Genmab Announces Financial Results for the First Quarter of 2019

May 8, 2019; Copenhagen, Denmark;
Interim Report for the First Quarter Ended March 31, 2019

Highlights

- **Regulatory applications for daratumumab in combination with lenalidomide and dexamethasone based on the MAIA study in frontline multiple myeloma submitted in U.S. and Europe**
- **Regulatory applications for daratumumab in combination with bortezomib, thalidomide and dexamethasone based on the CASSIOPEIA study in frontline multiple myeloma submitted in U.S. and Europe**
- **Positive topline results from Phase III COLUMBA study of subcutaneous daratumumab for relapsed or refractory multiple myeloma**
- **MorphoSys patent infringement complaint against Genmab and Janssen Biotech, Inc. dismissed, MorphoSys patents ruled invalid for lack of enablement, case ended**
- **DARZALEX® net sales increased 46% over Q1 2018 to USD 629 million, resulting in royalty income of DKK 502 million**

"The first quarter was filled with regulatory news for DARZALEX, with our collaboration partner Janssen filing multiple new regulatory applications and achieving one new approval. In addition, we reported positive topline data for subcutaneous daratumumab in relapsed or refractory multiple myeloma," said Jan van de Winkel, Ph.D., Chief Executive Officer of Genmab. "During the first quarter we also continued to invest in and advance our innovative proprietary products under development using Genmab's expertise in antibody drug development to create truly differentiated products to help cancer patients."

Financial Performance First Quarter of 2019

- Revenue was DKK 591 million in the first quarter of 2019 compared to DKK 681 million in the first quarter of 2018. The decrease of DKK 90 million, or 13%, was mainly driven by the one-time payment from Novartis of USD 50 million (DKK 304 million) during the first quarter of 2018 for lost potential milestones and royalties following announcement of Novartis' intention to transition Arzerra® (ofatumumab) to limited availability via compassionate use programs for chronic lymphocytic leukemia (CLL) in non-US markets, partly offset by higher DARZALEX royalties and reimbursement income from our collaborations with Seattle Genetics and BioNTech.
- Operating expenses were DKK 617 million in the first quarter of 2019 compared to DKK 357 million in the first quarter of 2018. The increase of DKK 260 million, or 73%, was driven by the advancement of enapotamab vedotin and tisotumab vedotin, additional investments in our product pipeline, and the increase in employees to support expansion of our product pipeline.
- Operating loss was DKK 26 million in the first quarter of 2019 compared to operating income of DKK 324 million in the first quarter of 2018. As anticipated, the decrease of DKK 350 million, or 108%, was driven primarily by the one-time payment from Novartis in 2018 and increased operating expenses.

Outlook

Genmab is maintaining its 2019 financial guidance published on February 20, 2019.

Conference Call

Genmab will hold a conference call in English to discuss the results for the first quarter of 2019 today, Wednesday, May 8, at 6.00 pm CEST, 5.00 pm BST or 12.00 pm EDT. To join the call dial +1 631 510 7495 (US participants) or +44 2071 928000 (international participants) and provide conference code 8692103.

A live and archived webcast of the call and relevant slides will be available at www.genmab.com.

Genmab Announces Financial Results for the First Quarter of 2019

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CONSOLIDATED KEY FIGURES

	1st Quarter of 2019	1st Quarter of 2018*	Full Year 2018*
	DKK'000	DKK'000	DKK'000
Income Statement			
Revenue	591,009	681,012	3,025,137
Research and development expenses	(546,080)	(312,551)	(1,431,159)
General and administrative expenses	(70,853)	(44,416)	(213,695)
Operating expenses	(616,933)	(356,967)	(1,644,854)
Operating result	(25,924)	324,045	1,380,283
Net financial items	119,946	(68,480)	231,688
Net result	72,209	198,574	1,472,141
Balance Sheet			
Cash position**	6,830,272	5,701,172	6,106,094
Non-current assets	1,199,192	561,912	1,027,974
Assets	8,734,717	6,783,115	8,460,999
Shareholders' equity	8,127,162	6,520,103	8,014,360
Share capital	61,524	61,251	61,498
Investments in intangible and tangible assets	21,364	28,772	477,366
Cash Flow Statement			
Cash flow from operating activities	647,197	464,071	1,014,786
Cash flow from investing activities	(13,534)	(682,767)	(1,777,553)
Cash flow from financing activities	(10,502)	(127,843)	(70,901)
Cash and cash equivalents	1,176,813	956,775	532,907
Cash position increase/(decrease)	724,178	278,435	683,357
Financial Ratios			
Basic net result per share	1.18	3.25	24.03
Diluted net result per share	1.17	3.20	23.73
Period-end share market price	1,155.00	1,298.00	1,067.50
Price / book value	8.74	12.19	8.19
Shareholders' equity per share	132.10	106.45	130.32
Equity ratio	93%	96%	95%
Average number of employees (FTE***)	403	263	313
Number of employees at the end of the period	419	270	377

* As disclosed in note 1 of the financial statements, prior period amounts have not been adjusted under the modified retrospective method to adopt IFRS 16 as of January 1, 2019
** Cash, cash equivalents, and marketable securities.
*** Full-time equivalent

The figures and financial ratios have been prepared on a consolidated basis. The financial ratios have been calculated in accordance with the recommendations of the Association of Danish Financial Analysts (2017) and key figures in accordance with IFRS.

Interim Report for the First Quarter of 2019

OUTLOOK

MDKK	2019 Guidance
Revenue	4,600
Operating expenses	(2,600)
Operating income	2,000

Genmab is maintaining its 2019 financial guidance published on February 20, 2019.

Revenue

We expect our 2019 revenue to be approximately DKK 4,600 million, compared to DKK 3,025 million in 2018, an increase of DKK 1,575 million or 52%. Our projected revenue for 2019 primarily consists of DARZALEX royalties of DKK 2,685 million, based on estimated net sales of USD 3.0 billion. We project DARZALEX milestones of approximately DKK 1,500 million related to commercial net-sales based milestones for achieving net-sales in a calendar year of both USD 2.5 billion and USD 3.0 billion respectively. The remainder of the revenue consists of cost reimbursement income, Arzerra® royalties, and DuoBody® milestones.

Operating Expenses

We anticipate that our 2019 operating expenses will be approximately DKK 2,600 million, an increase of DKK 955 million or 58% compared to 2018. The increase is driven by the advancement of our clinical programs, particularly tisotumab vedotin and enapotamab vedotin.

Operating Result

We expect the operating income to be approximately DKK 2,000 million in 2019 compared to DKK 1,380 million in 2018, an increase of DKK 620 million or 45%.

Outlook: Risks and Assumptions

In addition to factors already mentioned, the estimates above are subject to change due to numerous reasons, including but not limited to the achievement of certain milestones associated with our collaboration agreements; the timing and variation of development activities (including activities carried out by our collaboration partners) and related income and costs; DARZALEX sales and corresponding royalties to Genmab; and currency exchange rates (the 2019 guidance assumes a USD/DKK exchange rate of 6.0). The financial guidance assumes that no significant agreements are entered during 2019 that could materially affect the results.

