin North Am. 27:269-81, 2001

Psoriasis

Dermatologists estimate that around 2% of the global population suffers from psoriasis. According to the US National Psoriasis Foundation, around 4.4 million Americans are estimated to have psoriasis, with the US market alone estimated to be worth between USD 1.6 and 3.2 billion a year.

Psoriasis

A Phase IIb clinical trial is underway using HuMax-CD4 to treat patients with moderate to severe psoriasis. In the previous Phase IIa study completed in early 2002, a number of patients in the trial experienced long-lasting positive effects from the treatment.

T-Cell Lymphoma

Results from previous clinical studies in other disease areas have led Genmab to consider developing HuMax-CD4 to treat T-cell lymphoma. In both psoriasis and RA clinical studies, HuMax-CD4 reduced the number of memory CD4+ T-cells circulating in patients' bloodstreams. As this T-cell type resembles that of CD4+ T-cell lymphomas, and in particular cutaneous T-cell lymphoma (CTCL), HuMax-CD4 may well deplete tumor cells in such disorders.

In December 2002, Genmab filed a US IND for HuMax-CD4 to treat T-cell lymphoma. All T-cell lymphomas that express the CD4 receptor, including CTCL, are potential indications. Currently, there is an unmet medical need for this entire group of patients. At first, Genmab will focus on CTCL patients with the Phase II clinical study initially treating approximately 24 CTCL patients.

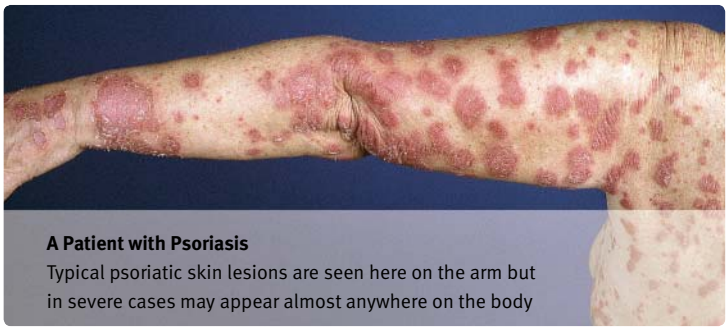
Phase I/II

HuMax-Inflam

HuMax-Inflam is in Phase I/II clinical trials to treat an undisclosed autoimmune disease. This product is being developed in collaboration with Medarex and all development costs and commercial rights are shared throughout the world with the exception of Asia, which is held by Medarex alone.

GITTE J: HAS SUFFERED FROM PSORIASIS SINCE 1970, WHEN SHE WAS 5 YEARS OLD. SHE IS 37.

" I have psoriasis on 85% of my body. It takes a long time to cream myself to stop my skin from flaking and chapping which is very painful. Another problem is meeting new people, as even adults can be unkind when commenting on my disease."



A Patient with Psoriasis
Typical psoriatic skin lesions are seen here on the arm but in severe cases may appear almost anywhere on the body

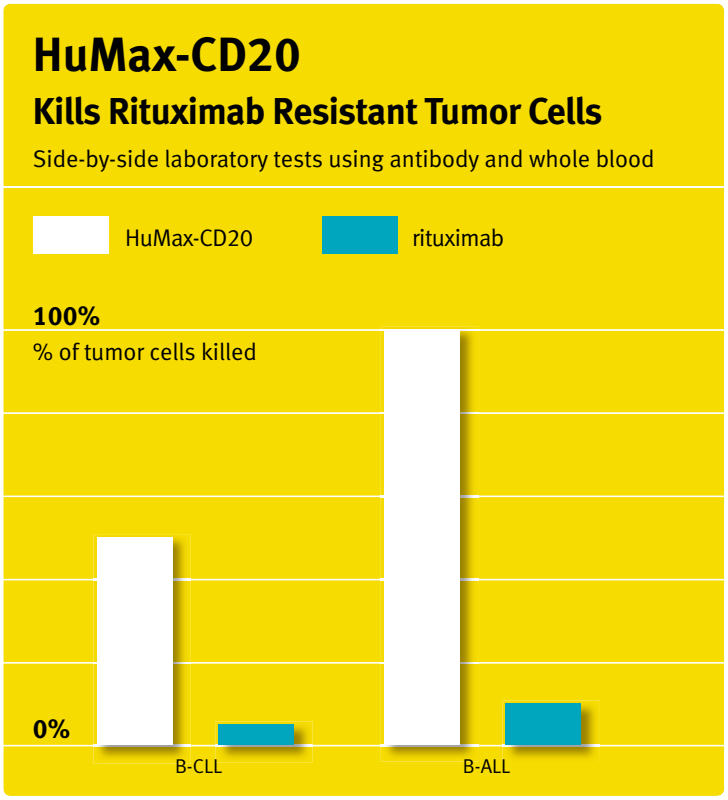
Pre-Clinical – Clinical Trial Planning Underway

HuMax-EGFr

HuMax-EGFr is a human antibody that targets the Epidermal Growth Factor Receptor, a molecule found in abundance on the surface of many cancer cells. *In vivo* mouse studies have shown that HuMax-EGFr is capable of inhibiting tumor growth as well as eradicating certain established tumors. HuMax-EGFr is in the manufacturing development stage and Genmab expects to begin a Phase I/II trial during 2003.

HuMax-CD20

In November 2002, Genmab announced its HuMax-CD20 program. Initially, Genmab will focus on using the antibody for the treatment of non-Hodgkin's lymphoma, a cancer involving B-cells. In laboratory tests, Genmab's HuMax-CD20 antibody has effectively killed tumor cells from patients, who had B-cell chronic and acute lymphocytic leukemia (B-CLL & B-ALL, respectively) that appear to resist being killed by a marketed cancer product, rituximab.



Other potential indications for treatment targeting the CD20 antigen include Crohn's disease, Wegener's Granulomatosis, other B-cell lymphomas, including mantle cell lymphoma, and autoimmune diseases such as RA. HuMax-CD20 is in pre-clinical development and the company expects to initiate a clinical trial later in 2003.

Other Pre-Clinical Programs

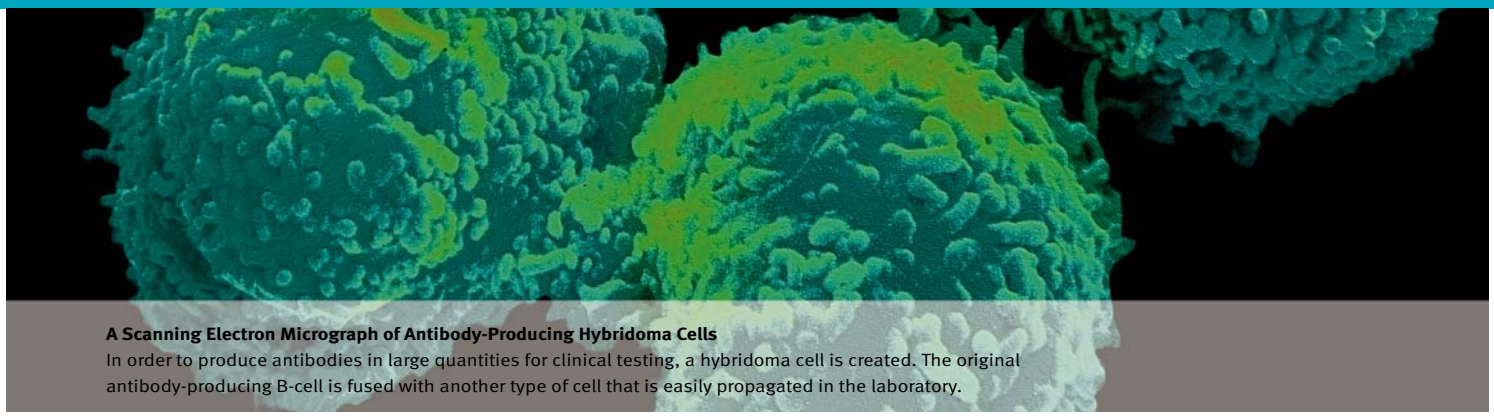
HuMax-TAC

During 2002, Genmab announced it had created HuMax-TAC for potential use in the treatment of organ transplant rejection. This product targets the Interleukin-2 receptor (IL-2R), also known as TAC, and in pre-clinical laboratory tests Genmab's lead candidate antibody appeared to be superior to at least one antibody product currently on the market. Other potential indications for treatment targeting IL-2R include graft versus host disease, T-cell leukemia, Hodgkin's disease and autoimmune diseases.

HuMax-Lymphoma

HuMax-Lymphoma is being developed through a second collaboration with Amgen to treat lymphoma, multiple myeloma and other forms of cancer. HuMax-Lymphoma is a human antibody currently in pre-clinical development that targets the IL-15 receptor that is found on certain cancer cells.

Genmab has more than 10 additional antibody programs in pre-clinical development. We are creating a significant number of potential products for Roche as well as proprietary antibodies to targets identified by our other partners or our scientific team.



A Scanning Electron Micrograph of Antibody-Producing Hybridoma Cells
In order to produce antibodies in large quantities for clinical testing, a hybridoma cell is created. The original antibody-producing B-cell is fused with another type of cell that is easily propagated in the laboratory.

BUILDING A BUSINESS

Team

Genmab has assembled pre-clinical and clinical teams with high levels of skill and experience and has established a streamlined process to coordinate the activities of product discovery, manufacturing, pre-clinical testing, clinical trial design, data management and regulatory submissions.

At our state-of-the-art laboratories in Utrecht, The Netherlands, Genmab's scientific team is under the direction of Chief Scientific Officer, Professor Jan van de Winkel, a leading antibody scientist with a record of over 225 academic publications. Here, Genmab scientists create and select antibodies with the best characteristics to become potential therapeutic products. For each new disease target, they generate an entire panel of antibodies and subject these to extensive and rigorous testing, employing our wide array of laboratory tests and animal disease models. The goal is to use these broad capabilities to choose the clinical candidate with the best possible characteristics for treating a particular disease and to move forward as efficiently as possible.

Genmab's clinical team is led by Chief Operating Officer, Dr. Claus Møller, who has extensive experience managing clinical studies in both the pharmaceutical and biotech industries. Dr. Møller's group builds on the work carried out

Prof. Jan G. J. van de Winkel, Ph.D.
Chief Scientific Officer &
Senior Vice President

in the company's laboratories by bringing our pipeline of HuMax™ products through the regulatory process and into clinical development. Genmab's clinical group plans and conducts our studies on the basis of widespread international experience, managing the process in-house from pre-clinical development through data management.

Technology

Antibodies are an important part of the body's natural defense system and are normally produced by our immune system to help our bodies fight disease. Antibodies have the advantage of being very specifically targeted to a particular disease, and have relatively few side effects since they are a part of the body's own natural disease fighting system. Our immune system however, does not normally make antibodies to our own cells, such as cancer cells. Therefore, for conditions such

Claus Juan Møller-San Pedro, M.D., Ph.D.
Chief Operating Officer &
Senior Vice President

as cancer or autoimmune diseases, it is necessary to create special antibodies to guide the immune system.

Genmab creates the antibodies that nature forgot, using transgenic mice to produce antibodies that are 100% human. Our HuMax™ antibodies also have the advantage that they are often 100 to 1,000 times better at finding and binding to their target than earlier generations of laboratory generated antibodies.

Genmab has licensed the rights to use this transgenic mouse technology, the UltiMAb™ platform, from the US biotechnology company Medarex. Under this agreement, Genmab has the right to obtain licenses for an unlimited number of antibodies and owns the worldwide development and commercialization rights to these products. Genmab's principal obligation under this agreement is to make royalty payments in connection with any such product licenses. Genmab received these rights in exchange for stock in the company, and we also received 16 fully paid up product licenses, which require no further payments to Medarex. Medarex currently holds approximately 31% of our stock.

Partners

Genmab uses both in-house competences as well as alliances with target discovery companies to find new and interesting disease targets. During 2002, our business development team led by Head of Business Development, Dr. Ernst Schweizer signed six new partnerships with companies who had the potential to provide Genmab with novel disease targets.

In June 2002, we expanded our alliance with the pharmaceutical company Roche. At the time, Roche announced plans to identify 15 new antibody programs. Under the current agreement, Genmab will receive milestones as well as royalty payments on successful products and in certain circumstances Genmab could obtain rights to develop products based on disease targets identified by Roche. If all goals are reached, the value of the collaboration to Genmab could be as high as USD 100 million plus royalties.

Ernst H. Schweizer, Ph.D.
Head of Business
Development

Genmab also has a product development collaboration with Amgen which covers two products, HuMax-IL15, for a variety of diseases, and HuMax-Lymphoma for the treatment of cancer. Genmab is responsible for the clinical development of both products through Phase II clinical trials. Amgen has an exclusive option to assume development responsibility for Phase III clinical trials, and then to market and sell these products should they receive FDA approval. Should Amgen exercise its option on either of these programs, in each case, it would be responsible for future development costs and would pay Genmab a license fee, milestones and profit sharing payments upon successful commercialization.

Resources

Genmab has a strong cash position of DKK 1.37 billion, (~USD 193 million), as of 31 December 2002. Genmab is an international company and with its headquarters in Denmark and laboratories in The Netherlands, it is easily accessible to partners and to clinical sites in Europe. We also maintain a clinical and administrative division in the US.

DIRECTORS' REPORT

Genmab is a biotechnology company that creates and develops human antibodies for the treatment of life-threatening and debilitating diseases. Genmab has numerous products in development and has multiple partnerships to gain access to disease targets and develop novel human antibodies. The company's operations are conducted on a worldwide basis through the parent company Genmab A/S in Denmark and the subsidiaries Genmab B.V. in The Netherlands and Genmab, Inc. in the US. The Directors' Report has been prepared on a group level, unless otherwise specifically stated.

The company has not yet generated revenues from the sale of its products. Consequently, accumulated losses of DKK 702 million have been incurred since inception. During the 12 months ending 31 December 2002, a net loss of DKK 479 million has been reported and cash and marketable securities decreased by DKK 230 million from DKK 1,599 million to DKK 1,369 million.

2002 Highlights

In 2002, Genmab filed 16 Investigational New Drug and Clinical Trial Applications in six countries for five clinical programs. We also created hundreds of antibodies for more than 20 disease targets and signed six new partnerships to support our future pre-clinical research activities. These accomplishments form the basis of our 2003 plans to run six clinical studies, including three Phase II programs, with expectations of releasing a significant number of clinical results. Some highlights of 2002 are as follows:

HuMax-IL15

- Positive Phase I/II rheumatoid arthritis (RA) results – over 60% of patients achieved ACR20
- Initiated Phase II study in RA

Michael Wolff Jensen, L.L.M.
Chief Financial Officer,
Senior Vice President
and Corporate Counsel

- HuMax-IL15 shown more effective against psoriasis than standard therapy (cyclosporine A) in an animal disease model

HuMax-CD4

- Phase II psoriasis study showed long-lasting effects
- Initiated Phase IIb study in psoriasis
- Filed IND to treat T-cell lymphoma in two Phase II studies

HuMax-Inflam

- Filed Clinical Trial Application to begin Phase I/II autoimmune disease trial, in partnership with Medarex

HuMax-CD20

- Pre-clinical data showed HuMax-CD20 superior to marketed product rituximab

Corporate Partnerships

- Announced six new partnerships including major expansion of collaboration with Roche, including a USD 20 million equity investment in Genmab

Operational Development

Product Pipeline

In the four years since Genmab's inception, we have built a broad pipeline of products in various stages of development.

DIRECTORS' REPORT

Our current pipeline includes three Phase II products, one in Phase I/II, three in manufacturing development for upcoming clinical trials, and over 10 pre-clinical programs. This portfolio of antibodies covers a broad array of diseases including various cancers, RA, psoriasis and other inflammatory conditions.