KEY 2019 PRIORITIES

Priority	✓	Targeted Milestones
Daratumumab		• FDA decision on Phase III MAIA multiple myeloma (MM) submission • FDA decision on Phase III CASSIOPEIA MM submission
	✓	• Phase III COLUMBA MM subcutaneous (SC) daratumumab safety and efficacy analysis
Ofatumumab		• Phase III ASCLEPIOS I & II relapsing multiple sclerosis SC ofatumumab study completion and reporting
Tisotumab vedotin	✓	• Phase II innovaTV 204 tisotumab vedotin recurrent / metastatic cervical cancer study enrollment complete by mid-year
Innovative pipeline		• Phase II enapotamab vedotin expansion cohort efficacy analysis • Phase I/II HexaBody®-DR5/DR5 initial clinical data • Phase I/II DuoBody-CD3xCD20 clinical data dose escalation cohorts • File INDs or CTAs for 3 new products

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PRODUCT PIPELINE

Our own and partnered product pipeline consists of fourteen antibodies in clinical development, including two marketed products, and approximately 20 in-house and partnered pre-clinical programs. An overview of the development status of each of our products is provided in the following sections. Detailed descriptions of dosing, efficacy and safety data from certain clinical trials have been disclosed in company announcements and media releases published via the Nasdaq Copenhagen stock exchange. Additional information is available on Genmab's website, www.genmab.com.

PRODUCT PIPELINE AND TECHNOLOGY PROGRESS FIRST QUARTER OF 2019

Marketed Products

Marketed Products and Proposed Label Expansion

Product	Disease Indications	Most Advanced Development Phase						
		Pre-Clinical	I	I/II	II	III	Launched	Anticipated 2019 Milestones
Daratumumab Target: CD38 Partner: Janssen	Multiple myeloma (MM)							FDA and EMA feedback on MAIA and CASSIOPEIA submissions; GRIFFIN efficacy data; Regulatory submissions based on COLUMBA; Other trials ongoing
	AL Amyloidosis							Trial ongoing
	Non-MM blood cancers							Trials ongoing
Ofatumumab (OMB157) Target: CD20 Partner: Novartis	Chronic lymphocytic leukemia (CLL)							
	Relapsing multiple sclerosis (RMS) (SubQ)							ASCLEPIOS I and II study completion

DARZALEX (daratumumab) – First CD38 Antibody Approved in the World

- First-in-class human CD38 antibody in development to treat cancer
- Approved in combination with other therapies for frontline multiple myeloma in U.S. and EU, in combination with other therapies in relapsed/refractory multiple myeloma in U.S., EU and Japan; and as monotherapy for heavily pretreated or double-refractory multiple myeloma in U.S. and EU
- Multiple Phase III studies ongoing in multiple myeloma and amyloidosis, and for a subcutaneous formulation
- Early stage studies ongoing in other blood cancers
- Collaboration with Janssen
- Net sales of DARZALEX by Janssen were USD 629 million in the first quarter of 2019

DARZALEX (daratumumab) intravenous infusion is approved in the U.S. in combination with bortezomib, melphalan and prednisone (VMP) for the treatment of patients with newly diagnosed multiple myeloma who are ineligible for autologous stem cell transplant (ASCT); in combination with lenalidomide and dexamethasone, or bortezomib and dexamethasone, for the treatment of patients with multiple myeloma who have received at least one prior therapy; in combination with pomalidomide and dexamethasone for the treatment of patients with multiple myeloma who have received at least two prior therapies, including lenalidomide and a proteasome inhibitor (PI); and as a monotherapy for the treatment of patients with multiple myeloma who have received at least three prior lines of therapy, including a PI and an immunomodulatory agent, or who are double-refractory to a PI and an immunomodulatory agent.

In the EU, DARZALEX is approved for use in combination with VMP for the treatment of adult patients with newly diagnosed multiple myeloma who are ineligible for ASCT; in combination with lenalidomide and dexamethasone, or bortezomib and dexamethasone, for the treatment of adult patients with multiple

myeloma who have received at least one prior therapy; and as a monotherapy for the treatment of adult patients with relapsed and refractory multiple myeloma, whose prior therapy included a PI and an immunomodulatory agent and who have demonstrated disease progression on the last therapy.

The option to split the first infusion of DARZALEX over two consecutive days has been approved in both the EU and the U.S.

In Japan, DARZALEX is approved in combination with lenalidomide and dexamethasone or bortezomib and dexamethasone for the treatment of relapsed or refractory multiple myeloma.

The warnings and precautions for DARZALEX include infusion reactions, interference with serological testing and interference with determination of complete response. The most frequently reported adverse reactions (incidence ≥20%) in clinical trials were: infusion reactions, neutropenia, thrombocytopenia, fatigue, nausea, diarrhea, constipation, vomiting, muscle spasms, arthralgia, back pain, pyrexia, chills, dizziness, insomnia, cough, dyspnea, peripheral edema, peripheral sensory neuropathy and upper respiratory tract infection.

Please consult the full U.S. Prescribing information and the full European Summary of Product Characteristics for all the labeled safety information for DARZALEX.

First Quarter Update

- March: A Phase II study of subcutaneous daratumumab in combination with carfilzomib and dexamethasone (Kd) compared to Kd in patients with relapsed refractory multiple myeloma who were previously treated with intravenous daratumumab was published on www.clinicaltrials.gov.
- March: Regulatory submissions to broaden the label for daratumumab to include use in combination with bortezomib, thalidomide and dexamethasone (VTD) as treatment for newly diagnosed patients with multiple myeloma who are candidates for ASCT were submitted to the European Medicines Agency (EMA) and the U.S. Food and Drug Administration (FDA). The submissions were based on data from the Phase III CASSIOPEIA (MMY3006) study.
- March: A regulatory submission to broaden the existing marketing authorization for daratumumab to include use in combination with lenalidomide and dexamethasone (Rd) as treatment for newly diagnosed patients with multiple myeloma who are not candidates for high dose chemotherapy and ASCT was submitted to the EMA. The submission was based on data from the Phase III MAIA (MMY3008) study.
- February: Topline results from the Phase III COLUMBA study (MMY3012) of subcutaneous (SC) versus intravenous (IV) daratumumab for patients with relapsed or refractory multiple myeloma were reported. The results showed that SC administration of daratumumab co-formulated with recombinant human hyaluronidase PH20 is non-inferior to IV administration of daratumumab with regard to the co-primary endpoints of overall response rate (ORR) and Maximum Trough concentration (C_{trough}) of daratumumab on day 1 of the third treatment cycle. The ORR for patients treated with SC daratumumab was 41.1% versus 37.1% in patients treated with IV daratumumab. The lower limit of the 95% Confidence Interval (CI) for the ratio of the two met the specified non-inferiority criterion for this co-primary endpoint. The geometric mean of C_{trough} for patients treated with SC daratumumab was 499 mg/mL versus 463 mg/mL in patients treated with IV daratumumab. The lower limit of the 95% CI for the ratio of the two met the specified non-inferiority criterion for this co-primary endpoint. No new safety signals were detected and Janssen plans to discuss the potential for a regulatory submission for subcutaneous daratumumab with health authorities.
- February: The FDA approved an update to the Prescribing Information for DARZALEX to provide healthcare professionals the option to split the first infusion of DARZALEX over two consecutive days.

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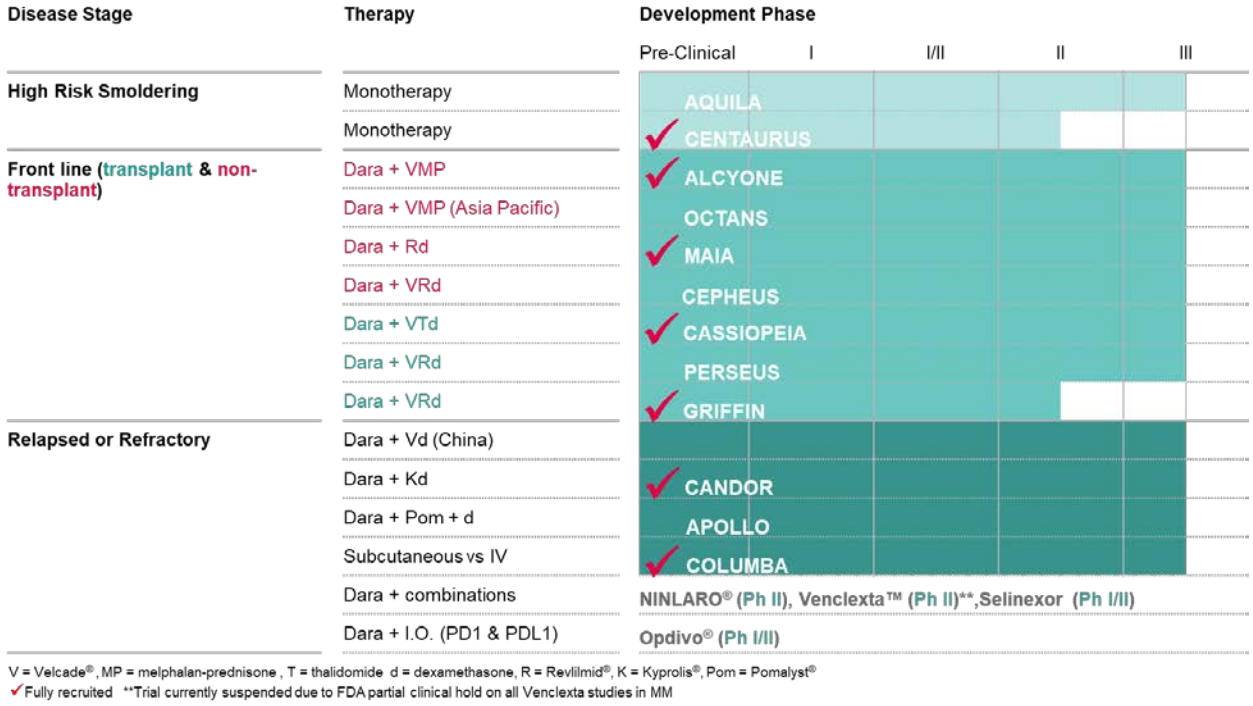
- January: The first part of a regulatory application was submitted to the FDA for a label expansion to include the use of daratumumab in combination with lenalidomide and dexamethasone for the treatment of patients with newly diagnosed multiple myeloma who are not candidates for high dose chemotherapy and ASCT. The submission was based on data from the Phase III MAIA (MMY3008) study. The FDA plans to review this application under their Real-Time Oncology Review (RTOR) pilot program. The submission was completed in March.

Daratumumab Development Covering All States of Multiple Myeloma – Key Ongoing Trials



V = Velcade®, MP = melphalan-prednisone , T = thalidomide d = dexamethasone, R = Revlilmid®, K = Kyprolis®, Pom = Pomalyst®
✓Fully recruited **Trial currently suspended due to FDA partial clinical hold on all Venclexta studies in MM

Daratumumab Development – Beyond Multiple Myeloma

Arzerra (ofatumumab) – Our First Marketed Product

- Human CD20 monoclonal antibody developed in collaboration with Novartis
- Approved in certain territories for certain chronic lymphocytic leukemia (CLL) indications
- Net sales of Arzerra by Novartis were USD 4 million in the first quarter of 2019

In the U.S., Arzerra solution for infusion is approved for use in combination with chlorambucil for the treatment of previously untreated patients with CLL for whom fludarabine-based therapy is considered inappropriate; for use in combination with fludarabine and cyclophosphamide (FC) for the treatment of patients with relapsed CLL; and for extended treatment of patients who are in complete or partial response after at least two lines of therapy for recurrent or progressive CLL. It is also indicated as monotherapy for the treatment of patients with CLL who are refractory to fludarabine and alemtuzumab.

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In 2018, it was announced that Novartis intended to transition Arzerra from commercial availability to limited availability via managed access programs in markets outside the U.S., where applicable and allowed by local regulations. Accordingly, in 2019, the marketing authorization for Arzerra was withdrawn in the EU and several other territories. We expect that Arzerra will remain commercially available in Japan as well as in the U.S.

The overall safety profile of Arzerra in CLL is based on exposure in clinical trials and the post-marketing setting. The most common side effects for Arzerra include adverse events associated with infusion reactions, cytopenias, and infections (lower respiratory tract infection, including pneumonia, upper respiratory tract infection, sepsis, including neutropenic sepsis and septic shock, herpes viral infection, and urinary tract infection).

Please consult the full US Prescribing information, including Boxed Warning for all the labeled safety information for Arzerra.

First Quarter Update
February: The marketing authorization for Arzerra was withdrawn in the EU pursuant to Novartis' decision to transition Arzerra from commercial availability to limited availability in markets outside the U.S. and Japan.

Proprietary Products in Development

Proprietary Product Candidates

Product	Disease Indications	Most Advanced Development Phase					
		Pre-Clinical	I	I/II	II	III	Anticipated 2019 Milestones
Tisotumab vedotin Target: TF Partner: Seattle Genetics	Cervical cancer						Completed enrollment in innovaTV 204
	Ovarian cancer						Trial ongoing
	Solid tumors						Trials ongoing
Enapotamab vedotin (HuMax-AXL-ADC) Target: AXL	Solid tumors						Efficacy analysis from expansion cohort phase
HexaBody-DR5/DR5 (GEN1029) Target: DR5	Solid tumors						Initial data
DuoBody-CD3xCD20 (GEN3013) Targets:CD3, CD20	Hematological malignancies						Initial data from dose escalation cohorts
~20 Active Pre-clinical programs incl. DuoBody-CD40x4-1BB, DuoBody-PD-L1x4-1BB, DuoHexaBody-CD37	Proprietary programs: DuoBody, HexaBody & DuoHexaBody						Submit 3 INDs and/or CTAs
	Partnered programs: HuMab & DuoBody						

Tisotumab vedotin – A Next Generation Therapeutic

- Antibody-drug conjugate (ADC, antibody coupled to a cell-killing agent) in development to treat solid tumors
- Phase II potential registration study in cervical cancer ongoing, enrollment completed; Phase II clinical studies in ovarian and other solid tumors ongoing
- License and collaboration agreement with Seattle Genetics

Tisotumab vedotin is an ADC targeted to tissue factor (TF), a protein involved in tumor signaling and angiogenesis. Based on its high expression on many solid tumors and its rapid internalization, TF is a suitable target for an ADC approach. Tisotumab vedotin is in clinical development for solid tumors.