Phase II Products

HuMax-IL15

HuMax-IL15 is being developed through a collaboration with Amgen and is being tested in a Phase II clinical trial to treat patients with RA. This study follows promising Phase I/II data, where over 60% of patients achieved ACR20. HuMax-IL15 was also shown to be safe and well-tolerated.

During 2002, Genmab released details of a mouse disease model which demonstrated HuMax-IL15's potential to treat psoriasis. In this study, HuMax-IL15 was shown to be more effective than cyclosporine A, a standard therapy for severe psoriasis. HuMax-IL15 has the potential to treat other autoimmune and inflammatory diseases, as this human antibody targets Interleukin-15, a cytokine molecule involved in the inflammatory cascade at a very early stage.

HuMax-CD4

HuMax-CD4 is a human antibody currently in Phase II development for two diseases, psoriasis and T-cell lymphoma.

Psoriasis

A Phase IIb clinical trial is underway using HuMax-CD4 to treat patients with moderate to severe psoriasis. In the previous Phase IIa study completed in early 2002, a number of psoriasis patients in the trial experienced long-lasting positive effects from the treatment.

T-Cell Lymphoma

Results from previous clinical studies in other disease areas have led Genmab to consider developing HuMax-CD4 to treat T-cell lymphoma. In both psoriasis and RA clinical studies, HuMax-CD4 reduced the number of memory CD4+ T-cells circulating in patients' bloodstreams. As this T-cell type resembles that of CD4+ T-cell lymphomas, and in particular CTCL, we are testing HuMax-CD4 to determine its effectiveness against tumor cells in such disorders.

In December 2002, Genmab filed a US IND for HuMax-CD4 to treat T-cell lymphoma and is initiating this study in early 2003. Currently, there is an unmet medical need for this entire group of patients.

Rheumatoid Arthritis

Based upon 2002 clinical results Genmab decided to wind down its HuMax-CD4 RA program. This event, in combination with general market conditions, caused a decline in the company's share price at the time. Following this event, the board adjusted the budget with a focus on cost control while continuing to fund the broad development pipeline described in this report. Through the RA study, we also collected significant safety data and gained additional insight to investigate other potential uses of HuMax-CD4, such as to treat T-cell lymphoma.

Phase I/II Products

HuMax-Inflam

HuMax-Inflam is in Phase I/II clinical trials to treat an undisclosed autoimmune disease. This product is being developed in collaboration with Medarex and all development costs and commercial rights are shared throughout the world, with the exception of Asia, which is held by Medarex alone.

DIRECTORS' REPORT

Pre-Clinical – Clinical Trial Planning Underway

HuMax-EGFr

HuMax-EGFr is a human antibody that targets the Epidermal Growth Factor Receptor, a molecule found in abundance on the surface of many cancer cells. *In vivo* mouse studies have shown that HuMax-EGFr is capable of inhibiting tumor growth as well as eradicating certain established tumors. HuMax-EGFr is in the manufacturing development stage and Genmab expects to initiate a Phase I/II clinical trial during 2003.

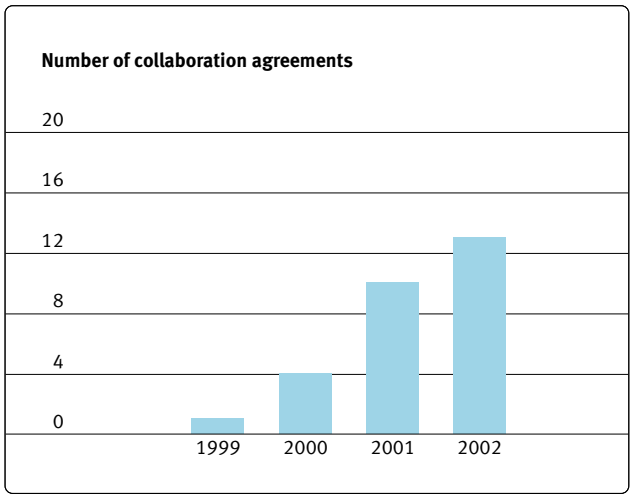
HuMax-CD20

In November 2002, Genmab announced its HuMax-CD20 program. Initially, Genmab expects to focus on using the antibody for the treatment of non-Hodgkin's lymphoma. In laboratory tests, Genmab's HuMax-CD20 antibody has effectively killed tumor samples from patients, even cells with complement defense that appear to resist being killed by a marketed cancer product, rituximab.

HuMax-CD20 is in pre-clinical development and Genmab expects to initiate a Phase I/II clinical trial later in 2003.

Other Pre-Clinical Programs

Genmab has more than 10 additional antibody programs in pre-clinical development. The most advanced of our pre-clinical programs are HuMax-TAC (potential use in treatment of organ transplant rejections) and HuMax-Lymphoma (potential use in treatment of lymphoma, multiple myeloma and other forms of cancer). We are also creating a significant number of potential products for Roche as well as proprietary antibodies to targets identified by our other partners or our scientific team.



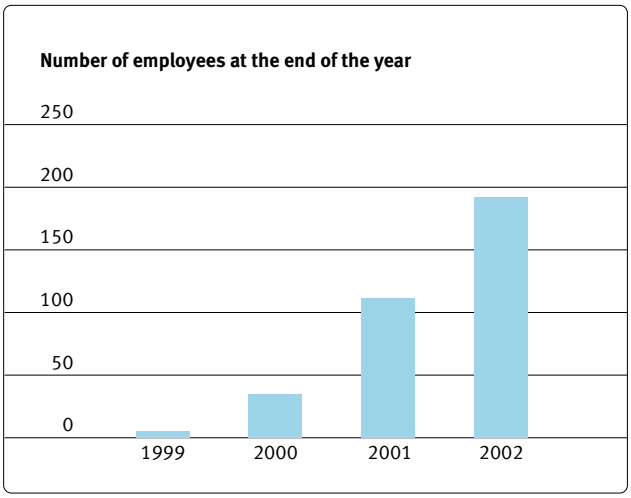
Please refer to the Product Pipeline in the Supplementary Report for further descriptions of the products under development.

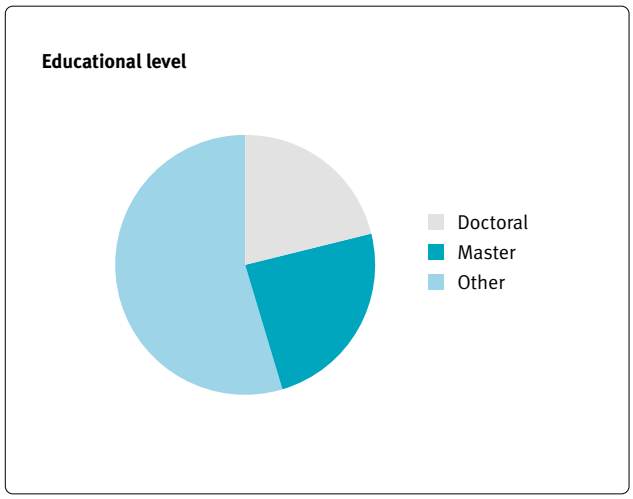
Partners

As part of our strategy to build a broad portfolio of products, Genmab maintains a number of partnerships with both biotechnology and pharmaceutical companies, including both Roche and Amgen. Through these partnerships, Genmab gains access to interesting disease targets that may be suitable for antibody therapeutic products. Genmab entered six new partnerships in 2002.

Genmab's partnership with Roche, originally signed in 2001, is focused primarily on upfront milestone and royalty payments. In 2002, we expanded our collaboration and Roche made an equity investment in Genmab totaling USD 20 million at a price of DKK 180 per share. The expanded program involves a number of new disease targets from Roche. Under the current agreement, Genmab will receive milestones as well as royalty payments on successful products and, in certain circumstances, Genmab could obtain rights to develop products based on disease targets identi-

DIRECTORS' REPORT





fied by Roche. If all goals are reached, the value of the milestones alone in the collaboration could be as high as USD 100 million, with additional royalties. In January 2003, Genmab achieved the first milestone in the Roche collaboration. This first milestone did not trigger any additional cash payment to Genmab.

Genmab also has a product development collaboration with Amgen which covers two products, HuMax-IL15, for a variety of diseases, and HuMax-Lymphoma for the treatment of cancer. Genmab is responsible for the clinical development of both products through Phase II clinical trials. Amgen has an exclusive option to assume development responsibility for Phase III clinical trials, and then to market and sell these products should they receive FDA approval. Should Amgen exercise its option on either of these programs, in each case, it would be responsible for future development costs and would pay Genmab a license fee, milestones and profit sharing payments upon successful commercialization.

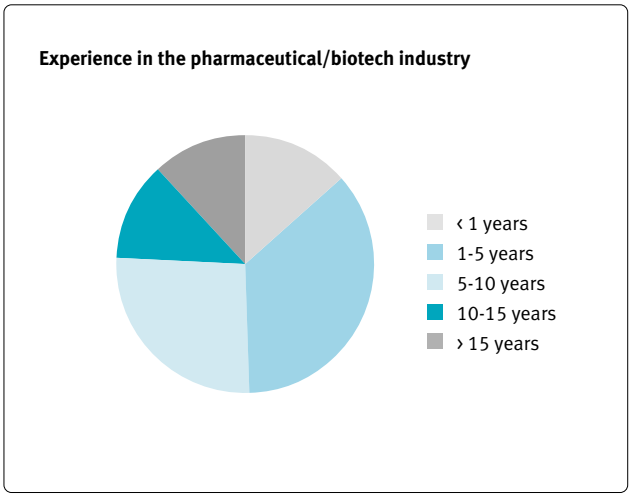
Human Resources

Developing biotechnology products requires highly skilled, experienced people across a broad number of technical and business areas. One of Genmab's strengths is its highly trained and experienced teams and the organization of those teams.

Genmab has assembled a pre-clinical and clinical team with a high level of skill and experience and has established a streamlined process to coordinate the activities of product discovery, manufacturing, pre-clinical testing, clinical trial design, data management and regulatory submissions. Our workforce is concentrated in research and development. At the end of 2002, 158 people, 82% of our 192 employees, were employed in research and development activities.

In keeping with the technical demands of biotechnology, Genmab's employees are highly educated. Among the 192 employed at the end of 2002, 41 employees, or 21%, had achieved a doctoral degree including 4 who hold both an M.D. and a Ph.D. In addition, 47 employees, or 25%, hold

DIRECTORS' REPORT



Master degrees. This yields an overall 46% of employees with advanced degrees.

Genmab's team is also highly experienced in the pharmaceutical and biotechnology industry, particularly among the more senior personnel. On average, employees at the manager level and above have 10 years of experience.

To attract and retain our highly skilled workforce, Genmab offers competitive remuneration including a warrant program. Please refer to the notes to the financial statements for further details on the remuneration and the warrant program.

Financial Development

Effective from 1 January 2002, the company adopted the International Financial Reporting Standards ("IFRS") as well as the new Danish Financial Statements Act of 2001. The financial statements for 2002, including the comparative figures, have been presented in accordance with these provisions. In previously issued financial statements, the company applied generally accepted Danish accounting principles, which were aligned to generally accepted accounting principles in the US ("US GAAP") wherever possible. As noted above, IFRS are now considered the primary framework for our accounting and reporting. However, in the accompanying notes, a reconciliation has been provided between the reported result and the result under US GAAP.

The changes in accounting policies have had no affect on current or prior years' results or shareholders' equity. The changes have only led to minor differences in classifications, presentation and disclosures.

Please refer to Note 1 to the financial statements for additional descriptions of the changes in accounting policies.

Result for the Year

The company's operating loss for the year is DKK 483 million and is in line with expectations previously provided to the Copenhagen Stock Exchange. On 14 October 2002, the company informed the Copenhagen Stock Exchange that we were expecting an increase in the operating loss "of less than 100%" compared to 2001. During the fourth quarter, the company announced its decision to postpone indefinitely plans to build a manufacturing facility. This resulted in a DKK 43 million write-down of previously capitalized project costs. Management was satisfied with the results for the year despite the write-down.

Research and Development Costs

Research and development costs increased by DKK 200 million, from DKK 196 million for the financial year ended 31 December 2001 to DKK 396 million for the financial year ended 31 December 2002. This corresponds to an increase of 102%, which was principally due to increased pre-clinical and clinical

DIRECTORS' REPORT

trial activities, payment of license fees and costs associated with the increase in the number of employees during the year. Research and development costs are not expected to increase in 2003 as strengthened in-house expertise and general cost control efforts will contribute to the financing of the increasing number of clinical trials.

General and Administrative Expenses

General and administrative expenses increased by DKK 32 million, from DKK 55 million for the financial year ended 31 December 2001 to DKK 87 million for the financial year ended 31 December 2002. This corresponds to an increase of 58%, which was primarily attributable to the expansion of our activities in the US and increased personnel costs incurred in connection with the general expansion of our business activities.

Manufacturing Facility

Although in the past many industry experts have projected a shortage of contract manufacturing capacity for biologic products, recent developments appear to show that adequate capacity exists at present. New manufacturing facilities are coming into operation in both the US and Europe at the same time as some late stage products have been withdrawn from development. Consequently, in November 2002, Genmab announced an indefinite postponement of plans to build its own manufacturing facility. Accordingly, we have written down DKK 43 million in previously capitalized costs, primarily comprising direct costs of employees and costs to subcontractors related to the conceptual design of the facility. Although we believe the work performed on the conceptual design could be used for a future project, it is not considered reasonable to carry forward such an asset for an indefinite period of time. We will continue to rely on our growing network of third party contract manufacturers, that currently includes DSM Biologics, Lonza and Medarex, to produce our antibody materials for clinical trials.

Financial Items

Financial income decreased by DKK 7 million, from DKK 107 million for the financial year ended 31 December 2001 to DKK 100 million for the financial year ended 31 December 2002. This decrease reflects lower yield on the lower average cash balance throughout 2002.

Financial expenses increased by DKK 28 million, from DKK 25 million for the financial year ended 31 December 2001 to DKK 53 million for the financial year ended 31 December 2002. The financial expenses are mainly caused by the fluctuating exchange rates as the USD weakened against the DKK. During 2002, the USD decreased by 16% against the DKK, going from 8.4095 DKK/USD at the end of 2001 to 7.0822 DKK/USD at the end of 2002. Had the USD remained constant against the DKK throughout 2002, net financial income would have been approximately DKK 14 million higher. In contrast, during 2001, the USD increased by 5% against the DKK.

Cash Flow

As of 31 December 2002, the balance sheet reflects cash, cash equivalents and short-term marketable securities of DKK 1,369 million compared to DKK 1,599 million at 31 December 2001. This represents a net decrease of DKK 230 million. The total burn rate, defined as cash flow from operating activities after financial items together with the investment activities excluding buying and selling of marketable securities classified as available for sale, was DKK 396 million for 2002 and DKK 185 million for 2001. The increase mainly reflects the increased operating activities.

The cash position benefited from the subscription of 880,100 shares at a price of DKK 180 per share by Roche in June 2002. The positive net cash flow from financing activities equalled DKK 157 million for the financial year ended 31 December 2002.

DIRECTORS' REPORT

Key Figures and Financial Ratios

The following key figures and financial ratios have been prepared on a consolidated basis and include all years of operation. The financial ratios have been calculated in accordance with the guidelines of the Association of Danish Financial Analysts. The figures have been stated in thousands, except for the financial ratios.