Tisotumab vedotin is being co-developed by Genmab and Seattle Genetics, under an agreement in which the companies share all costs and profits for the product on a 50:50 basis.

First Quarter Update

- March: First patient was dosed in the Phase I/II innovaTV 206 study of tisotumab vedotin as monotherapy for patients in Japan with recurrent and/or metastatic cervical cancer.
- March: Patient enrollment was completed in the potential registration Phase II innovaTV 204 study of tisotumab vedotin as a monotherapy for patients with recurrent and/or metastatic cervical cancer who have relapsed or progressed after standard of care treatment.

Enapotamab vedotin (HuMax-AXL-ADC) – A First-in-Class ADC

- ADC in development to treat solid tumors
- Phase I/II clinical study for multiple types of solid tumors ongoing

Enapotamab vedotin is an ADC targeted to AXL, a signaling molecule expressed on many solid cancers and implicated in tumor biology. Enapotamab vedotin is fully owned by Genmab and the ADC technology used with enapotamab vedotin was licensed from Seattle Genetics. A Phase I/II clinical study of enapotamab vedotin for multiple types of solid tumors is ongoing.

HexaBody-DR5/DR5 (GEN1029) – First HexaBody Program in Clinical Development

- Proprietary antibody therapeutic created with Genmab's HexaBody technology
- Composed of two non-competing HexaBody antibody molecules that target two distinct DR5 epitopes
- Phase I/II clinical trial in solid tumors ongoing

HexaBody-DR5/DR5 is a product comprising a mixture of two non-competing HexaBody molecules that target two distinct epitopes on death receptor 5 (DR5), a cell surface receptor that mediates a process called programmed cell death. Increased expression of DR5 has been reported in several types of tumors. A Phase I/II clinical trial in solid tumors is ongoing.

DuoBody-CD3xCD20 (GEN3013) – A Proprietary Bispecific Antibody

- Proprietary bispecific antibody created with Genmab's DuoBody technology
- Phase I/II clinical trial in B-cell malignancies ongoing

DuoBody-CD3xCD20 is a proprietary bispecific antibody created using Genmab's DuoBody technology. DuoBody-CD3xCD20 targets CD3, which is expressed on T-cells, and CD20, a clinically well-validated target. A Phase I/II clinical study of DuoBody-CD3xCD20 in B-cell malignancies is ongoing.

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Partner Programs Built on Genmab's Innovation

Partnered Product Candidates

Product	Disease Indications	Most Advanced Development Phase					Status/Recent Milestone
		Pre-Clinical	I	I/II	II	III	
Teprotumumab (RV001) Target: IGF-1R Partner: Horizon Pharma	Thyroid eye disease						Topline results reported February 2019; FDA submission expected in 2019
HuMax-IL8 Target: IL8, Partner: BMS	Advanced cancers						Study announced January 2018
Camidanlumab tesirine (ADCT-301) Target: CD25, Partner: ADCT	Lymphoma						Study ongoing
	Solid tumors						First patient dosed January 2019
JNJ-61186372 Targets: EGFR, cMet, Partner: Janssen	Non-small-cell lung cancer (NSCLC)						Initial data from Part 1 presented September 2018
JNJ-63709178 Targets: CD3, CD123 Partner: Janssen	Acute Myeloid Leukemia (AML)						Recruiting
JNJ-64007957 Targets: BCMA, CD3 Partner:Janssen	Relapsed or refractory MM						First patient dosed September 2017
JNJ-64407564 Targets: GPRC5D, CD3 Partner: Janssen	Relapsed or refractory MM						First patient dosed May 2018
Lu AF82422 Target: alfa-Synuclein Partner: Lundbeck	Parkinson's disease						First patient enrolled August 2018

Ofatumumab (OMB157)

- Human CD20 monoclonal antibody developed in collaboration with Novartis
- Subcutaneous formulation in development to treat relapsing multiple sclerosis
- Recruitment completed in two Phase III studies with low dose subcutaneous ofatumumab in relapsing multiple sclerosis

Ofatumumab is a human IgG1k mAb that targets an epitope on the CD20 molecule encompassing parts of the small and large extracellular loops. A subcutaneous formulation of ofatumumab is being investigated in two Phase III clinical studies in relapsing multiple sclerosis (relapsing MS). The studies compare the efficacy and safety of subcutaneous ofatumumab versus teriflunomide in patients with relapsing MS and are comprised of approximately 900 patients each. A Phase III study examining the long-term safety, tolerability and effectiveness of ofatumumab in over 2,000 patients with relapsing MS who participated in a previous study is also ongoing.

Teprotumumab

- In clinical development by Horizon Pharma, plc
- In Phase III development for active thyroid eye disease

Teprotumumab is a human antibody that targets the Insulin-like Growth Factor-1 Receptor (IGF-1R), which is a well-validated target. Teprotumumab was created by Genmab under our collaboration with Roche. Clinical development of teprotumumab is being conducted by Horizon Pharma plc under a license from Roche. Teprotumumab has been granted Fast Track designation, Orphan Drug designation and Breakthrough Therapy Designation for thyroid eye disease, also known as Graves' orbitopathy by the U.S. FDA.

First Quarter Update

- February: Topline results from the Phase III confirmatory trial evaluating teprotumumab for the treatment of active thyroid eye disease showed that the study met its primary endpoint. Horizon Pharma expects to submit a BLA to the U.S. FDA in mid-2019.

Pre-clinical Programs

- Broad pre-clinical pipeline of approximately 20 programs including DuoBody-CD40x4-1BB, DuoBody-PD-L1x4-1BB, and DuoHexaBody®-CD37
- Pre-clinical pipeline includes both partnered products and in-house programs based on our proprietary technologies
- Multiple new INDs expected to be submitted over coming years
- Entered strategic collaboration with Immatics to discover and develop next-generation bispecific cancer immunotherapies

Genmab has approximately 20 active in-house and partnered pre-clinical programs. Our pre-clinical pipeline includes naked antibodies, immune effector function enhanced antibodies developed with our HexaBody technology, and bispecific antibodies created with our DuoBody platform. A number of the pre-clinical programs are carried out in cooperation with our collaboration partners, such as the DuoBody-CD40x4-1BB and DuoBody-PD-L1x4-1BB immune-oncology programs with BioNTech.

First Quarter Update

- March: A Clinical Trial Application (CTA) for DuoBody-CD40x4-1BB was submitted to regulatory authorities in the UK.
- January: A CTA for DuoBody-PD-L1x4-1BB was submitted to regulatory authorities in Spain.

SIGNIFICANT RISKS AND UNCERTAINTIES

As a biotech company, Genmab faces a number of risks and uncertainties. These are common for the industry and relate to operations, research and development, commercial and financial activities. For further information about risks and uncertainties which the Genmab group faces, refer to the 2018 annual report. At the date of this interim report, there have been no significant changes to Genmab's overall risk profile since the publication of the 2018 annual report.

Interim Report for the First Quarter of 2019

FINANCIAL REVIEW

The interim report is prepared on a consolidated basis for the Genmab group. The financial statements are published in Danish Kroner (DKK).

Revenue

Genmab's revenue was DKK 591 million for the first quarter of 2019 compared to DKK 681 million for the first quarter of 2018. The decrease of DKK 90 million, or 13%, was mainly driven by the one-time payment from Novartis of USD 50 million (DKK 304 million) during the first quarter of 2018, partly offset by higher DARZALEX royalties and reimbursement income from our collaborations with Seattle Genetics and BioNTech.

MDKK	Q1 2019	Q1 2018
Royalties	508	318
Milestone payments	-	-
License fees	-	304
Reimbursement income	83	59
Total revenue	**591**	**681**

Royalties

Royalty income amounted to DKK 508 million in the first quarter of 2019 compared to DKK 318 million in the first quarter of 2018. The increase of DKK 190 million, or 60%, was driven by higher DARZALEX royalties, which were partly offset by lower Arzerra royalties.

Net sales of DARZALEX by Janssen were USD 629 million in the first quarter of 2019 compared to USD 432 million in the first quarter of 2018. The increase of USD 197 million, or 46%, was driven by the continued strong uptake following the regulatory approvals in the U.S., EU and Japan. Royalty income on net sales of DARZALEX was DKK 502 million in the first quarter of 2019 compared to DKK 310 million in the first quarter of 2018, an increase of DKK 192 million. The increase in royalties of 62% is higher than the increase in the underlying sales due primarily to currency fluctuations between the USD and DKK.

Novartis' net sales of Arzerra were USD 4 million in the first quarter of 2019 compared to USD 7 million in the first quarter of 2018, a decrease of USD 3 million, or 43%. Royalty income on net sales of Arzerra was DKK 6 million in the first quarter of 2019 compared to DKK 8 million in the first quarter of 2018, a decrease of DKK 2 million, or 25%.

Milestone Payments

There was no milestone income recognized during the first quarter of 2019 or the first quarter of 2018. Milestone income may fluctuate significantly from period to period due to both the timing of achievements and the varying amount of each individual milestone under our license and collaboration agreements.

Licenses Fees

There was no license fee income during the first quarter of 2019. License fee income was DKK 304 million during the first quarter of 2018 which was driven by the USD 50 million one-time payment from Novartis in connection with the amendment of the Arzerra (ofatumumab) license and collaboration agreement.

Reimbursement Income

Reimbursement income amounted to DKK 83 million in the first quarter of 2019 compared to DKK 59 million in the first quarter of 2018. The increase of DKK 24 million was driven by our collaboration agreements with Seattle Genetics and BioNTech.

Refer to note 2 in this interim report for further details about revenue.

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Research and Development Costs

Research and development costs amounted to DKK 546 million in the first quarter of 2019 compared to DKK 313 million in the first quarter of 2018. The increase of DKK 233 million, or 74%, was driven by the advancement of enapotamab vedotin and tisotumab vedotin, the additional investment in our product pipeline, and the increase in research and development employees.

Research and development costs accounted for 88% of the total operating expenses in the first quarter of 2019, the same as in the first quarter of 2018.

General and Administrative Expenses

General and administrative expenses were DKK 71 million in the first quarter of 2019 compared to DKK 44 million in the first quarter of 2018. The increase of DKK 27 million, or 61%, was driven by higher general consultancy expenses and an increase in administrative employees due to the expansion of our product pipeline.

General and administrative expenses accounted for 12% of the total operating expenses in the first quarter of 2019 the same as in the first quarter of 2018.

Operating Result

Operating loss was DKK 26 million in the first quarter of 2019 compared to operating income of DKK 324 million in the first quarter of 2018. As anticipated, the decrease of DKK 350 million, or 108%, was driven primarily by the one-time payment from Novartis in 2018 and increased operating expenses.

As of March 31, 2019, the total number of employees was 419 compared to 270 employees as of March 31, 2018. The increase in employees was driven by the expansion of our pipeline.

Workforce	**March 31, 2019**	**March 31, 2018**
Research and development employees	361	231
Administrative employees	58	39
Total employees	**419**	**270**

Net Financial Items

The net financial items for the first quarter of 2019 were net income of DKK 120 million compared to a net loss of DKK 68 million in the first quarter of 2018. The main driver for the variance between the two periods is foreign exchange movements, which positively impacted our USD denominated portfolio and cash holdings. The USD strengthened against the DKK during the first quarter of 2019, resulting in realized and unrealized exchange rate gains. Refer to note 4 in this interim report for further details about the net financial items.

Corporate Tax

The corporate tax expense for the first quarter of 2019 was DKK 22 million compared to DKK 57 million for the first quarter of 2018. The estimated annual effective corporate tax rate in the first quarter of 2019 was 23% compared to 22% in the first quarter of 2018. There has been no reversal of the valuation allowances on deferred tax assets in the first quarter of 2019 or the first quarter of 2018.

Net Result

Net result for the first quarter of 2019 was a net income of DKK 72 million compared to a net income of DKK 199 million in the first quarter of 2018. The decrease was driven by the items described above.

Interim Report for the First Quarter of 2019

Cash Position

Cash Position (MDKK)	March 31, 2019	December 31, 2018
Marketable securities	5,653	5,573
Cash and cash equivalents	1,177	533
Cash position	**6,830**	**6,106**

As of March 31, 2019, cash, cash equivalents, and marketable securities (cash position) amounted to DKK 6,830 million, an increase of DKK 724 million from the beginning of 2019. The increase was mainly driven by positive working capital adjustments of DKK 733 million related to milestones achieved in the fourth quarter of 2018 which were received in the first quarter of 2019, and net exchange rate gains of DKK 84 million driven by the strengthening of the USD, which were partly offset by corporate taxes paid of DKK 140 million during the first quarter of 2019.

There were no short term marketable securities included in cash and cash equivalents at the end of March 2019 or at the end December 2018. In accordance with our accounting policy, securities purchased with a maturity of less than three months at the date of acquisition are classified as cash and cash equivalents. Refer to note 3 in this interim report for further details about our marketable securities.

Cash Flow

Cash Flow (MDKK)	Q1 2019	Q1 2018
Cash provided by (used in) operating activities	647	464
Cash provided by (used in) investing activities	(14)	(683)
Cash provided by (used in) financing activities	(11)	(128)

Net cash provided by operating activities is primarily related to our operating result, working capital fluctuations, reversal of net financial items, and adjustments related to non-cash expenses, all of which may be highly variable period to period. In the first quarter of 2019, the primary driver of higher cash provided by operating activities was higher positive working capital adjustments in 2019 related to milestones achieved in the fourth quarter of 2018 that were received in 2019.

The change in cash used in investing activities primarily reflects differences between the proceeds received from sale and maturity of our investments and amounts invested. Purchases of marketable securities exceeded sales and maturities in the first quarter 2018 but remained flat in the first quarter of 2019.

Net cash used in financing activities is primarily related to the purchase of treasury shares, exercise of warrants and lease payments. In the first quarter of 2019, the primary driver of the lower cash used in financing activities was related to the purchase of treasury shares during the first quarter of 2018 of DKK 146 million. There were no purchases of treasury shares during the first quarter of 2019.

Balance Sheet

As of March 31, 2019, total assets were DKK 8,735 million compared to DKK 8,461 million as of December 31, 2018. As of March 31, 2019, assets are mainly comprised of a cash position of DKK 6,830 million and receivables of DKK 716 million. The receivables consist primarily of royalties from our license and collaboration agreements and non-interest bearing receivables, which are due less than one year from the balance sheet date.