	2002	2002	2001	2001	2000	2000	1999	1999
	DKK'000	USD'000 (Unaudited)	DKK'000	USD'000 (Unaudited)	DKK'000	USD'000 (Unaudited)	DKK'000	USD'000 (Unaudited)
Income Statement								
Research and development costs	(396,234)	(55,948)	(195,660)	(27,627)	(61,226)	(8,645)	(16,691)	(2,357)
General and administrative expenses	(86,847)	(12,263)	(54,939)	(7,757)	(16,440)	(2,321)	(2,190)	(309)
Operating result	(483,081)	(68,211)	(250,599)	(35,384)	(77,666)	(10,966)	(18,881)	(2,666)
Net financial income	46,985	6,635	81,887	11,562	41,317	5,834	1,000	141
Net result	(479,329)	(67,681)	(168,717)	(23,823)	(36,349)	(5,132)	(17,881)	(2,525)
Balance Sheet								
Cash and marketable securities	1,368,735	193,264	1,599,235	225,810	1,765,045	249,223	39,108	5,522
Total assets	1,583,136	223,538	1,811,633	255,800	1,946,066	274,783	83,296	11,761
Shareholders' equity	1,399,169	197,561	1,711,930	241,723	1,867,587	263,702	80,866	11,418
Share capital	22,717	3,207	21,812	3,080	21,812	3,080	672	95
Investments in tangible fixed assets	111,038	15,678	50,300	7,102	4,519	638	551	78
Cash Flow Statement								
Cash flow from operating activities	(308,316)	(43,532)	(126,121)	(17,809)	(8,707)	(1,229)	(9,459)	(1,336)
Cash flow from investing activities	238,552	33,683	253,683	35,820	(1,767,951)	(249,633)	(784)	(111)
Cash flow from financing activities	156,849	22,146	58	8	1,775,792	250,740	49,226	6,951
Cash and cash equivalents	252,946	35,716	165,861	23,419	38,241	5,400	39,108	5,522
Financial Ratios								
Basic and diluted net loss per share	(21.5)	(3.0)	(7.7)	(1.1)	(2.6)	(0.4)	(3.3)	(0.5)
Year-end share market price	24.33	3.44	169.89	23.99	181.36	25.61	-	-
Share market price / equity value	0.40	0.40	2.16	2.16	2.12	2.12	-	-
Shareholders' equity per share	61.59	8.70	78.49	11.08	85.62	12.09	12.04	1.70
Average number of employees	157	157	70	70	16	16	2	2
Number of employees at year-end	192	192	111	111	35	35	4	4

The key figures and financial ratios have been adjusted to reflect the changes in accounting policies.

DIRECTORS' REPORT

Cost Efficiency

Genmab continuously focuses on its cost control procedures to ensure effective monitoring of all costs incurred and to provide updated estimates on costs and cash flows to support decision-making. These procedures include periodic reviews of results and analyses of financial and non-financial information. We have various policies in place regarding authorization limits and approval procedures to ensure that we address both short-term and long-term financial consequences in our decision-making process.

Currencies

The company's financial statements are reported in Danish Kroner (DKK). Solely for the convenience of the reader, the financial statements contain a conversion of certain DKK amounts into US Dollars (USD) at specified rates. This conversion has been made at the exchange rate in effect at the balance sheet date. These converted amounts should not be construed as representations that the DKK amounts actually represent such USD amounts or could be converted into USD at the rates indicated or at any other rate.

Unless otherwise indicated, conversions herein of financial information into USD have been made using the Danish Central Bank closing spot rate on 31 December 2002, which was USD 1.00 = DKK 7.0822.

Subsequent Events

On 9 January 2003, Genmab announced that it had achieved the first milestone in its collaboration with Roche, as a human antibody generated by Genmab had effectively reached proof of concept in an animal disease model. Under the agreement with Roche, Genmab will receive milestone payments as well as royalty payments on products. This first milestone did not trigger any additional cash payment to Genmab.

On 27 and 29 January 2003, Genmab announced that the US FDA approved both the start of two Phase II open label studies using HuMax-CD4 to treat cutaneous T-cell lymphoma (CTCL) and a Phase II study using HuMax-IL15 to treat RA.

On 7 February 2003, Genmab announced new pre-clinical data on HuMax-CD20 and HuMax-EGFr, which indicated that both antibodies appeared to have positive effects in the treatment of cancer.

No significant events have occurred since the balance sheet date which could significantly affect the financial statements as of 31 December 2002.

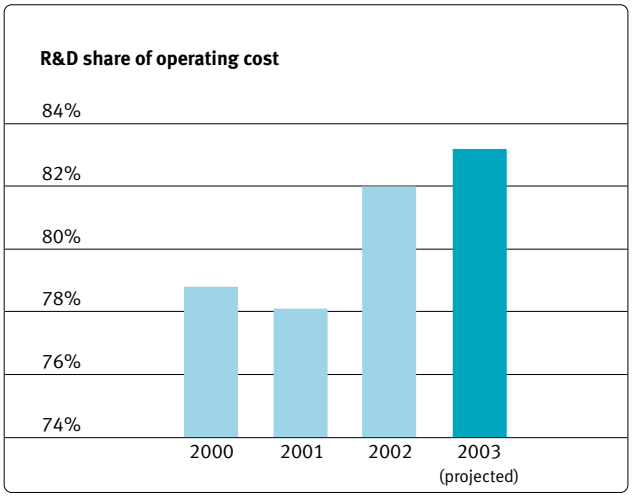
Outlook

As Genmab continues to develop its business and makes progress in the development of both clinical and pre-clinical programs, the company expects to incur additional losses in the financial year ending 31 December 2003.

In 2003, Genmab expects to conduct a total of six clinical studies. This includes three Phase II programs: HuMax-IL15 for RA, HuMax-CD4 for psoriasis and HuMax-CD4 for T-cell lymphoma. We expect to see progress within the clinical studies and release a significant number of clinical results. In addition, the company expects to start clinical trials with HuMax-EGFr, HuMax-CD20 and HuMax-Inflam.

We also expect to initiate the development of antibodies for a large number of new targets in our laboratories. In short, we will increase both our clinical and pre-clinical activities in 2003. Further, Genmab expects to enter into new collaboration agreements with pharmaceutical or biotechnology companies to access additional disease targets.

DIRECTORS' REPORT



Current expectations are that the company's operating activities will result in a slight decrease in expenditures in 2003 compared to 2002. The company is working towards this goal through a combination of strengthened in-house expertise and general cost control efforts. In addition, although we will conduct more clinical studies in 2003 than in the previous year, we will not have expenses related to a large Phase III program as we did in 2002. At present, subject to possible variation in costs derived from clinical activities and related expenses, we are projecting an operating loss in 2003 of DKK 435 to 455 million compared to the DKK 483 million reported for 2002, assuming that no further agreements are entered into during 2003 that could materially affect the results.

Under the conditions described above, the net loss for 2003 is expected to be in the range of DKK 390 to 430 million compared to the net loss of DKK 479 million for 2002.

The cash used in operations and investment activities is expected to reduce the company's cash, cash equivalents and short-term marketable securities by a range of approximately DKK 340 to 360 million in 2003. No cash flow from financing activities is included in this estimate. As of 1 January 2003, the total holdings equal DKK 1,369 million.

Corporate Governance

Genmab believes that commitment to good corporate governance is an important measure for enhancing the confidence of current and future shareholders, investors and corporate partners, on both the national and international level. To a large extent, the existing principles of Genmab's governance coincide with the main recommendations of the "Nørby-report" of 2001, which is a list of recommendations made by an influential committee in Denmark.

Genmab believes that one of the keystones of corporate governance relates to the composition of the board of directors. Regarding the composition of the board of directors, the "Nørby-report" recommends that members of the board possess the relevant knowledge and professional experience regarding the business conducted by the company and, in particular, the necessary international background and experience. Genmab believes that it is of great importance for the future success of any company that the majority of the board of directors has international industry experience, because biotechnology products are developed for international markets and competition is likely to be worldwide. The majority of Genmab's board members have many years of experience at high-level positions in the international biotech or pharmaceutical industry with companies such as Novartis, Roche and Immunex. Other members of our board have many years of experience with corporate issues. Please refer to the pages 54 through 55 for further information on the individual board members.

The "Nørby-report" recommends that the standard guidelines contained in the report on corporate governance should be

DIRECTORS' REPORT

amended to fit the specific circumstances of each individual company. In line with the intention of the "Nørby-report", to better conform to our operations, our corporate governance principles do differ from some of the standard recommendations. As the characteristics of Genmab differ somewhat from many other Danish companies, we believe the alternative chosen by the company represents more suitable governance for us as a biotechnology company, which is highly specialized in nature.

As Genmab continues to grow and mature, changes in the applied principles of corporate governance will continue to be implemented. These changes are, for the most part, amending the corporate governance to coincide with the recommended standards of the "Nørby-report". For example, Genmab has applied the International Financial Reporting Standards for the first time in the financial statement as of 31 December 2002 and has also implemented a competitive remuneration for the members of the board of directors as of 1 July 2002, as recommended in the said report.

Genmab will continue to actively pursue a strategy of good corporate governance and will continue to monitor the development within corporate governance so our corporate governance principles coincide as much as possible with such stated principles. Please refer to the following paragraphs for further information of the risk management of the company.

Risk Management

Financial Risks

The company keeps certain amounts invested in USD in order to hedge future expenses in USD during the subsequent 12-18 months period. Approximately 10% of cash, cash equivalents and marketable securities are invested in USD denominated securities. This exposes Genmab to a risk of foreign currency fluctuations. No financial instruments, such as options or futures contracts, have been entered into to reduce the exposure to short-term changes in foreign currency exchange rates as the open position will be offset by certain of the company's expenses, which we expect to incur in USD. Based upon the amount of assets and liabilities denominated in USD as of 31 December 2002, a 10% change in the USD to DKK exchange rate will impact our net financial items by approximately DKK 10 million.

The primary objective of Genmab's investment activities is to preserve capital while at the same time maximizing the income derived from security investments without significantly increasing risk. Currently, a portfolio of cash, cash equivalents and marketable securities is maintained by investing in deposits with major financial institutions, money market funds, corporate bonds and DKK denominated notes issued by the Danish government as well as USD denominated notes issued by the US government. Some of the securities in which the company has invested may bear interest rate risk. This means that a change in market derived interest rates may cause the fair value of the principal amount of the investment to fluctuate. To minimize future risks, the company maintains its investment portfolio in a variety of securities, including commercial papers, money market funds, government and non-government debt securities. Due to the short-term nature of the current investments, no material exposure to interest rate risk arising from the investments is expected.

All investments in marketable securities are made in accordance with our investment policy, which allows only investments in certain low-risk securities with duration of less than three years.

DIRECTORS' REPORT

Other Risks

For companies in the pharmaceutical or the biotechnology industry, the development of drugs is subject to considerable risks. As not everything is known about the nature of disease or the way experimental therapeutical products can affect the disease process, a significant number of new products do not successfully reach the marketplace. Development is subject to risk as the outcome of clinical trials is never certain and the subsequent ability to obtain regulatory approval cannot be guaranteed. Genmab seeks to minimize the risk by developing a broad portfolio of products, thus increasing the opportunity for success.

The inherent development risk is associated with projects undergoing pre-clinical as well as clinical development, along with the regulatory approval process. To ensure the optimal management of all projects, Genmab has both a Discovery Committee and a Development Committee. The primary focus of these two committees is to accelerate the assessment and development of various programs.

No significant environmental impact is associated with the activities of the company. The company carries out its research activities in state-of-the-art laboratory facilities which are designed to reduce any environmental impacts.

Ownership and Shareholder Information

On 31 December 2002, the share capital of Genmab A/S comprised 22,716,620 shares of DKK 1 each. All shares have the same rights. The number of registered shareholders totaled 7,930 shareholders holding a total of 21,881,273 shares, which represented 96% of the share capital. Genmab is listed at the Copenhagen Stock Exchange under the symbol GEN and the identification code for the securities is DK0010272202.

During 2002, Genmab decided to delist from the Neuer Markt at the Frankfurt Stock Exchange. One factor in deciding to delist was that since listing at the Neuer Markt in 2000, less than 5% of our shares had been traded at Neuer Markt. Genmab will, however, continue to serve current and potential investors in Germany by maintaining some investor and media relations and activities.

In 2002, a total of 880,100 shares at a price of DKK 180 per share were subscribed by Roche in connection with the major expansion of the collaboration agreement announced in June 2002. Also, 24,500 new shares were subscribed at a price of DKK 48.90 – 59.80 per share by a number of employees exercising a total of 24,500 warrants. The cost incurred in connection with the capital increases in 2002 amounted to approximately DKK 3 million.

The following shareholders are listed in the register of shareholders as the owners of a minimum 5% of the votes or a minimum 5% of the share capital:

- GenPharm International, Inc., 2350 Qume Drive, San Jose, CA 95131, USA (31%)
- Aktieselskabet BankInvest Biomedicinsk Venture II, Sundkrogsgade 7, 2100 Copenhagen, Denmark (8%)
- Biotech Turnaround Fund, Kenaupark 3, 2011 MP Haarlem, The Netherlands (5%)

Distribution of the Year's Result

It is proposed that the year's loss of DKK 479 million be carried forward by transfer to accumulated deficit.

DIRECTORS' AND MANAGEMENT'S STATEMENT ON THE ANNUAL REPORT

The board of directors and management have today considered and adopted the Annual Report of Genmab A/S for the financial year 1 January through 31 December 2002.

The Annual Report is prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board, the Danish Financial Statements Act, Danish Accounting Standards and the requirements from the Copenhagen Stock Exchange on financial reporting of listed companies.

We consider the applied accounting policies to be appropriate and, in our opinion, the Annual Report gives a true and fair view of the assets and liabilities, financial position, results of operation and cash flows of the group and the parent company.

The Supplementary Report shown on pages 1 through 9 gives a true and fair view within the framework of the generally accepted guidelines hereof.

We shall draw the attention to the fact that we have chosen to place the Supplementary Report in the front of the Annual Report as explained in the introduction to the Supplementary Report.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 4 March 2003

Management

Lisa N. Drakeman | Claus Juan Møller-San Pedro | Jan van de Winkel | Michael Wolff Jensen

Board of directors

Jesper Zeuthen (Chairman) | Ernst Schweizer | Lisa N. Drakeman | Irwin Lerner

Michael Widmer | Karsten Havkrog Pedersen

AUDITORS' REPORT

To the Shareholders of Genmab A/S

We have audited the Annual Report of Genmab A/S for the financial year 1 January through 31 December 2002 on pages 10 through 52.

Our audit did not comprise the Supplementary Report on pages 1 through 9. Our basis of opinion and our opinion, therefore, do not cover these pages.

The Annual Report is the responsibility of the company's board of directors and management. Our responsibility is to express an opinion on the Annual Report, pages 10 through 52, based on our audit.

Basis of Opinion

We conducted our audit in accordance with Danish Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the Annual Report is free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Annual Report. An audit also includes assessing the accounting policies used and significant estimates made by the board of directors and management, as well as evaluating the overall Annual Report presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the Annual Report gives a true and fair view of the group's and company's financial position at 31 December 2002 and of the results of the group's and the company's operations and cash flows for the financial year 1 January through 31 December 2002 in accordance with the Danish Financial Statements Act, Danish Accounting Standards and International Accounting Standards (IFRS).