Shareholders' equity as of March 31, 2019 was DKK 8,127 million compared to DKK 8,014 million at the end of December 2018. The increase was driven by our net income. As of March 31, 2019, Genmab's equity ratio was 93% compared to 95% as of December 31, 2018.

Legal Matter – MorphoSys Patent Infringement Complaint

On January 25, 2019, the District Court ruled on summary judgment that the three MorphoSys patents were invalid for lack of enablement. MorphoSys had the opportunity to appeal the District Court's decision. In addition, a further claim by Janssen and us that the three MorphoSys patents were unenforceable due to inequitable conduct by MorphoSys was included in the case. On January 31, 2019, MorphoSys dismissed its infringement claims against us and Janssen with prejudice, and we and Janssen, in turn, dismissed our inequitable conduct claims against MorphoSys. As such, there will be no further proceedings in the case.

Interim Report for the First Quarter of 2019

STATEMENT OF COMPREHENSIVE INCOME FOR THE FIRST QUARTER OF 2019

Income Statement

	Note	1st Quarter March 31, 2019 DKK'000	1st Quarter March 31, 2018 DKK'000
Revenue	2	**591,009**	**681,012**
Research and development expenses		(546,080)	(312,551)
General and administrative expenses		(70,853)	(44,416)
Operating expenses		**(616,933)**	**(356,967)**
Operating result		**(25,924)**	**324,045**
Net financial items	4	119,946	(68,480)
Net result before tax		**94,022**	**255,565**
Corporate tax		(21,813)	(56,991)
Net result		**72,209**	**198,574**
Basic net result per share		1.18	3.25
Diluted net result per share		1.17	3.20
Statement of Comprehensive Income			
Net result		**72,209**	**198,574**
Other comprehensive income:			
Amounts which will be re-classified to the income statement:			
Adjustment of foreign currency fluctuations on subsidiaries		3,967	(4,891)
Total comprehensive income		**76,176**	**193,683**

Interim Report for the First Quarter of 2019

BALANCE SHEET

	Note	March 31, 2019	December 31, 2018
		DKK'000	DKK'000
ASSETS			
Intangible assets		445,904	470,359
Property, plant and equipment		169,917	161,545
Right-of-use assets	7	197,940	-
Receivables		11,174	9,621
Deferred tax assets		374,257	386,449
Total non-current assets		**1,199,192**	**1,027,974**
Receivables		705,253	1,326,931
Marketable securities	3	5,653,459	5,573,187
Cash and cash equivalents		1,176,813	532,907
Total current assets		**7,535,525**	**7,433,025**
Total assets		**8,734,717**	**8,460,999**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Share capital		61,524	61,498
Share premium		8,063,977	8,058,614
Other reserves		95,674	91,707
Accumulated deficit		(94,013)	(197,459)
Shareholders' equity		**8,127,162**	**8,014,360**
Provisions		1,860	1,430
Lease liabilities	7	168,274	-
Other payables		1,717	1,860
Total non-current liabilities		**171,851**	**3,290**
Corporate tax payable		-	126,964
Lease liabilities	7	31,155	-
Other payables		404,549	316,385
Total current liabilities		**435,704**	**443,349**
Total liabilities		**607,555**	**446,639**
Total shareholders' equity and liabilities		**8,734,717**	**8,460,999**

Share-based instruments	5
Shareholdings by the Board of Directors and Executive Management	6
Subsequent events to the balance sheet date	8

STATEMENT OF CASH FLOWS

	Note	1st Quarter March 31, 2019 DKK'000	1st Quarter March 31, 2018 DKK'000
Net result before tax		**94,022**	**255,565**
Reversal of financial items, net		(119,946)	68,480
Adjustments for non-cash transactions		69,060	33,800
Changes in working capital		732,813	102,768
Cash flow from operating activities before financial items		**775,949**	**460,613**
Financial interest received		13,555	8,706
Interest elements of lease payments	7	(1,825)	-
Financial expenses paid		(166)	(136)
Corporate taxes received/(paid)		(140,316)	(5,112)
Cash flow from operating activities		**647,197**	**464,071**
Investments in tangible assets		(21,364)	(28,772)
Marketable securities bought	3	(641,819)	(1,444,625)
Marketable securities sold		649,649	790,630
Cash flow from investing activities		**(13,534)**	**(682,767)**
Warrants exercised		5,363	18,267
Shares issued for cash		26	65
Principal elements of lease payments		(7,163)	-
Purchase of treasury shares		-	(146,175)
Payment of withholding taxes on behalf of employees on net settled RSUs		(8,728)	-
Cash flow from financing activities		**(10,502)**	**(127,843)**
Change in cash and cash equivalents		**623,161**	**(346,539)**
Cash and cash equivalents at the beginning of the period		532,907	1,347,545
Exchange rate adjustments		20,745	(44,231)
Cash and cash equivalents at the end of the period		**1,176,813**	**956,775**
Cash and cash equivalents include:			
Bank deposits and petty cash		1,176,813	956,775
Cash and cash equivalents at the end of the period		**1,176,813**	**956,775**

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STATEMENT OF CHANGES IN EQUITY

	Number of shares	Share capital	Share premium	Translation reserves	Accumulated deficit	Shareholders' equity
		DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
December 31, 2017	**61,185,674**	**61,186**	**7,983,652**	**82,080**	**(1,854,726)**	**6,272,192**
Change in accounting policy: Adoption of IFRS 15	-	-	-	-	150,648	150,648
Adjusted total equity at January 1, 2018	**61,185,674**	**61,186**	**7,983,652**	**82,080**	**(1,704,078)**	**6,422,840**
Net result	-	-	-	-	198,574	198,574
Other comprehensive income	-	-	-	(4,891)	-	(4,891)
Total comprehensive income	-	-	-	(4,891)	198,574	193,683
Transactions with owners:						
Exercise of warrants	65,419	65	18,267	-	-	18,332
Purchase of treasury shares	-	-	-	-	(146,175)	(146,175)
Share-based compensation expenses	-	-	-	-	21,430	21,430
Tax on items recognized directly in equity	-	-	-	-	9,993	9,993
March 31, 2018	**61,251,093**	**61,251**	**8,001,919**	**77,189**	**(1,620,256)**	**6,520,103**
December 31, 2018	**61,497,571**	**61,498**	**8,058,614**	**91,707**	**(197,459)**	**8,014,360**
Net result	-	-	-	-	72,209	72,209
Other comprehensive income	-	-	-	3,967	-	3,967
Total comprehensive income	-	-	-	3,967	72,209	76,176
Transactions with owners:						
Exercise of warrants	26,297	26	5,363	-	-	5,389
Share-based compensation expenses	-	-	-	-	35,813	35,813
Net settlement of RSUs	-	-	-	-	(8,728)	(8,728)
Tax on items recognized directly in equity	-	-	-	-	4,152	4,152
March 31, 2019	**61,523,868**	**61,524**	**8,063,977**	**95,674**	**(94,013)**	**8,127,162**

Interim Report for the First Quarter of 2019

NOTES TO THE FINANCIAL STATEMENTS

Note 1 – Basis of Presentation

Accounting Policies
The interim report is prepared in accordance with International Accounting Standard No. 34 (IAS 34), "Interim Financial Reporting" and additional Danish disclosure requirements for interim reports of listed companies. The interim report has not been reviewed or audited by Genmab's external auditors.

The interim report has been prepared using the same accounting policies as outlined in section 1 – Basis of Presentation in the financial statements in the 2018 annual report, except for the adoption of new accounting standards detailed below.

Management Judgments and Estimates under IFRS
In preparing interim reports, certain provisions under IFRS require management to make judgments (various accounting estimates and assumptions) which may significantly impact the group's financial statements. The most significant judgments include, among other things, revenue recognition, share-based compensation, deferred tax assets, and recognition of internally generated intangible assets. For additional descriptions of significant judgments and estimates, refer to note 1.3 in the 2018 annual report.

Fair Value Measurement
For financial instruments that are measured in the balance sheet at fair value, IFRS 13 for financial instruments requires disclosure of fair value measurements by level of the following fair value measurement hierarchy for:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)
- Level 3 – Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

MDKK		March 31, 2019		December 31, 2018	
Assets Measured at Fair Value	**Note**	**Level 1**	**Level 2**	**Level 1**	**Level 2**
Marketable securities	3	5,653	-	5,573	-

Marketable Securities
All fair market values are determined by reference to external sources using unadjusted quoted prices in established markets for our marketable securities (Level 1).

Interim Report for the First Quarter of 2019

New Accounting Standards - Recently Adopted

IFRS 16 Leasing

Effective January 1, 2019, we adopted IFRS 16 using the modified retrospective transition method. Under this method, all leases are recognized in the balance sheet as a right-of-use ("ROU") asset with a corresponding lease liability, except for short term assets in which the lease term is 12 months or less, or low value assets. ROU assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. The ROU asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis over the lease term. In the income statement, lease costs are replaced by depreciation of the ROU asset recognized over the lease term in operating expenses, and interest expenses related to the lease liability are classified in financial items. The comparative information has not been restated and continues to be reported under the accounting standards in effect for those periods.

Genmab determines if an arrangement is a lease at inception. Genmab leases various properties and IT equipment. Rental contracts are typically made for fixed periods. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of fixed payments, less any lease incentives. As our leases do not provide an implicit rate, we use our incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. Our lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

ROU assets are measured at cost and include the amount of the initial measurement of lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs, and restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in the income statement. Short-term leases are leases with a lease term of 12 months or less and low-value assets comprise IT equipment and small items of office furniture.

On adoption of IFRS 16, the group recognized lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of January 1, 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on January 1, 2019 was 3.7%.

The impact of the adoption of IFRS 16 on the financial statements as of January 1, 2019 is shown in the table and further described below:

	January 1, 2019
	DKK'000
Operating lease commitments disclosed as at December 31, 2018	183,711
Discounted using the group's incremental borrowing rate of 3.7%	(42,461)
(Less): short-term leases recognised on a straight-line basis as expense	(2,874)
Add/(less): adjustments as a result of a different treatment of extension and termination options	66,392
Lease liability recognized at January 1, 2019	**204,768**

The ROU assets established at January 1, 2019 on the balance sheet was DKK 204.8 million. Net result decreased by DKK 1.5 million as a result of adopting IFRS 16 in the first quarter of 2019. Cash flows from operating activities increased by DKK 8.7 million and cash flows from financing activities decreased by DKK 7.2 million as a result of adopting IFRS 16 in the first quarter of 2019.

For purposes of applying the modified retrospective approach in adoption of IFRS 16, Genmab has used the following practical expedients permitted by the standard:

- applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term from January 1, 2019, and
- excluded initial direct costs for the measurement of the ROU assets at the date of initial application

There are no ROU assets that meet the definition of investment property.

Note 2 – Revenue

Genmab enters into license and collaboration agreements which are within the scope of IFRS 15, under which it licenses certain rights to its product candidates to third parties and also may participate in the development of the product candidates. The terms of these arrangements typically include payment to Genmab of one or more of the following: non-refundable, upfront license fees; exclusive designation fees; annual license maintenance fees; additional target fees; development, regulatory and commercial milestone payments; payments for research and development services; and royalties on net sales of licensed products. Each of these payments results in revenue from contracts with customers.

The table below disaggregates our revenue by type of payment and collaboration partner under our agreements, which provides additional information regarding how the nature, amount, timing and uncertainty of our revenue and cash flows might be affected by economic factors.

	1st Quarter March 31, 2019	1st Quarter March 31, 2018
	DKK'000	DKK'000
Revenue:		
Royalties	507,951	317,786
Milestone payments	-	-
License fees	-	304,055
Reimbursement income	83,058	59,171
Total	**591,009**	681,012
Revenue split by collaboration partner:		
Janssen (Darzalex/Daratumumab & DuoBody)	502,223	309,757
Novartis (Arzaerra/Ofatumumab)	5,796	312,544
Other collaboration partners	82,990	58,711
Total	**591,009**	681,012

Note 3 – Marketable Securities

	March 31, 2019	December 31, 2018
	DKK'000	DKK'000 (full year)
Cost at the beginning of the period	5,493,957	4,194,743
Additions for the period	641,819	3,521,212
Disposals and maturities for the period	(645,980)	(2,221,998)
Cost at the end of the period	**5,489,796**	**5,493,957**
Fair value adjustment at the beginning of the period	79,230	(119,551)
Fair value adjustment for the period	84,433	198,781
Fair value adjustment at the end of the period	**163,663**	**79,230**
Net book value at the end of the period	**5,653,459**	**5,573,187**
Net book value in percentage of cost	**103.0%**	**101.4%**
Average effective duration	**1.11**	**1.39**

In accordance with the group's risk management guidelines, Genmab's marketable securities are administrated by two external investment managers who solely invest in securities from investment grade issuers. Genmab invests its cash in deposits with major financial institutions, Danish mortgage bonds and notes issued by Danish, European, and American governments.

As of March 31, 2019, 88% of our marketable securities had a triple A-rating, compared to 90% as of December 31, 2018.

The total fair value adjustment for the first quarter of 2019 was an income of DKK 84 million, which was driven primarily by foreign exchange adjustments of DKK 68 million due to the strengthening of the USD against the DKK which positively impacted our USD denominated portfolio.

Note 4 – Financial Income and Expenses

	1st Quarter March 31, 2019 DKK'000	1st Quarter March 31, 2018 DKK'000
Financial income:		
Interest and other financial income	21,263	12,413
Realized and unrealized gains on markertable securities, net	16,194	-
Realized and unrealized gains on fair value hedges, net	-	2,282
Realized and unrealized exchange rate gains, net	84,479	-
Total financial income	**121,936**	**14,695**
Financial expenses:		
Interest and other financial expenses	1,990	136
Realized and unrealized losses on markertable securities, net	-	8,752
Realized and unrealized exchange rate losses, net	-	74,287
Total financial expenses	**1,990**	**83,175**
Net financial items	**119,946**	**(68,480)**

Realized and unrealized exchange rate gains, net of DKK 84 million in the first quarter of 2019 were driven by the strengthening of the USD against the DKK which positively impacted our USD denominated portfolio and cash holdings. Realized and unrealized exchange rate losses, net of DKK 74 million in the first quarter of 2018 were driven by foreign exchange movements, which negatively impacted our USD denominated portfolio and cash holdings.