Copenhagen, 4 March 2003

PricewaterhouseCoopers

Jens Røder
State Authorized Public Accountant

Deloitte & Touche
Statsautoriseret Revisionsaktieselskab

Jørgen Holm Andersen
State Authorized Public Accountant

INCOME STATEMENT

	Note	Genmab Group 2002 DKK'000	Genmab Group 2001 DKK'000	Genmab Group 2002 USD'000 (Unaudited)	Genmab Group 2001 USD'000 (Unaudited)	Parent Company 2002 DKK'000	Parent Company 2001 DKK'000
Research and development costs	2, 3	(396,234)	(195,660)	(55,948)	(27,627)	(395,248)	(196,847)
General and administrative expenses	2, 3	(86,847)	(54,939)	(12,263)	(7,757)	(85,106)	(55,429)
Operating loss		**(483,081)**	**(250,599)**	**(68,211)**	**(35,384)**	**(480,354)**	**(252,276)**
Impairment loss on manufacturing facility	8	(42,907)	-	(6,059)	-	(42,907)	-
Loss before financial items		**(525,988)**	**(250,599)**	**(74,270)**	**(35,384)**	**(523,261)**	**(252,276)**
Financial income	4	100,374	106,828	14,173	15,084	105,980	108,359
Profit / (loss) in subsidiaries	9	-	-	-	-	(8,435)	146
Financial expenses	5	(53,389)	(24,941)	(7,538)	(3,522)	(53,287)	(24,941)
Loss before tax		**(479,003)**	**(168,712)**	**(67,635)**	**(23,822)**	**(479,003)**	**(168,712)**
Corporate tax	6	(326)	(5)	(46)	(1)	(326)	(5)
Net loss		**(479,329)**	**(168,717)**	**(67,681)**	**(23,823)**	**(479,329)**	**(168,717)**
Basic and diluted net loss per share		(21.5)	(7.7)	(3.0)	(1.1)	(21.5)	(7.7)
Weighted average number of ordinary shares outstanding during the period - basic and diluted		22,336,150	21,812,020	22,336,150	21,812,020	22,336,150	21,812,020

The board of directors proposes the net loss be carried forward to next year.

BALANCE SHEET – ASSETS

	Note	Genmab Group 2002 DKK'000	Genmab Group 2001 DKK'000	Genmab Group 2002 USD'000 (Unaudited)	Genmab Group 2001 USD'000 (Unaudited)	Parent Company 2002 DKK'000	Parent Company 2001 DKK'000
Licenses and rights	7	64,600	95,097	9,121	13,428	64,600	95,097
Total intangible fixed assets		**64,600**	**95,097**	**9,121**	**13,428**	**64,600**	**95,097**
Leasehold improvements	8	27,012	5,406	3,814	763	14,563	773
Equipment, furniture and fixtures	8	41,033	31,170	5,794	4,401	11,606	6,367
Fixed assets under construction	8	20,199	14,176	2,852	2,002	-	14,176
Total tangible fixed assets		**88,244**	**50,752**	**12,460**	**7,166**	**26,169**	**21,316**
Equity interests in subsidiaries	9	-	-	-	-	3,736	983
Other securities and equity interests	10	11,670	15,689	1,648	2,215	11,670	15,689
Total financial fixed assets		**11,670**	**15,689**	**1,648**	**2,215**	**15,406**	**16,672**
Total non-current assets		**164,514**	**161,538**	**23,229**	**22,809**	**106,175**	**133,085**
Antibody clinical trial material		**34,607**	**-**	**4,886**	**-**	**34,607**	**-**
Receivables from subsidiaries		-	-	-	-	46,961	27,641
Other receivables		13,272	45,022	1,875	6,357	7,705	36,842
Prepayments		2,008	5,838	284	824	1,662	4,687
Total receivables		**15,280**	**50,860**	**2,159**	**7,181**	**56,328**	**69,170**
Marketable securities	**11**	**1,115,789**	**1,433,374**	**157,548**	**202,391**	**1,115,789**	**1,433,374**
Cash and cash equivalents		**252,946**	**165,861**	**35,716**	**23,419**	**232,643**	**158,832**
Total current assets		**1,418,622**	**1,650,095**	**200,309**	**232,991**	**1,439,367**	**1,661,376**
Total assets		**1,583,136**	**1,811,633**	**223,538**	**255,800**	**1,545,542**	**1,794,461**

BALANCE SHEET – SHAREHOLDERS' EQUITY AND LIABILITIES

	Note	Genmab Group 2002 DKK'000	Genmab Group 2001 DKK'000	Genmab Group 2002 USD'000 (Unaudited)	Genmab Group 2001 USD'000 (Unaudited)	Parent Company 2002 DKK'000	Parent Company 2001 DKK'000
Share capital		22,717	21,812	3,207	3,080	22,717	21,812
Share premium		2,074,324	1,926,127	292,892	271,967	2,074,324	1,926,127
Revaluation surplus		4,407	2,098	623	296	4,407	2,098
Unearned compensation		-	(13,062)	-	(1,844)	-	(13,062)
Accumulated deficit		(702,279)	(225,045)	(99,161)	(31,776)	(702,279)	(225,045)
Shareholders' equity		**1,399,169**	**1,711,930**	**197,561**	**241,723**	**1,399,169**	**1,711,930**
Payable technology rights	12	12,942	29,876	1,828	4,218	12,942	29,876
Lease liability	8,16	10,625	-	1,500	-	2,504	-
Total non-current liabilities		**23,567**	**29,876**	**3,328**	**4,218**	**15,446**	**29,876**
Current portion of payable technology rights	12	13,650	16,220	1,927	2,290	13,650	16,220
Current portion of lease liability	8,16	3,150	-	445	-	380	-
Accounts payable		94,640	28,275	13,363	3,992	80,751	20,755
Other liabilities		48,960	25,332	6,914	3,577	36,146	15,680
Total current liabilities		**160,400**	**69,827**	**22,649**	**9,859**	**130,927**	**52,655**
Total liabilities		**183,967**	**99,703**	**25,977**	**14,077**	**146,373**	**82,531**
Total shareholders' equity and liabilities		**1,583,136**	**1,811,633**	**223,538**	**255,800**	**1,545,542**	**1,794,461**

STATEMENT OF CASH FLOW

	Genmab Group		Genmab Group		Parent Company	
	2002	2001	2002	2001	2002	2001
	DKK'000	DKK'000	USD'000 (Unaudited)	USD'000 (Unaudited)	DKK'000	DKK'000
Loss before financial items	**(525,988)**	**(250,599)**	**(74,270)**	**(35,384)**	**(523,261)**	**(252,276)**
Adjustments for non-cash transactions:						
Depreciation and amortization	47,468	34,472	6,702	4,867	36,558	32,999
Net gain on sale of equipment	(352)	-	(50)	-	(607)	-
Expensed value of warrants	5,315	12,998	750	1,835	5,315	12,998
Genomics payment	-	(16,912)	-	(2,388)	-	(16,912)
Impairment loss	42,170	-	5,954	-	42,170	-
Changes in current assets and liabilities:						
Antibody clinical trial material	(34,607)	-	(4,886)	-	(34,607)	-
Other receivables	31,748	(17,103)	4,485	(2,415)	29,137	(8,988)
Prepayments	3,830	(4,262)	541	(602)	3,025	(3,110)
Accounts payable and other liabilities	74,862	31,943	10,572	4,510	65,331	14,872
Cash flow from operating activities before financial items	**(355,554)**	**(209,463)**	**(50,202)**	**(29,577)**	**(376,939)**	**(220,417)**
Net financial receivables	47,595	83,342	6,720	11,768	47,743	85,011
Corporate taxes paid	(357)	-	(50)	-	-	-
Cash flow from operating activities	**(308,316)**	**(126,121)**	**(43,532)**	**(17,809)**	**(329,196)**	**(135,406)**
Purchase of tangible fixed assets	(58,858)	(36,123)	(8,311)	(5,101)	(24,854)	(5,673)
Sale of tangible fixed assets	13,956	-	1,971	-	3,254	-
Tangible fixed assets under construction	(41,963)	(14,176)	(5,925)	(2,002)	(27,993)	(14,176)
Capital increase in subsidiaries	-	-	-	-	(7,110)	(837)
Receivables from subsidiaries	-	-	-	-	(22,556)	(27,197)
Investment in other securities and equity interests	(1,839)	(8,411)	(260)	(1,188)	(1,839)	(8,411)
Marketable securities bought	(5,037,176)	(2,954,921)	(711,245)	(417,232)	(5,037,176)	(2,954,921)
Marketable securities sold	5,364,432	3,267,314	757,453	461,343	5,364,432	3,267,314
Cash flow from investing activities	**238,552**	**253,683**	**33,683**	**35,820**	**246,158**	**256,099**
Warrants exercised	1,355	-	191	-	1,355	-
Shares issued for cash	158,417	-	22,368	-	158,417	-
Costs related to issuance of shares	(2,923)	58	(413)	8	(2,923)	58
Cash flow from financing actitivies	**156,849**	**58**	**22,146**	**8**	**156,849**	**58**
Increase in cash and cash equivalents	87,085	127,620	12,297	18,019	73,811	120,751
Cash and cash equivalents at the beginning of the period	165,861	38,241	23,419	5,400	158,832	38,081
Cash and cash equivalents at the end of the period	**252,946**	**165,861**	**35,716**	**23,419**	**232,643**	**158,832**

STATEMENT OF SHAREHOLDERS' EQUITY

	Number of shares	Share capital	Share premium	Revaluation surplus	Unearned compensation	Accumulated deficit	Shareholders' equity	Shareholders' equity
		DKK'000	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000	USD'000 (Unaudited)
31 December 2000	**21,812,020**	**21,812**	**1,916,121**	**8,851**	**(16,112)**	**(63,085)**	**1,867,587**	**263,702**
Expenses related to initial public offering			58				58	8
Reversal of unrealized gains and imputed interest on marketable securities				(6,757)		6,757	-	-
Adjustment of value of warrants granted			9,948		(9,948)		-	-
Expense recognized for warrants granted					12,998		12,998	1,835
Adjustment of foreign currency fluctuations on subsidiaries				4			4	1
Loss for the period						(168,717)	(168,717)	(23,823)
31 December 2001	**21,812,020**	**21,812**	**1,926,127**	**2,098**	**(13,062)**	**(225,045)**	**1,711,930**	**241,723**
Capital increase	880,100	880	157,537				158,417	22,368
Expenses related to capital increase			(2,923)				(2,923)	(413)
Exercise of warrants	24,500	25	1,330				1,355	191
Reversal of unrealized gains and imputed interest on marketable securities				(2,095)		2,095	-	-
Adjustment of value of warrants granted			(7,747)		7,747		-	-
Expense recognized for warrants granted					5,315		5,315	750
Adjustment of foreign currency fluctuations on subsidiaries				4,404			4,404	623
Loss for the period						(479,329)	(479,329)	(67,681)
31 December 2002	**22,716,620**	**22,717**	**2,074,324**	**4,407**	**0**	**(702,279)**	**1,399,169**	**197,561**

STATEMENT OF SHAREHOLDERS' EQUITY

	Number of shares	Share capital DKK'000	Share capital USD'000 (Unaudited)
June 1998, Inception of the company	125,000	125	18
31 December 1998	**125,000**	**125**	**18**
February 1999, Issuance of shares for licenses	187,500	187	26
February 1999, Issuance of shares for cash	187,500	188	27
May 1999, Issuance of shares for licenses	85,846	86	12
May 1999, Issuance of shares for cash	85,846	86	12
31 December 1999	**671,692**	**672**	**95**
March 2000, Issuance of shares for licenses	136,274	136	19
March 2000, Issuance of shares for cash	165,474	165	23
May 2000, Exercise of warrants	3,140	3	0
June 2000, Issuance of shares for cash	576,646	577	81
August 2000, Issuance of shares for licenses	27,976	28	4
August 2000, Issuance of bonus shares	14,230,818	14,231	2,010
October 2000, Issuance of shares at initial public offering	6,000,000	6,000	848
31 December 2000	**21,812,020**	**21,812**	**3,080**
31 December 2001	**21,812,020**	**21,812**	**3,080**
January 2002, Exercise of warrants	14,500	15	2
February 2002, Exercise of warrants	10,000	10	1
June 2002, Issuance of shares for cash	880,100	880	124
31 December 2002	**22,716,620**	**22,717**	**3,207**

STATEMENT OF SHAREHOLDERS' EQUITY

The company was formed in June 1998 but did not conduct any business until 1999.

In February 1999, Medarex and Bankforeningernes Erhvervsudviklingsforening Biomedicinsk Udvikling, BI Asset Management Fondsmæglerselskab A/S, Lønmodtagernes Dyrtidsfond, A/S Dansk Erhvervsinvestering and Leif Helth Care A/S (the "Bank Invest Group") entered into an agreement in which the Bank Invest Group invested approximately DKK 35.4 million of cash in exchange for an approximate 45% equity interest in the company. Concurrently, Medarex granted Genmab a limited number of licenses to develop and commercialize a portfolio of human antibodies derived from its HuMAb-Mouse Technology and retained an approximate 45% equity interest through its wholly owned subsidiary GenPharm International, Inc.

In May 1999 and March 2000, Medarex and the Bank Invest Group made additional contributions to the company in proportion to their existing equity interests. The Bank Invest Group invested approximately DKK 49 million of cash and Medarex granted the company an additional number of fully paid licenses along with an unlimited number of royalty bearing licenses to develop additional antibodies. After the March 2000 contributions, Medarex and the Bank Invest Group each owned approximately 45% of Genmab's outstanding common shares.

In June 2000, Genmab completed a private offering where it received approximately DKK 321 million from Medarex, the Bank Invest Group and new investors who subscribed to a total of 576,646 new shares. A total of 27,976 new shares were issued to Medarex in connection with a Genomics Agreement and the grant of an option of up to four antibodies obtained through an agreement with Eos Biotechnology. In August 2000, Genmab's shareholders approved a conversion of all existing classes of shares to one class of ordinary shares and a bonus share issuance of nine ordinary shares for each ordinary share. Following the issuance of the additional shares to Medarex and the bonus shares, the company had 15,812,020 outstanding ordinary shares.

In October 2000, Genmab completed an Initial Public Offering with a dual listing on the Copenhagen Stock Exchange and the Neuer Markt of the Frankfurt Stock Exchange. The global offering, which constituted 6,000,000 new shares equaling approximately 28% of the company's issued share capital after the listing, consisted of a public offering in both Denmark and Germany and a concurrent international offer to institutional investors outside the US and a private placement in the US to qualified institutional buyers under Rule 144A.

In May 2002, Genmab entered into a collaboration agreement with Roche. Following this agreement, Roche subscribed to 880,100 shares in the company in June 2002.

In December 2002, the company delisted from the Neuer Markt of the Frankfurt Stock Exchange. The primary reason for this delisting was that trading in this market was limited compared to the administrative burdens in connection with the listing.

At 31 December 2002, the total number of outstanding shares was 22,716,620. Each share has a nominal value of DKK 1 and one vote.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

Basis of Presentation

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board, the provisions of the Danish Financial Statements Act of 2001 for listed companies in accounting class D, the Danish Accounting Standards, and the Copenhagen Stock Exchange's financial reporting requirements for listed companies.

The financial statements have been prepared in Danish Kroner (DKK), which is the functional currency of the company and the group.

Solely for convenience of the reader, the financial statements contain a conversion of certain DKK amounts into US dollars (USD) at specified rates. This conversion has been made at the exchange rate in effect at the balance sheet date. These converted amounts should not be construed as representations that the DKK amounts actually represent such USD amounts or could be converted into USD at the rates indicated or at any other rate.

Changes in Accounting Policies

Effective from 1 January 2002, the company adopted the IFRS as well as the new Danish Financial Statements Act of 2001. The financial statements for 2002 have been presented in accordance with these provisions. Previously issued financial statements were prepared in accordance with generally accepted accounting principles as applied in Denmark and, wherever possible, our accounting policies were aligned to generally accepted accounting principles in the US ("US GAAP"). Effective with the current year, such alignment is no longer relevant for the company since the IFRS is now considered the primary framework for accounting. However, in the accompanying notes, a reconciliation has been provided between the reported result under IFRS and the result under US GAAP.

Comparative and key figures have been adjusted to reflect the classification and presentation under IFRS and the new Danish Financial Statements Act. As a result, such comparatives do not, in all cases, conform to the figures included in the company's statutory financial statements for 2001 and earlier.

The changes in accounting policies have had no affect on current or prior years' results or shareholders' equity. The changes have only led to minor differences in classifications, presentation and disclosures. The changes in accounting policies, classification and presentation can be described as follows:

Imputed Interest on Zero-Coupon Securities
In prior years, imputed interest on zero-coupon securities was deducted from the revaluation of marketable securities and disclosed as a financial item in the income statement. However, the imputed interest was included in the unrealized gains taken to the revaluation surplus in shareholders' equity. Under IFRS, the zero-coupon securities are measured at fair value and the realized and unrealized gains are reported as financial income. Unrealized gains on zero-coupon securities are no longer allocated to the revaluation surplus. The change in accounting for imputed interest on zero-coupon securities has no impact on either the result for the year or shareholders' equity.

Classification of Deposits
In prior years, deposits were classified as intangible assets. Under IFRS, deposits are classified as other receivables. The change in the balance sheet classification for deposits does not have any affect on the result for the year or shareholders' equity.

Total Since Inception Figures
In prior years, the company presented the caption "Total since inception" in the income statement and related notes, the cash flow statement, and the statement of shareholders' equity. No such figures have been included under IFRS.

Disclosure of USD Converted Figures
In prior years, financial statement figures have been converted to USD for the convenience of the reader. Effective with this year's financial statements, only the consolidated financial statement figures have been converted to USD. Accordingly, financial statement figures for the parent company are disclosed only in DKK, except for certain disclosures in the notes.

Interpretation of IFRS and the Danish Financial Statements Act

In order to implement the IFRS and the new Danish Financial Statements Act of 2001, certain provisions in the standards and the legislation have been interpreted. These interpretations are considered important to understand the adoption of the new accounting policies and the company's compliance with such standards. The following summarizes such interpretations.

Internally Generated Intangible Assets
According to IAS 38, *"Intangible Assets"*, intangible assets arising from development projects should be recognized in the balance sheet. The criteria that must be met for capitalization are (1) the development project

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies (continued)

is clearly defined and identifiable, (2) the technological feasibility, adequate resources to complete and a market for the product or an internal use of the product can be documented, and (3) management has the intent to produce and market the product or to use it internally. Such an intangible asset should be recognized if sufficient certainty can be documented that the future income from the development project will exceed the aggregate cost of production, development and the sale and administration of the product.

Due to the industry consensus that receiving final regulatory approval for pharmaceutical products is uncertain, it is not considered reasonable to recognize such internally generated assets until late in the development stage. Accordingly, no such assets have been recognized at this time.

Joint Ventures / Collaboration Agreements
The company has entered into a large number of collaboration agreements with various companies and individuals, primarily in connection with the company's research and development projects and the clinical testing of the product candidates. Such collaborations are typically structured so that each party contributes its respective skills in the various phases of the development project. No joint control exists for such collaborations and the parties do not have any financial obligations towards each other. Accordingly, the collaborations are not considered to be joint ventures as defined in IAS 31, "*Financial Reporting of Interests in Joint Ventures*." Expenses in connection with collaboration agreements are treated as described under "Research and Development Costs."

Accounting for Stock-Based Compensation
Neither the IFRS nor the Danish Financial Statements Act contains provisions on the recognition and measurement of stock-based compensation. As a consequence, the company has decided to continue following the accounting principles applied in prior years. Those principles are aligned to the accounting principles under US GAAP. Please refer to the section entitled "Stock-Based Compensation" for further details on this subject.

General Recognition and Measurement Criteria

Income is recognized in the income statement as earned. This includes adjustments to the value of financial assets and financial liabilities, which are measured at fair value or amortized cost. Additionally, all costs incurred in relation to the activities for the year are recognized in the income statement. This includes amortization and depreciation, write-downs and provisions, and any reversed items resulting from changes in accounting estimates to the extent such items have originally been recognized in the income statement.

Assets are recognized in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the group and the value of the asset can be reliably measured.

Liabilities are recognized in the balance sheet when it is probable that there will be an outflow of future economic benefits from the group and the value of the liability can be reliably measured.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

At recognition and measurement, due consideration is given to any predictable losses and risks occurring prior to the presentation of the financial statements, which confirm or reject items existing at the balance sheet date.

Consolidated Financial Statements

The consolidated financial statements include the parent company and subsidiaries in which the parent company directly or indirectly exercises a controlling interest through shareholding or otherwise. Accordingly, the consolidated financial statements include Genmab A/S, Genmab B.V., Genmab, Inc. and Genmab Ltd. (the Genmab Group).

The group's consolidated financial statements have been prepared on the basis of financial statements of the parent company and subsidiaries – prepared under the group's accounting policies - by combining similar accounting items on a line-by-line basis. On consolidation, intercompany income and expenses, intercompany receivables and payables, and realized and unrealized gains and losses on transactions between the consolidated companies are eliminated.

The recorded value of the equity interests in the consolidated subsidiaries is eliminated with the proportionate share of the subsidiaries' equity. Subsidiaries are consolidated from the date when control is transferred to the group.

The income statements for foreign subsidiaries are translated to the group's reporting currency at the year's weighted average exchange rate and the balance sheets are translated at the exchange rate in effect at the balance sheet date. Exchange rate differences arising from the translation of foreign subsidiaries shareholders' equity at the beginning of the year, and exchange rate differences arising as a result of foreign subsidiaries' income statements being translated at average exchange rates, are recorded in shareholders' equity.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies (continued)

Foreign Currency

Transactions in foreign currencies are translated at the exchange rates in effect at the date of the transaction. Exchange rate gains and losses arising between the transaction date and the settlement date are recognized in the income statement as financial items.

Unsettled monetary assets and liabilities in foreign currencies are translated at the exchange rates in effect at the balance sheet date. Exchange rate gains and losses arising between the transaction date and the balance sheet date are recognized in the income statement as financial items.

Income Statement

Research and Development Costs
Research and development costs primarily include salary and related expenses, license costs, production costs, clinical costs, amortization of licenses and rights, and depreciation of tangible fixed assets to the extent such costs are related to the group's research and development activities. Research costs are recognized in the income statement in the period to which they relate.

Development projects are characterized by a single product candidate undergoing a high number of tests to illustrate its safety profile and the affect on human beings, prior to obtaining the necessary approval of the final product from the appropriate authorities. The future economic benefits associated with the individual development projects are dependent on obtaining such approval. Considering the general risk related to the development of pharmaceutical products, management has concluded that the future economic benefits associated with the individual projects cannot be estimated with sufficient certainty until the project has been finalized and the necessary approval of the final product has been obtained. Accordingly, all development costs are recognized in the income statement in the period to which they relate.

General and Administrative Expenses
General and administrative expenses relate to the administration of the group, including depreciation and impairment of long-lived assets to the extent such expenses are related to the administrative functions. General and administrative expenses are recognized in the income statement in the period to which they relate.

Stock-Based Compensation
The company has granted warrants to employees, the board of directors and non-employee consultants under various warrant programs. The company accounts for the compensation by use of the intrinsic value method for employees and the board of directors and the fair value method for non-employee consultants. For fixed warrant programs for employees and the board of directors, the compensation is expensed on a systematic basis over the vesting period. The estimated fair value of warrants granted to non-employee consultants is expensed when the services have been received.

Financial Income and Expenses
Financial income and expenses include interest as well as realized and unrealized exchange rate adjustments and realized and unrealized gains and losses on marketable securities.

Corporate Tax
Corporate tax expense, which consists of current tax and the adjustment of deferred taxes for the year, is recognized in the income statement to the extent that the tax is attributable to the net result for the year. Tax attributable to postings directly to shareholders' equity is recognized in shareholders' equity.

Current tax liabilities include taxes payable based on the expected taxable income for the year and any adjustments to prior years' tax expense as recorded in the income statement.

Any prepaid taxes are recognized in other receivables in the balance sheet.

Balance Sheet

Non-Current Assets

Licenses and Rights
Licenses and rights are initially measured at cost and include the net present value of any future payments. The net present value of any future payments is recognized as a liability.

Licenses and rights are amortized using the straight-line method over the estimated useful life of five years.

Property, Plant and Equipment
Property, plant and equipment are measured at cost net of accumulated depreciation and any impairment losses. The cost comprises acquisition price and direct costs related to the acquisition until the asset is ready for use. Assets costing below DKK 10,100 are expensed in the year of acquisition.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies (continued)

Depreciation, which is stated at cost or revalued balance with reduction of any residual value, is calculated on a straight-line basis over the expected useful lives of the assets, which are as follows:

Equipment, furniture and fixtures	3-5 years
EDP-equipment	3 years
Leasehold improvements	5 years or the lease term, if shorter

Depreciation, impairment losses and gains or losses on replacement of tangible fixed assets are recognized in the income statement as research and development costs or as general and administrative expenses, as appropriate.

Fixed Assets under Construction
Fixed assets under construction include the design and building of laboratory facilities. The costs incurred are capitalized until the facilities are completed. Costs include direct costs to employees and related expenses and costs to subcontractors. Prior to the recording of the impairment loss described in Note 8, fixed assets under construction included costs related to our planned manufacturing facility.

Impairment of Long-lived Assets
Management periodically reviews the carrying amount of long-lived assets, if circumstances or changes in the company's operations indicate that the carrying amount may not be recoverable. The basis for the review is the assets' recoverable amount, determined as the greater of the net selling price or its value in use. Value in use is calculated as the net present value of future cash inflow generated from the asset.

If the carrying amount of an asset is greater than the recoverable amount, the asset is written-down to the recoverable amount. An impairment loss is recognized in the income statement when the impairment is identified.

Equity Interests in Subsidiaries
Equity interests in subsidiaries are recognized and measured under the equity method.

The item "Profit/(loss) in subsidiaries" in the income statement includes the proportionate share of the profit or loss before tax of the subsidiaries, while the proportionate share of the subsidiaries' tax is included in the item "Corporate tax".

The item "Equity interests in subsidiaries" in the balance sheet includes the proportionate ownership share of the net asset value of the subsidiaries stated in accordance with the accounting policies of the parent company after adjustment for unrealized intercompany gains and losses.

Any undistributed profits in subsidiaries are allocated to "Reserve for net revaluation under the equity method", which is included in "Revaluation surplus" under equity in the financial statements of the parent company.

Other Securities and Equity Interests
Other securities and equity interests, which have been acquired for long-term strategic holding, include the company's ownership of listed and non-listed companies. The financial assets have been classified as "Available-for-sale" as the company's management intends to hold these investments for an indefinite period of time. However, if the company's business strategy changes, the assets can be sold. The company's management assesses the classification of financial fixed assets at the time of acquisition and reviews such classification on a regular basis.

Other securities and equity interests are measured at fair value at the balance sheet date. The fair value for listed shares is the listed market price and, for interests in non-listed companies, the fair value is the net sales price. If the net sales price cannot be reliably determined for interests in non-listed companies, the assets are measured at cost. Realized and unrealized gains and losses are recognized in the income statement as financial items.

Current Assets

Antibody Clinical Trial Material
Antibody clinical trial material includes antibodies purchased from third parties for use in various projects. These antibodies are initially recognized in the balance sheet at cost and are expensed in the income statement when consumed in the clinial trials. On a regular basis, the carrying value of the assets is reviewed to ensure that no impairment has occurred and that the quantities do not exceed the planned consumption in the development activites.

Receivables
Receivables are measured in the balance sheet at the lower of cost or net realizable value, the latter which corresponds to nominal value less the provision for bad debts.

The provision for bad debts is calculated on the basis of an individual assessment of each receivable.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies (continued)

Prepayments
Prepayments recognized as current assets include expenditures related to a future financial year. Prepayments are measured at fair value.

Marketable Securities
Marketable securities consist of investments in securities with a maturity greater than three months at the time of purchase. The company invests its cash in deposits with major financial institutions in money market funds, corporate bonds and short-term notes issued by the Danish or US government. The securities can be readily purchased and sold using established markets. When sold, the cost of marketable securities is determined based on the "first-in first-out" principle.

The company's portfolio of investments has been classified as "Available-for-sale" as no active trading is taking place except for the replacement of investments at maturity or to balance the portfolio.

Marketable securities are measured at fair value and realized and unrealized gains and losses (including unrealized foreign exchange rate gains and losses) are recognized in the income statement as financial items.

Cash and Cash Equivalents
Cash and cash equivalents comprise cash, bank deposits and marketable securities with a maturity of three months or less on the date of acquisition. Cash and cash equivalents are measured at fair value. Balances in foreign currencies are translated to DKK at the exchange rates in effect at the balance sheet date.

Shareholders' Equity

The share capital comprises the nominal amount of the company's ordinary shares, each at a nominal value of DKK 1.

Share premium reserve comprises the amount received in excess of the nominal amount of the shares issued at the company's offerings, reduced by external expenses directly attributable to the offerings. Additionally, the balance includes the corresponding value of outstanding warrants, which has been separated as "Unearned compensation".

Revaluation surplus is made up of non-distributed profits in subsidiaries and exchange rate adjustments of equity investments in subsidiaries. This reserve cannot be used for distribution.

Unearned compensation comprises the difference between the value of the warrants granted and the compensation expense that has been recognized in the income statement.

Non-current Liabilities

Provisions
Provisions are recognized when the group has an existing legal or constructive obligation as a result of events occurring prior to or on the balance sheet date, and it is probable that the utilization of economic resources will be required to settle the obligation. Provisions are measured at fair value. Provisions with expected settlement dates more than one year from the balance sheet date are measured at net present value.

Deferred Tax
Deferred tax is accounted for under the liability method which requires recognition of deferred tax on all temporary differences between the carrying amount of assets and liabilities and the tax base of such assets and liabilities. This includes the tax value of tax losses carried forward.

Deferred tax is calculated in accordance with the tax regulations and current tax rates in the individual countries. Changes in deferred tax as a result of changes in tax rates are recognized in the income statement.

Deferred tax assets (negative deferred tax) resulting from temporary differences, including the tax value of losses to be carried forward, are measured at the value at which the asset is expected to be utilized in future taxable income, based on the company's planned use of the individual assets. Deferred tax assets which are not recognized in the balance sheet are disclosed in a note to the financial statements.

Current Liabilities

Payable Technology Rights
Payable technology rights comprise the future payments regarding acquired rights to technology. The liability is measured at net present value of and allocated between non-current and current liabilities.

Leasing
Lease contracts, which in all material respects transfer the significant risks and rewards associated with the ownership of the asset to the lessee, are classified as finance leases. Assets treated as finance leases are recognized in the balance sheet at the inception of the lease term at the lower of the

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies (continued)

fair value of the asset or the net present value of the future minimum lease payments. A liability equaling the asset is recognized in the balance sheet. Each lease payment is separated between a finance charge, recorded as a financial expense, and a reduction of the outstanding liability. Assets under finance leases are depreciated in the same manner as owned assets and are subject to regular reviews for impairment.

Lease contracts, where the lessor retains the significant risks and rewards associated with the ownership of the asset, are classified as operating leases. Lease payments under operating leases are recognized in the income statement ratably over the lease term. The total lease commitment under operating leases is disclosed in a note to the financial statements.

Accounts Payable
Accounts payable are measured in the balance sheet at amortized cost, which is considered to be equal to the fair value due to the short-term nature of the liabilities.

Other Liabilities
Other liabilities are measured in the balance sheet at amortized cost, which is considered to be equal to the fair value due to the short-term nature of the liabilities.

Cash Flow Statement

The cash flow statement is presented using the indirect method and starts with the loss before financial items.

Cash flow from operating activities is stated as the loss before financial items adjusted for non-cash operating items such as depreciation, amortization, impairment losses, provisions, changes in working capital, interest paid and received, and corporate taxes paid. Working capital comprises current assets less current liabilities excluding the items included in cash and cash equivalents.

Cash flow from investing activities is comprised of cash flow from the purchase and sale of intangible assets, tangible fixed assets and financial fixed assets.

Cash flow from financing activities is comprised of cash flow from the issuance of shares and raising and repayment of long-term loans.

The cash flow statement cannot be derived solely from the financial statements.

Segment Reporting

The group is managed and operated as one business unit. The entire group is managed by a single management team reporting to the Chief Executive Officer. No separate lines of business or separate business entities have been identified with respect to any of the product candidates or geographical markets. Accordingly, the company's management has concluded that it is not relevant to disclose segment information on business segments or geographical markets.

Definition of Financial Ratios

The group discloses a number of financial ratios in the Annual Report. These financial ratios are defined as:

Basic Net Loss per Share
Basic net loss per share is calculated as the net loss for the year divided by the weighted average number of outstanding ordinary shares.

Diluted Net Loss per Share
Diluted net loss per share is calculated as the net loss for the year divided by the weighted average number of outstanding ordinary shares adjusted for the dilutive effect of share equivalents. As the income statement shows a net loss, no adjustment has been made for the dilutive effect.

Year-end Share Market Price
The year-end share market price is determined as the average trading price of the company's shares on the Copenhagen Stock Exchange at the balance sheet date or the last trading day prior to the balance sheet date.

Share Market Price/Equity Value
Share market price/equity value is calculated as the company's year-end share market price divided by the shareholders' equity per share at the balance sheet date.

Shareholders' Equity per Share
Shareholders' equity per share is calculated as shareholders' equity at the balance sheet date divided by the number of outstanding shares at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS

2. Depreciation and Amortization

	Genmab Group		Genmab Group		Parent Company	
	2002	2001	2002	2001	2002	2001
	DKK'000	DKK'000	USD'000 (Unaudited)	USD'000 (Unaudited)	DKK'000	DKK'000
Licenses and rights	30,497	30,497	4,306	4,306	30,497	30,497
Leasehold improvements	5,358	580	756	82	2,299	324
Equipment, furniture and fixtures	11,613	3,395	1,640	479	3,762	2,178
	47,468	**34,472**	**6,702**	**4,867**	**36,558**	**32,999**
Depreciation and amortization are included in:						
Research and development costs	42,996	33,774	6,071	4,769	34,936	32,400
General and administrative expenses	4,472	698	631	98	1,622	599
	47,468	**34,472**	**6,702**	**4,867**	**36,558**	**32,999**

3. Staff

	Genmab Group		Genmab Group		Parent Company	
	2002	2001	2002	2001	2002	2001
	DKK'000	DKK'000	USD'000 (Unaudited)	USD'000 (Unaudited)	DKK'000	DKK'000
Wages and salaries	95,212	44,691	13,444	6,310	63,329	30,807
Pension contributions	4,316	1,862	609	263	2,196	683
Other social security costs	4,191	99	592	14	344	59
	103,719	**46,652**	**14,645**	**6,587**	**65,869**	**31,549**
Personnel costs are expensed as follows:						
Research and development costs	72,779	27,993	10,276	3,952	43,696	19,445
General and administrative expenses	29,141	18,659	4,115	2,635	20,374	12,104
Impairment loss on manufacturing facility	1,799	-	254	-	1,799	-
	103,719	**46,652**	**14,645**	**6,587**	**65,869**	**31,549**
Remuneration to management and the board of directors:						
Management	14,583	13,990	2,059	1,975	11,505	8,783
Board of directors	336	351	48	50	336	351
	14,919	**14,341**	**2,107**	**2,025**	**11,841**	**9,134**
Average number of employees	157	70	157	70	89	47

In addition to the above remuneration, two members of management have company cars. Management and the board of directors participate in the company's warrant program. Please refer to Note 13 for further details. Two members of the board of directors have rendered additional services to the company during the year for which they have received consultancy fees totaling DKK 2,465 thousand in 2002.

NOTES TO THE FINANCIAL STATEMENTS

4. Financial Income

	Genmab Group		Genmab Group		Parent Company	
	2002	2001	2002	2001	2002	2001
	DKK'000	DKK'000	USD'000 (Unaudited)	USD'000 (Unaudited)	DKK'000	DKK'000
Interest and other financial income	70,424	91,152	9,943	12,871	70,315	91,110
Interest from subsidiaries	-	-	-	-	5,756	1,574
Gains on marketable securities	13,369	4,679	1,888	661	13,369	4,679
Exchange rate gains	16,581	10,997	2,342	1,552	16,540	10,996
	100,374	**106,828**	**14,173**	**15,084**	**105,980**	**108,359**

5. Financial Expenses

	Genmab Group		Genmab Group		Parent Company	
	2002	2001	2002	2001	2002	2001
	DKK'000	DKK'000	USD'000 (Unaudited)	USD'000 (Unaudited)	DKK'000	DKK'000
Interest and other financial expenses	81	-	11	-	23	-
Imputed interest on payable technology rights	2,103	3,182	297	449	2,103	3,182
Loss on marketable securities	15,122	1,869	2,135	264	15,122	1,869
Impairment loss on other securities and equity interests	5,858	14,227	827	2,009	5,858	14,227
Exchange rate losses	30,225	5,663	4,268	800	30,181	5,663
	53,389	**24,941**	**7,538**	**3,522**	**53,287**	**24,941**

6. Corporate tax

	Genmab Group		Genmab Group		Parent Company	
	2002	2001	2002	2001	2002	2001
	DKK'000	DKK'000	USD'000 (Unaudited)	USD'000 (Unaudited)	DKK'000	DKK'000
Current tax on result	326	5	46	1	326	5
Adjustment to prior years' deferred tax	(2,737)	-	(386)	-	(2,737)	-
Adjustment to deferred tax	(141,139)	(45,685)	(19,929)	(6,451)	(139,790)	(45,716)
Adjustment to valuation allowance	143,876	45,685	20,315	6,451	142,527	45,716
Total corporate tax expense	**326**	**5**	**46**	**1**	**326**	**5**

Tax for the year 2002 amounts to DKK 200 thousand. In addition, DKK 126 thousand related to the prior year has been expensed.

NOTES TO THE FINANCIAL STATEMENTS

6. Corporate tax (continued)

Tax on the result for the year can be explained as follows:

	Genmab Group		Genmab Group		Parent Company	
	2002	2001	2002	2001	2002	2001
	DKK'000	DKK'000	USD'000 (Unaudited)	USD'000 (Unaudited)	DKK'000	DKK'000
Net result before tax	(479,003)	(168,712)	(67,635)	(23,822)	(479,003)	(168,712)
Computed 30% tax on result	**(143,701)**	**(50,614)**	**(20,289)**	**(7,147)**	**(143,701)**	**(50,614)**
Tax effect of:						
Profit/(loss) in subsidiaries	-	-	-	-	2,531	(43)
Non-deductible costs	3,817	4,942	537	698	2,584	4,946
Additional tax deductions	(929)	(8)	(131)	(1)	(878)	-
Change in deferred tax asset	141,139	45,685	19,929	6,451	139,790	45,716
Total corporate tax	**326**	**5**	**46**	**1**	**326**	**5**
Effective tax rate	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**

At 31 December 2002, the parent company had net tax loss carry-forwards of approximately DKK 656,836 thousand for income tax purposes of which DKK 199,941 thousand expire in years 2004 through 2006, and DKK 456,895 thousand can be carried forward without limitation. In addition, the parent company had deductible temporary differences of approximately DKK 26,419 thousand.

For local tax purposes, the subsidiaries had net tax loss carry-forwards and deductible temporary differences totaling DKK 4,541 thousand.

For financial reporting purposes, the value of the net deferred tax asset has been reduced to zero due to uncertainties with respect to the company's and the group's ability to generate sufficient taxable income in the future to realize its benefits.

Significant components of the deferred tax asset are as follows:

	Genmab Group		Genmab Group		Parent Company	
	2002	2001	2002	2001	2002	2001
	DKK'000	DKK'000	USD'000 (Unaudited)	USD'000 (Unaudited)	DKK'000	DKK'000
Tax deductible losses	662,335	199,985	93,521	28,238	656,836	199,941
Licenses and rights	27,672	11,251	3,907	1,589	27,672	11,251
Leasehold improvements	(4,215)	-	(595)	-	(1,069)	-
Equipment, furniture and fixtures	(1,294)	(800)	(183)	(113)	(184)	(800)
Other temporary differences	3,298	(2,226)	466	(315)	-	(2,226)
Total temporary differences	**687,796**	**208,210**	**97,116**	**29,399**	**683,255**	**208,166**
Deferred tax asset at 30%	206,339	62,463	29,135	8,820	204,977	62,450
Valuation allowance	(206,339)	(62,463)	(29,135)	(8,820)	(204,977)	(62,450)
Recorded deferred tax asset	**0**	**0**	**0**	**0**	**0**	**0**

NOTES TO THE FINANCIAL STATEMENTS

7. Licenses and Rights

	Genmab Group		Genmab Group		Parent Company	
	2002	2001	2002	2001	2002	2001
	DKK'000	DKK'000	USD'000 (Unaudited)	USD'000 (Unaudited)	DKK'000	DKK'000
Cost per 1 January	152,484	152,484	21,531	21,531	152,484	152,484
Additions for the year	-	-	-	-	-	-
Cost per 31 December	**152,484**	**152,484**	**21,531**	**21,531**	**152,484**	**152,484**
Accumulated amortization per 1 January	(57,387)	(26,890)	(8,104)	(3,797)	(57,387)	(26,890)
Amortization for the year	(30,497)	(30,497)	(4,306)	(4,306)	(30,497)	(30,497)
Accumulated amortization per 31 December	**(87,884)**	**(57,387)**	**(12,410)**	**(8,103)**	**(87,884)**	**(57,387)**
Net book value per 31 December	**64,600**	**95,097**	**9,121**	**13,428**	**64,600**	**95,097**

8. Property, Plant and Equipment – Genmab Group

	Leasehold improvements	Equipment, furniture and fixtures	Fixed assets under construction	Leasehold improvements	Equipment, furniture and fixtures	Fixed assets under construction
	DKK'000	DKK'000	DKK'000	USD'000 (Unaudited)	USD'000 (Unaudited)	USD'000 (Unaudited)
Cost per 1 January 2002	5,814	35,379	14,176	821	4,995	2,002
Exchange rate adjustment	(679)	(128)	-	(97)	(18)	-
Additions for the year	27,674	35,171	48,193	3,908	4,966	6,804
Disposals for the year	(31)	(18,770)	-	(4)	(2,650)	-
Cost per 31 December 2002	**32,778**	**51,652**	**62,369**	**4,628**	**7,293**	**8,806**
Accumulated depreciation per 1 January 2002	(408)	(4,209)	-	(58)	(595)	-
Exchange rate adjustment	-	4	-	-	1	-
Depreciation for the year	(5,358)	(11,613)	-	(756)	(1,640)	-
Accumulated depreciation on disposals for the year	-	5,199	-	-	735	-
Accumulated depreciation per 31 December 2002	**(5,766)**	**(10,619)**	**0**	**(814)**	**(1,499)**	**0**
Accumulated impairment loss per 1 January 2002	-	-	-	-	-	-
Impairment loss for the year	-	-	(42,170)	-	-	(5,954)
Accumulated impairment loss per 31 December 2002	**0**	**0**	**(42,170)**	**0**	**0**	**(5,954)**
Net book value per 31 December 2002	**27,012**	**41,033**	**20,199**	**3,814**	**5,794**	**2,852**
Net book value of assets under finance leases included above	-	13,395	-	-	1,891	-

The impairment loss of DKK 42,170 thousand relates to the planned manufacturing facility, which was postponed in 2002. In addition, related costs totaling DKK 737 thousand were incurred after the postponement decision was made. This cost was included in the DKK 42,907 thousand impairment loss shown in the income statement.

NOTES TO THE FINANCIAL STATEMENTS

8. Property, Plant and Equipment (continued) - Genmab A/S

	Leasehold improvements	Equipment, furniture and fixtures	Fixed assets under construction	Leasehold improvements	Equipment, furniture and fixtures	Fixed assets under construction
	DKK'000	DKK'000	DKK'000	USD'000 (Unaudited)	USD'000 (Unaudited)	USD'000 (Unaudited)
Cost per 1 January 2002	1,169	9,091	14,176	165	1,284	2,002
Additions for the year	16,121	11,617	27,994	2,276	1,640	3,952
Disposals for the year	(31)	(4,127)	-	(4)	(583)	-
Cost per 31 December 2002	**17,259**	**16,581**	**42,170**	**2,437**	**2,341**	**5,954**
Accumulated depreciation per 1 January 2002	(397)	(2,724)	-	(56)	(384)	-
Depreciation for the year	(2,299)	(3,762)	-	(325)	(531)	-
Accumulated depreciation on disposals for the year	-	1,511	-	-	213	-
Accumulated depreciation per 31 December 2002	**(2,696)**	**(4,975)**	**0**	**(381)**	**(702)**	**0**
Accumulated impairment loss per 1 January 2002	-	-	-	-	-	-
Impairment loss for the year	-	-	(42,170)	-	-	(5,954)
Accumulated impairment loss per 31 december 2002	**0**	**0**	**(42,170)**	**0**	**0**	**(5,954)**
Net book value per 31 December 2002	**14,563**	**11,606**	**0**	**2,056**	**1,639**	**0**
Net book value of assets under finance leases included above	-	2,884	-	-	407	-

The impairment loss of DKK 42,170 thousand relates to the planned manufacturing facility, which was postponed in 2002. In addition, related costs totaling DKK 737 thousand were incurred after the postponement decision was made. This cost was included in the DKK 42,907 thousand impairment loss shown in the income statement.

NOTES TO THE FINANCIAL STATEMENTS

9. Equity Interests in Subsidiaries

	Parent Company		Parent Company	
	2002	2001	2002	2001
	DKK'000	DKK'000	USD'000 (Unaudited)	USD'000 (Unaudited)
Cost per 1 January	987	150	139	21
Additions for the year	7,110	837	1,004	118
Cost per 31 December	**8,097**	**987**	**1,143**	**139**
Adjustment of value per 1 January	(4)	(149)	(1)	(22)
Profit/(loss) in subsidiaries	(8,435)	146	(1,190)	21
Corporate tax in subsidiaries	(326)	(5)	(46)	(1)
Exchange rate adjustment	4,404	4	623	1
Adjustment of value as per 31 December	**(4,361)**	**(4)**	**(614)**	**(1)**
Net book value per 31 December	**3,736**	**983**	**529**	**138**

Equity interests in subsidiaries are specified as follows:

Name	Domicile	Share capital	Ownership and votes	Result in latest financial statements
Genmab B.V.	Utrecht, The Netherlands	EUR 100,000	100%	EUR (211,197)
Genmab, Inc.	New Jersey, USA	USD 61	100%	USD (375,157)
Genmab Ltd.	London, United Kingdom	GBP 1	100%	GBP 0

Genmab B.V. was incorporated in The Netherlands in 2000 and focuses on the discovery and development of antibodies. Genmab, Inc. began operations in 2001 and is mainly focused on conducting clinical trials in the US and Canada on behalf of the Genmab Group, for example the HuMax-IL15 Phase II RA study and the HuMax-CD4 clinical study in T-cell lymphoma. Further, Genmab A/S established Genmab Ltd. in the United Kingdom in 2001. This entity is currently dormant.

NOTES TO THE FINANCIAL STATEMENTS

10. Other Securities and Equity Interests

	Genmab Group		Genmab Group		Parent Company	
	2002	2001	2002	2001	2002	2001
	DKK'000	DKK'000	USD'000 (Unaudited)	USD'000 (Unaudited)	DKK'000	DKK'000
Cost per 1 January	29,916	21,505	4,224	3,036	29,916	21,505
Additions for the year	1,839	8,411	260	1,188	1,839	8,411
Cost per 31 December	**31,755**	**29,916**	**4,484**	**4,224**	**31,755**	**29,916**
Adjustment to fair value per 1 January	(14,227)	-	(2,009)	-	(14,227)	-
Adjustment to fair value for the year	(5,858)	(14,227)	(827)	(2,009)	(5,858)	(14,227)
Adjustment to fair value per 31 December	**(20,085)**	**(14,227)**	**(2,836)**	**(2,009)**	**(20,085)**	**(14,227)**
Net book value per 31 December	**11,670**	**15,689**	**1,648**	**2,215**	**11,670**	**15,689**

Other securities and equity interests consist of equity shares in Oxford GlycoSciences Plc., with a market value of approximately DKK 1,420 thousand as of 31 December 2002, shares in a privately held British biotech company Scancell Ltd., at a cost of DKK 8,411 thousand, and shares in a privately held British biotech company Paradigm Therapeutics Ltd., at a cost of DKK 1,839 thousand. All companies are strategic partners of Genmab. As of 31 December 2002, the company has recognized impairment losses totaling DKK 20,085 thousand related to the equity shares in Oxford GlycoSciences as the loss derived from price fluctuations is not merely considered temporary. The investments in Scancell and Paradigm Therapeutics are currently measured at cost.

11. Marketable Securities

All marketable securities are deemed by management to be available-for-sale and are reported at fair value. The company's portfolio of marketable securities has an average duration of less than 12 months and no securities have more than three years remaining to maturity. The company has classified all investments as short-term since it has the intent and ability to sell to redeem them within the year.

	Genmab Group		Genmab Group		Parent Company	
	2002	2001	2002	2001	2002	2001
	DKK'000	DKK'000	USD'000 (Unaudited)	USD'000 (Unaudited)	DKK'000	DKK'000
Cost per 1 January	1,432,719	1,740,783	202,299	245,797	1,432,719	1,740,783
Additions for the year	5,037,176	2,954,921	711,245	417,232	5,037,176	2,954,921
Disposals for the year	(5,353,582)	(3,262,985)	(755,922)	(460,730)	(5,353,582)	(3,262,985)
Cost per 31 December	**1,116,313**	**1,432,719**	**157,622**	**202,299**	**1,116,313**	**1,432,719**
Adjustment to fair value per 1 January	655	(13,978)	92	(1,974)	655	(13,978)
Adjustment to fair value for the year	(1,179)	14,633	(166)	2,066	(1,179)	14,633
Adjustment to fair value per 31 December	**(524)**	**655**	**(74)**	**92**	**(524)**	**655**
Net book value per 31 December	**1,115,789**	**1,433,374**	**157,548**	**202,391**	**1,115,789**	**1,433,374**

NOTES TO THE FINANCIAL STATEMENTS

11. Marketable Securities (continued)

The portfolio as per 31 December 2002 is summarized as follows:

	Genmab Group and Parent Company			
	Cost	Cost	Market Value	Market Value
	DKK'000	USD'000 (Unaudited)	DKK'000	USD'000 (Unaudited)
Kingdom of Denmark bonds	953,882	134,687	955,541	134,921
US Government and Federal Agency Notes	162,431	22,935	160,248	22,627
Total portfolio	**1,116,313**	**157,622**	**1,115,789**	**157,548**

Scheduled maturities as per 31 December 2002

Maturity within one year	1,116,313	157,622	1,115,789	157,548
Total portfolio	**1,116,313**	**157,622**	**1,115,789**	**157,548**

12. Payable Technology Rights

In 2000, Genmab entered into a Genomics Agreement with Medarex, Inc. See note 15 for additional details. The agreement requires the company to pay USD 2 million annually for four consecutive years beginning at 26 August 2001. The company has calculated the net present value of these payments using an interest rate of 5.71% per annum, and capitalized this amount as licenses and rights. A corresponding amount has been recorded as a liability in the balance sheet. The company has recognized imputed interest on the outstanding payments.

NOTES TO THE FINANCIAL STATEMENTS

13. Warrants

Warrant Scheme

Genmab A/S has a warrant scheme which has the primary objective of giving those who help build the company an opportunity to share in the value of the business that they are helping to create. The warrant scheme is meant to provide an incentive for all company employees, including those in the subsidiaries, members of the board of directors and members of the management as well as external consultants.

Warrants are granted by the board of directors in accordance with authorizations given to the board by the company's shareholders.

Under the terms of the warrant scheme, warrants are granted by the board of directors at their meetings at an exercise price equal to the share price on the date of the meeting. According to the company's Articles of Association, the exercise price cannot be established at a price lower than the market price on the grant date.

Warrants granted under the existing warrant scheme cannot be exercised immediately. The terms of the scheme state that one-half of warrants granted can be exercised one year after the grant date with the other half exercisable two years after the grant date. The exercise period lasts for three years from the date when a warrant first becomes exercisable. If the warrants are not exercised within these periods, they lapse.

The exercise of warrants is not conditional upon continued employment or affiliation with Genmab. However, if the warrant holder exercises warrants, then upon cessation of employment or affiliation, except in the event of termination by the company without cause or cessation from the company's breach of the employment or affiliation contract, the holder is obligated to offer to sell a specified percentage of shares issued back to the company according to the following schedule:

- 75% of shares if termination occurs in the second year after grant.
- 50% of shares if termination occurs in the third year after grant.
- 25% of shares if termination occurs in the fourth year after grant.

The repurchase price to be paid for the shares by the company in these instances is the warrant holder's original exercise price. Accordingly, the warrant holder will not be able to profit on shares sold back to the company.

The warrant scheme contains anti-dilution provisions if changes occur in the company's share capital prior to the exercise.

Warrant Activity

In February 1999, the company's shareholders authorized the board of directors to grant 250,000 warrants. In January 2000, the company's shareholders authorized the board of directors to grant an additional 600,000 warrants. The number of warrants authorized was increased by an additional 1,257,730 warrants in June 2000 and 2,163,533 in August 2000. Accordingly, as per 31 December 2002, the board of directors has been authorized to grant a total of 4,271,263 warrants.

The following schedule specifies the warrant grants. The classification of warrant holders has been updated to reflect the current status of the individual warrant holders; i.e. if a non-employee consultant has been granted warrants and subsequently has been employed by the company, such person will be included in the category of employees. As a result, the updated totals of the individual groups may differ from information disclosed in previously issued financial statements.

NOTES TO THE FINANCIAL STATEMENTS

13. Warrants (continued)

	Genmab Group and Parent Company					
	Number of warrants granted to employees	Number of warrants granted to the board of directors	Number of warrants granted to non-employee consultants	Total outstanding warrants	Weighted average exercise price	Weighted average exercise price
					DKK	USD (Unaudited)
Granted 11 February 2000	259,500	205,000	15,000	479,500	48.90	6.90
Granted 15 March 2000	75,000			75,000	48.90	6.90
Granted 26 June 2000	205,500	95,000	25,000	325,500	59.70	8.43
Granted 31 July 2000	600,500	345,000	155,000	1,100,500	59.70	8.43
Granted 6 December 2000	213,500	70,000	25,000	308,500	300.00	42.36
Exercised in 2000	-	-	-	-		
Outstanding at 31 December 2000	**1,354,000**	**715,000**	**220,000**	**2,289,000**	**89.47**	**12.63**
Granted 6 March 2001	202,500		10,000	212,500	148.00	20.90
Granted 30 July 2001	563,500			563,500	165.00	23.30
Granted 7 November 2001	253,300	1,000		254,300	117.50	16.59
Granted 5 December 2001	79,000		5,000	84,000	116.00	16.38
Exercised in 2001	-	-	-	-		
Outstanding at 31 December 2001	**2,452,300**	**716,000**	**235,000**	**3,403,300**	**108.38**	**15.30**
Granted 15 February 2002	139,100			139,100	190.00	26.83
Granted 7 March 2002		75,000		75,000	196.00	27.68
Granted 20 March 2002	18,750			18,750	183.00	25.84
Granted 28 June 2002	204,000	1,000	5,000	210,000	139.50	19.70
Granted 26 September 2002	409,925	5,000		414,925	33.70	4.76
Exercised in January 2002	(14,500)	-	-	(14,500)	59.70	8.43
Exercised in February 2002	(10,000)	-	-	(10,000)	48.90	6.90
Outstanding at 31 December 2002	**3,199,575**	**797,000**	**240,000**	**4,236,575**	**107.48**	**15.18**

NOTES TO THE FINANCIAL STATEMENTS

13. Warrants (continued)

Weighted Average Exercise Price

The weighted average exercise price of outstanding warrants can be summarized as:

		Warrants outstanding				Warrants exercisable		
Exercise price	Warrants exercisable from	Number of warrants outstanding	Weighted average remaining contractual life (in years)	Weighted average exercise price DKK	Weighted average exercise price USD (Unaudited)	Number of warrants exercisable	Weighted average exercise price DKK	Weighted average exercise price USD (Unaudited)
DKK 33.70	26 September 2003	414,925	4.23	33.70	4.76	-	-	-
DKK 48.90	11 February 2001	544,500	1.64	48.90	6.90	544,500	48.90	6.90
DKK 59.70	26 June 2001	1.411,500	2.06	59.70	8.43	1,411,500	59.70	8.43
DKK 116.00	5 December 2002	84,000	3.43	116.00	16.38	42,000	116.00	16.38
DKK 117.50	7 November 2002	254,300	3.35	117.50	16.59	127,150	117.50	16.59
DKK 139.50	28 June 2003	210,000	3.99	139.50	19.70	-	-	-
DKK 148.00	6 March 2002	212,500	2.68	148.00	20.90	106,250	148.00	20.90
DKK 165.00	30 July 2002	563,500	3.08	165.00	23.30	281,750	165.00	23.30
DKK 183.00	20 March 2003	18,750	3.72	183.00	25.84	-	-	-
DKK 190.00	15 February 2003	139,100	3.63	190.00	26.83	-	-	-
DKK 196.00	7 March 2003	75,000	3.68	196.00	27.68	-	-	-
DKK 300.00	6 December 2001	308,500	2.43	300.00	42.36	308,500	300.00	42.36
DKK 33.70 to DKK 300.00		**4,236,575**	**2.70**	**107.48**	**15.18**	**2,821,650**	**101.17**	**14.29**

Compensation Costs Relating to Warrants

The cost relating to warrants granted to employees is based on the intrinsic value of the outstanding warrants at each balance sheet date. Once the compensation costs have been expensed, they are not reversed, even if the intrinsic value of the warrants decreases. The total cost recognized in the income statement for warrants granted to employees was DKK 647 thousand for the year ended 31 December 2002 compared to DKK 2,783 thousand in 2001.

The cost relating to warrants granted as compensation to non-employee consultants is based on the fair value of the outstanding warrants at each balance sheet date, and is calculated using the Black Scholes pricing model. Once the compensation costs have been expensed, they are not reversed, even if the fair value of the warrants decreases. The total compensation costs to non-employees for the year ended 31 December 2002 were DKK 4,668 thousand compared to DKK 10,215 thousand in 2001.

During 2002, employees, board members and non-employee consultants accepted a modification to the existing warrant program. The modification changed the repurchase condition and, accordingly, the outstanding warrants are no longer considered variable for accounting purposes. Therefore, the outstanding warrants are not revalued at each balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS

13. Warrants (continued)

The fair value of each warrant grant to non-employees is calculated using the Black Scholes pricing model with the following assumptions:

	2002	2001
Expected dividend yield	0%	0%
Expected stock price volatility	120%	45%
Risk-free interest rate	4.04%	4.57%
Expected life of warrants	4 years	4 years

The expected stock price volatility has been determined as the historical volatility of the company's stock price for the latest 12 months prior to the balance sheet date. The risk-free interest rate is determined as the interest rate on central government securities (bullet issues) with a maturity of 5 years.

14. Internal Shareholders

	Number of ordinary shares owned	Number of warrants held
Board of directors		
Lisa N. Drakeman	301,440	505,000
Jesper Zeuthen	62,255	85,000
Ernst Schweizer	91,840	72,000
Irwin Lerner	-	60,000
Michael Widmer	-	50,000
Karsten Havkrog Pedersen	-	25,000
	455,535	**797,000**
Management		
Lisa N. Drakeman, see above	-	-
Jan van de Winkel	42,000	280,000
Claus Juan Møller-San Pedro	128,375	330,000
Michael Wolff Jensen	5,500	190,000
	175,875	**800,000**
Total	**631,410**	**1,597,000**

NOTES TO THE FINANCIAL STATEMENTS

15. Related Party Disclosures

Medarex, Inc. and GenPharm International, Inc.
At 31 December 2002, Medarex, Inc. owned approximately 31% of the outstanding shares of the company through its wholly owned subsidiary, GenPharm International, Inc.

During 1999 and 2000, Medarex granted 16 fully paid-up exclusive licenses to the company to use its HuMAb-Mouse and TC Mouse technology to produce human monoclonal antibodies for 16 antigens to be specified by the company. In addition, Medarex granted Genmab a non-exclusive license to use the HuMAb technology to produce human monoclonal antibodies for an unlimited number of antigens. The licenses contributed to Genmab by Medarex have been recorded at their value on the date of contribution, and are supported by independent valuation studies. These licenses are being amortized using the straight-line method over an estimated useful life of five years.

In 2000, Genmab entered into the Genomics Agreement, pursuant to which Medarex granted the company the exclusive rights to market its transgenic mouse technologies for multi-target (five or more targets) European genomics partnerships. Genmab's territory includes companies with European headquarters that have either developed or gained access to genomics or other novel targets. The company may also conduct business with any company it may choose for non multi-target (less than five targets) agreements. In exchange for the rights granted to Genmab by Medarex under the Genomics Agreement, the company issued 27,976 shares to Medarex. Such amounts were assigned at a value of DKK 16,702 thousand, equal to USD 2 million, at the exchange rate prevailing at the date of issuance. Beginning in 2001, the Genomics Agreement states that the company will pay Medarex USD 2 million per year for four years ending in 2004. This obligation has been recorded to include imputed interest. The 2002 payment has not been settled yet and is, therefore, included in accounts payable. The Genomics Agreement has an initial term of five years with a right exercisable by the company to extend the term for an additional two years. Licenses and rights contributed to Genmab in connection with the Genomics Agreement with Medarex have been recorded at historic cost for the initial fee and the net present value for the remaining four payments. The obligation related to the net present value of the remaining payments is included in liabilities and is allocated between current and non-current payable technology rights. The amortization is based on the straight-line method over its estimated useful life of five years.

The partnering model entered into between Medarex and Genmab in the Genomics Agreement is based on collaboration, cost sharing and shared commercial rights. In a typical collaboration, the target company will contribute five or more targets to the alliance. Genmab and Medarex will jointly contribute the antibody products to the targets. For each product to be developed, the target company will pay half the development costs and Genmab and Medarex together will pay equally the other half. Genmab and Medarex together may also make their full repertoire of antibody development capabilities available to the collaborations, including pre-clinical and clinical research and manufacturing capacity.

In June 2001, Genmab and Medarex entered into a collaboration agreement to develop HuMax-Inflam. Under the agreement, the parties will share the cost associated with the pre-clinical and clinical development of the product and will share the commercialization rights and royalties.

The company has paid Medarex for manufacturing services and the reimbursement of administrative expenses. For 2002 and 2001, the company has recorded transactions totaling DKK 105,880 thousand and DKK 23,949 thousand, respectively, in connection with these agreements. Medarex reimbursed the company DKK 512 thousand for the year ended 31 December 2001 for costs incurred on its behalf. No significant costs have been reimbursed in 2002. In 2001 and partly in 2002, the company leased from Medarex a limited area of office space in Princeton, New Jersey, USA. This leasing transaction is not considered material.

In addition to the payable technology rights, the company has recorded payables to Medarex of DKK 25,339 thousand as of 31 December 2002.

The Company's Board of Directors and its Officers
No significant transactions have taken place with the board of directors or the company's officers, except for transactions in the normal course of business, which have been disclosed in the financial statements.

Other Parties
Under the company's previous accounting policies, a number of entities with whom the company had entered collaboration agreements or acquired minor equity positions in were considered related parties. These companies are no longer considered related parties as the current accounting policies define related parties as one party who controls or exercises significant influence over the other party or the parties being under common control, and this is not considered to be the case.

NOTES TO THE FINANCIAL STATEMENTS

16. Commitments

Operating Leases

The company and the group lease office space under operating leases, which are non-cancelable for various periods up to 2006. For the years ended 31 December 2002 and 2001, the group recorded lease expenses of DKK 12,565 thousand, and DKK 3,966 thousand, respectively. At 31 December 2002, future minimum payments under the office leases were as follows:

	Genmab Group		Genmab Group		Parent Company	
	2002	2001	2002	2001	2002	2001
	DKK'000	DKK'000	USD'000 (Unaudited)	USD'000 (Unaudited)	DKK'000	DKK'000
Payment due in						
2002	-	10,016	-	1,414	-	5,152
2003	10,695	9,849	1,510	1,391	5,423	4,984
2004	9,589	9,569	1,354	1,351	5,288	4,705
2005	7,521	8,115	1,062	1,146	3,666	3,250
2006	4,058	4,222	573	596	525	464
Total	**31,863**	**41,771**	**4,499**	**5,898**	**14,902**	**18,555**

Finance Leases

The company and the group have entered into finance lease contracts with respect to cars and laboratory equipment. The lease liability regarding these contracts has been recognized in the balance sheet. Future minimum lease payments under such finance leases and the net present value are as follows:

	Genmab Group		Genmab Group		Parent Company	
	2002	2001	2002	2001	2002	2001
	DKK '000	DKK'000	USD'000 (Unaudited)	USD'000 (Unaudited)	DKK'000	DKK'000
Minimum lease payments						
Within 1 year	3,542	-	500	-	541	-
From 1 to 5 years	11,506	-	1,625	-	2,754	-
	15,048	-	2,125	-	3,295	-
Future finance charges	(1,259)	-	(178)		(397)	-
Total	**13,789**	**-**	**1,947**	**-**	**2,898**	**-**
Net present value of future payments						
Within 1 year	3,709	-	524	-	527	-
From 1 to 5 years	10,080	-	1,423	-	2,371	-
Total	**13,789**	**-**	**1,947**	**-**	**2,898**	**-**

NOTES TO THE FINANCIAL STATEMENTS

16. Commitments (continued)

Other Purchase Obligations

The company and the group have entered into a number of agreements, which are mainly within the area of manufacturing services related to the research and development activities. The contractual obligations under the agreements will lead to the following future payments:

	Genmab Group		Genmab Group		Parent Company	
	2002	2001	2002	2001	2002	2001
	DKK'000	DKK'000	USD'000 (Unaudited)	USD'000 (Unaudited)	DKK'000	DKK'000
Payment due in						
2002	-	32,916	-	4,648	-	32,916
2003	56,729	31,907	8,010	4,505	51,155	31,907
2004	5,190	67,648	733	9,552	5,190	67,648
2005	3,420	65,545	483	9,255	3,420	65,545
Total	**65,339**	**198,016**	**9,226**	**27,960**	**59,765**	**198,016**

License Agreements

The company is a party to a number of license agreements which require the company to pay royalties if and when the company commercializes products utilizing the licensed technology.

17. Contingent Assets and Contingent Liabilities

Contingent Assets

The company has entered into a number of collaboration agreements which commit the company to acquire shares in the collaboration partners (target companies) based on the achievement of certain milestones by the target company. Since it is expected that the market value of such shares will increase as a result of the achievement of the milestones, the agreements may qualify as contingent assets. However, it is not possible to measure the value of such contingent assets and, accordingly, no such assets have been recognized.

Contingent Liabilities

As part of the license and collaboration agreements that the company has entered into, once a product is developed and commercialization is carried out, milestone and royalty payments will be required. It is not possible to measure the value of such future payments, but the company expects to generate future income from such products which will exceed any milestone and royalty payments.

NOTES TO THE FINANCIAL STATEMENTS

18. Fees to Auditors Appointed at the Annual General Meeting

	Genmab Group		Genmab Group		Parent Company	
	2002	2001	2002	2001	2002	2001
	DKK'000	DKK'000	USD'000 (Unaudited)	USD'000 (Unaudited)	DKK'000	DKK'000
PricewaterhouseCoopers						
Audit	563	500	79	71	210	180
Other services	2,372	551	335	78	1,640	492
	2,935	**1,051**	**414**	**149**	**1,850**	**672**
Deloitte & Touche						
Audit	70	60	10	8	70	60
Other services	52	45	7	6	52	45
	122	**105**	**17**	**14**	**122**	**105**
Total fees	**3,057**	**1,156**	**431**	**163**	**1,972**	**777**

19. Reconciliation from IFRS to US GAAP

The financial statements of the company are prepared in accordance with IFRS, which differ in certain aspects from US GAAP.

Comprehensive Income

SFAS 130, *"Reporting Comprehensive Income"*, establishes US GAAP for the reporting and display of comprehensive income and its components in financial statements. Comprehensive income, which is a component of shareholders' equity, includes all unrealized gains and losses (including exchange rate gains and losses) on debt and equity securities classified as "Available-for-sale." Such securities would be classified as marketable securities in the financial statements under US GAAP and such unrealized gains and losses would be included in a separate statement in order to determine comprehensive income.

In accordance with IFRS, the company classifies such securities as marketable securities. Unrealized gains and losses (including exchange rate adjustments) are included in the income statement as financial items and in shareholders' equity as part of the accumulated deficit.

There are no quantifiable differences in shareholders' equity resulting from the accounting treatment applied by the company under IFRS compared to US GAAP.

Application of US GAAP would have affected net loss for the periods ended 31 December 2002 and 2001 to the extent described below. Application of US GAAP would not have affected shareholders' equity as of any date for which financial information is presented herein.

NOTES TO THE FINANCIAL STATEMENTS

19. Reconciliation from IFRS to US GAAP (continued)

	Genmab Group		Genmab Group		Parent Company	
	2002	2001	2002	2001	2002	2001
	DKK'000	DKK'000	USD'000 (Unaudited)	USD'000 (Unaudited)	DKK'000	DKK'000
Net loss according to IFRS	**(479,329)**	**(168,717)**	**(67,681)**	**(23,823)**	**(479,329)**	**(168,717)**
Revaluation of marketable securities concerning measurement to market value	1,063	1,520	150	215	1,063	1,520
Reversed unrealized exchange rate loss on marketable securities	854	(21,390)	121	(3,020)	854	(21,390)
Recognition of expense associated with warrants granted to non-employees using an accelerated method of attribution	-	2,951	-	417	-	2,951
Net loss according to US GAAP	**(477,412)**	**(185,636)**	**(67,410)**	**(26,211)**	**(477,412)**	**(185,636)**
Weighted average number of ordinary shares outstanding during the period - basic and diluted	22,336,150	21,812,020	22,336,150	21,812,020	22,336,150	21,812,020
Basic and diluted net loss per share according to US GAAP	(21.4)	(8.5)	(3.0)	(1.2)	(21.4)	(8.5)

	Genmab Group		Genmab Group		Parent Company	
	2002	2001	2002	2001	2002	2001
	DKK'000	DKK'000	USD'000 (Unaudited)	USD'000 (Unaudited)	DKK'000	DKK'000
Net loss according to US GAAP	**(477,412)**	**(185,636)**	**(67,410)**	**(26,211)**	**(477,412)**	**(185,636)**
Other Comprehensive income:						
Unrealized loss from marketable securities	(1,063)	(1,520)	(150)	(215)	(1,063)	(1,520)
Adjustment of foreign currency fluctuations in subsidiaries	4,404	4	623	1	4,404	4
Unrealized exchange rate loss on marketable securities	(854)	21,390	(121)	3,020	(854)	21,390
Comprehensive income	**(474,925)**	**(165,762)**	**(67,058)**	**(23,405)**	**(474,925)**	**(165,762)**

INVESTOR RELATIONS

Genmab is committed to carrying out effective communication with the financial community and the company has a dedicated department for Investor and Public Relations. All material information related to the company's stock price is released first to the Copenhagen Stock Exchange (CSE) via a stock exchange notice in the form of a press release. Information about the company which is not price relevant but still of interest, is communicated by using the CSE's Investor Service channel. Once company news is published at the CSE, we distribute the press release to our own mailing lists of investors, analysts, journalists and newswires across the world and publish it on our website, www.genmab.com. Other ways in which we communicate with our investors include regular telephone conferences, webcasts and industry conferences.

Contact:

Rachel C. Gravesen, M.A.
Vice President, Investor &
Public Relations

Ms. Gravesen joined Genmab in 2001 and has a background in business news communication. Previously she worked as Editor at CNBC Nordic and as a journalist at the BBC in London. Ms. Gravesen has also worked as a communications consultant for Danish businesses and WHO. She received her B.A and M.A. degrees from Cambridge University and earned a diploma in journalism at City University in London.

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EXECUTIVE OFFICERS & BOARD OF DIRECTORS

Lisa N. Drakeman, Ph.D.

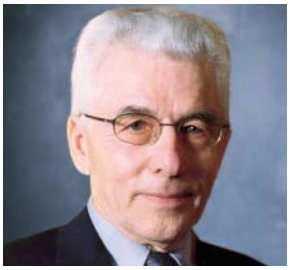
President, Chief Executive Officer and Board Member

Dr. Drakeman has served as Genmab's President and CEO since inception and is also a member of the board of directors. Dr. Drakeman has 15 years' experience working in the biotechnology industry, including establishing corporate partnerships with major pharmaceutical companies, managing clinical trials of monoclonal antibody-based products and developing government programs for financing biotechnology research. She previously served as a member of the faculty and administration at Princeton University and as Senior Vice President, Head of Business Development for Medarex, Inc. She received a B.A. degree, from Mount Holyoke College, M.A. from Rutgers University, and M.A. and Ph.D. from Princeton University.

Claus Juan Møller-San Pedro, M.D., Ph.D.

Chief Operating Officer and Senior Vice President

Dr. Møller has served as COO since our inception. He has extensive experience in the biotechnology industry and overseeing product development and clinical trials activities. Previous posts include Executive Vice President and Chief Medical and Operating Officer of Oxigene, Inc., President of IPC-Nordic A/S, and Medical Director for Synthélabo Scandinavia A/S. Dr. Møller is on the board at HemeBiotech A/S and Chairman of the board at IPC-Nordic A/S. He received his M.D. and Ph.D. degrees from the University of Copenhagen.



Ernst H. Schweizer, Ph.D.

Head of Business Development and Board Member

Dr. Schweizer joined as Head of Business Development in 2002 and has been a member of the board of directors since the company's inception. Dr. Schweizer has extensive experience within the pharmaceutical and biotechnology industries. He was formerly the Deputy Director of Worldwide Business Development and Licensing for Novartis International AG, Chief Scientific and Technical Adviser of Business Development and Licensing for Ciba-Geigy and President of Medarex Europe B.V. Dr. Schweizer is on the board of Bio-Pharma Fund and Speedel Holding. He received his Ph.D. from the University of Stuttgart.

Prof. Jan G. J. van de Winkel, Ph.D.

Chief Scientific Officer and Senior Vice President

Prof. van de Winkel has served as CSO since inception. Previously he was Vice President and Scientific Director of Medarex Europe B.V. He is the author of over 225 scientific publications and has been responsible for a number of patents and pending patent applications. Prof. van de Winkel is one of the leading scientists in the study of antibodies and their interaction with the human immune system. Prof. van de Winkel is a part-time Professor of Immunology at Utrecht University and also a member of the scientific advisory board for BTF. He holds M.Sc. and Ph.D. degrees from the University of Nijmegen.

Michael Wolff Jensen, L.L.M.

Chief Financial Officer, Senior Vice President and Corporate Counsel

Mr. Jensen joined Genmab in 2000. Mr. Jensen has considerable experience in mergers, acquisitions, private placements and initial public offerings. Previously he worked as a lawyer at Hjejle, Gersted & Mogensen and at Kromann Reumert, and served as a member of the legal faculty at the University of Copenhagen. He received his L.L.M. degree from the University of Copenhagen.

Jesper Zeuthen, Professor, D.Sc.

Board Chairman

Dr. Zeuthen joined the board at Genmab's inception. Dr. Zeuthen is Managing Director for Biomedical Venture activities of the BankInvest Group. He previously held research positions at the Karolinska Institute, Stockholm, Sweden, the University of Aarhus, Denmark, the Basel Institute of Immunology, Switzerland, and Novo A/S. Dr. Zeuthen is Chairman of the boards of TopoTarget A/S and Pantheco A/S, and a member of the boards of HemeBiotech A/S, Fibrogen Europe Oy, Anosys, Inc. and BioVision A/S. Dr. Zeuthen is ending his service to the Genmab board at the Annual General Meeting in April 2003.

Michael Widmer, Ph.D.

Board Deputy Chairman

Dr. Widmer joined the board in March 2002. Dr. Widmer was former Vice President and Director of Biological Sciences at Immunex Corporation, Inc. Prior to Immunex he was an assistant professor in Laboratory Medicine and Pathology at the University of Minnesota. His research has centred on regulation of the immune and inflammatory response and he has authored over 100 scientific publications.

Irwin Lerner, MBA

Board Member

Mr. Lerner joined the board in July 2000. Mr Lerner was Chairman, President and Chief Executive Officer at Hoffmann-La Roche, Inc. from 1980 to 1992 and during 1993 he was Chairman of the board and executive committee. Mr. Lerner is Chairman of the board of Medarex, Inc., and a board member for Covance, Inc., Humana, Inc., VI Technologies, Inc. and Nektar Therapeutics, Inc. Mr. Lerner is a board director of the US private companies Reliant Pharmaceuticals LCC, and Zurich Life Insurance Co. of New York.

Karsten Havkrog Pedersen, LL.M.

Board Member

Mr. Pedersen joined the board in March 2002. He has been a partner in the law firm Hjejle, Gersted & Mogensen since 1981 and is a member of the Danish Appeal Board and a member of the Danish Bar and Law Society, Committee of Legal Affairs. Mr. Pedersen is a member of the board for BIG 1 Holding A/S, BIG 1 A/S, BIG 2 Holding A/S, BIG 2 A/S, BIG Fonden, Erik K. Jørgensen Fond and Gavnø Fonden.

BOARD OF DIRECTORS

Genmab's board of directors meet for both ordinary and extraordinary meetings during the year. During 2002 more than 10 board meetings were held. Board duties include establishing policies for strategy, accounting, organization and finance, and the appointment of executive officers. The Articles of Association stipulate that the board of directors is elected by Genmab shareholders at the Annual General Meeting and members are elected for three year terms on a rotating basis. Members may stand for re-election for successive terms. The board of directors shall consist of no less than three and no more than nine members.

The business address for members of the board of directors is c/o Genmab A/S, Toldbodgade 33, DK-1253 Copenhagen K, Denmark.

CORPORATE INFORMATION

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Kromann Reumert
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DK-2100 Copenhagen Ø

Hjejle, Gersted & Mogensen
Amagertorv 24, 3.
DK-1160 Copenhagen K

Bankers to the Company

Amagerbanken
Amagerbrogade 25
DK-2300 Copenhagen S

Merrill Lynch
800 Scudders Mill Road
Plainboro, New Jersey 08356, USA

Danske Bank
Holmens Kanal 2-12
DK-1092 Copenhagen K

Independent Auditors

PricewaterhouseCoopers
Strandvejen 44
DK-2900 Hellerup

Deloitte & Touche
Statsautoriseret Revisionsaktieselskab
H.C. Andersens Boulevard 2
DK-1780 Copenhagen V

Annual General Meeting

The Annual General Meeting of Genmab will be held on 24 April 2003 at 2 p.m. at
Radisson SAS Scandinavia
Amager Boulevard 70
DK-2300 Copenhagen S

Annual Report Translations

Copies of this Annual Report in both English and Danish are available without charge upon request.

Except for the historical information presented herein, matters discussed in this Annual Report are forward-looking statements that are subject to certain risks and uncertainties that could cause actual results to differ materially from any future results, performance or achievements expressed or implied by such statements.

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