The increase in interest and other financial expenses is driven by the interest expense recognized on the lease liability established as part of the adoption of IFRS 16. See note 1 for details of the adoption of IFRS 16 and note 7 for details of the interest expense related to the lease liability.

Note 5 – Share-Based Instruments

Restricted Stock Unit Program
Genmab A/S established a Restricted Stock Unit (RSU) program as an incentive for all the Genmab group's employees, members of the Executive Management, and members of the Board of Directors.

Under the terms of the RSU program, RSUs are subject to a cliff vesting period and become fully vested on the first banking day of the month following a period of three years from the date of grant. Within 30 days of the vesting date, the holder of an RSU receives one share in Genmab A/S for each RSU.

Our Board of Directors, under two separate authorizations, is currently authorized to repurchase up to a total of 1,000,000 shares (with a nominal value of DKK 1,000,000) at a price per share that may not deviate by more than 10% from the price quoted on Nasdaq Copenhagen at the time of the acquisition. The first authorization, granted on March 17, 2016, authorizes the Board of Directors to repurchase up to a total of 500,000 shares (with a nominal value of DKK 500,000) and shall lapse on March 17, 2021. The second authorization, granted on March 29, 2019, authorizes the Board of Directors to repurchase up to an additional 500,000 shares (with a nominal value of DKK 500,000) and shall lapse on March 28, 2024. The authorizations are intended to cover obligations in relation to the RSU program and reduce the

dilution effect of share capital increases resulting from future exercises of warrants. As of March 31, 2019, we repurchased a total of 225,000 shares (with a nominal value of DKK 225,000) under the first authorization and have not repurchased any shares under the second authorization. As of March 31, 2019, up to a further 275,000 shares (with a nominal value of up to DKK 275,000) can be repurchased under the first authorization.

During the first quarter of 2019, there were no acquisitions of treasury shares. During the first quarter of 2018, Genmab acquired 125,000 of its own shares, approximately 0.2% of share capital, to cover its future obligations under the RSU program. The total amount paid to acquire the shares, including directly attributable costs, was DKK 146 million and has been recognized as a deduction to shareholders' equity. These shares are classified as treasury shares and are presented within accumulated deficit as of March 31, 2019 and March 31, 2018.

The shares were acquired in accordance with the authorization granted by the Annual General Meeting on March 17, 2016 and the acquisition was carried out in compliance with applicable laws, the Nasdaq Copenhagen issuer rules and Genmab's internal policies on trading with shares of Genmab A/S.

RSU Activity
The RSU activity in the first quarter of 2019 and 2018, respectively, is outlined below.

	1st Quarter March 31, 2019	1st Quarter March 31, 2018
Outstanding RSUs at January 1	218,902	168,044
Granted	8,967	-
Vested	(22,189)	(42,050)
Forfeited/Cancelled	(2,318)	(485)
Outstanding RSUs at March 31	**203,362**	**125,509**

During the first quarter of 2019, 8,967 RSUs were granted with a weighted average fair value of DKK 1,159.28 per RSU. There were no RSUs granted during the first quarter of 2018.

During the first quarter of 2019, 22,189 RSUs vested and a corresponding amount of treasury shares were issued to cover the obligation. During the first quarter of 2018, 42,050 RSUs vested and a corresponding amount of treasury shares were issued to cover the obligation. As of March 31, 2019, 163,921 treasury shares were held by Genmab to cover its future obligations in relation to the RSU program.

Genmab settles RSUs using shares issued from treasury stock. A portion of the settlement is withheld to satisfy individual statutory tax withholding obligations which remain in our treasury share account.

Warrant Program
Genmab A/S established warrant programs as an incentive for all the Genmab group's employees, and members of the Executive Management.

Warrants Granted from August 2004 until April 2012
Under the August 2004 warrant program, warrants vest annually over a four year period on the anniversary of the grant date. Warrants granted under the August 2004 warrant program will lapse on the tenth anniversary of the grant date. As a general rule, the warrant holder may only exercise 25% of the warrants granted per full year of employment or affiliation with Genmab after the grant date. However, the warrant holder will be entitled to retain rights to exercise all warrants on a regular schedule in

instances where the employment relationship is terminated by Genmab without cause.

Warrants Granted from April 2012 until March 2017
In April 2012, a new warrant program was adopted by the Board of Directors. Whereas warrants granted under the August 2004 warrant program will lapse on the tenth anniversary of the grant date, warrants granted under the April 2012 warrant program will lapse at the seventh anniversary of the grant date. All other terms in the warrant programs are identical.

Warrants Granted from March 2017
In March 2017, a new warrant program was adopted by the Board of Directors. Whereas warrants granted under the April 2012 warrant program vested annually over a four year period, warrants granted under the new March 2017 warrant program are subject to a cliff vesting period and become fully vested three years from the date of grant. All other terms in the warrant programs are identical.

Warrant Activity
The warrant activity in the first quarter of 2019 and 2018 is outlined below.

	1st Quarter March 31, 2019	1st Quarter March 31, 2018
Outstanding warrants at January 1	1,423,210	1,518,186
Granted	28,017	-
Exercised	(26,297)	(65,419)
Expired/lapsed/cancelled	(5,035)	(6,283)
Outstanding warrants at March 31	**1,419,895**	**1,446,484**

During the first quarter of 2019, 28,017 warrants were granted to our employees with a weighted average exercise price of 1,159.28 per warrant and a weighted average Black-Scholes fair market value of DKK 371.12 per warrant. There were no warrants granted during the first quarter of 2018.

During the first quarter of 2019, 26,297 warrants were exercised with a weighted average exercise price of DKK 204.92 with proceeds to Genmab of DKK 5 million. The warrants exercised increased share capital accordingly and corresponded to approximately 0.04% of share capital. During the first quarter of 2018, 65,419 warrants were exercised with a weighted average exercise price of DKK 280.22 with proceeds to Genmab of DKK 18 million. The warrants exercised increased share capital accordingly and corresponded to approximately 0.11% of share capital.

Share-based compensation expenses for the first quarter of 2019 totaled DKK 36 million compared to DKK 21 million for the first quarter of 2018.

Interim Report for the First Quarter of 2019

Note 6 - Shareholdings by the Board of Directors and Executive Management

The tables below set forth certain information regarding the beneficial ownership of the issued share capital and the outstanding share-based instruments held by the members of the Board of Directors and the Executive Management as of March 31, 2019.

Number of ordinary shares owned	December 31, 2018	Acquired	Sold	Transferred	March 31, 2019
Board of Directors					
Mats Pettersson	24,800	957	-	-	25,757
Anders Gersel Pedersen	8,000	718	-	-	8,718
Pernille Erenbjerg	2,700	478	-	-	3,178
Paolo Paoletti	3,337	478	-	-	3,815
Rolf Hoffmann	1,050	-	-	-	1,050
Deirdre P. Connelly	2,200	-	-	-	2,200
Peter Storm Kristensen	-	-	-	-	-
Rick Hibbert	-	-	-	-	-
Mijke Zachariasse	-	-	-	-	-
Daniel Bruno	-	-	-	-	-
	42,087	**2,631**	**-**	**-**	**44,718**
Executive Management					
Jan van de Winkel	662,400	6,084	-	-	668,484
David A. Eatwell	30,825	4,436	-	-	35,261
Judith Klimovsky	-	-	-	-	-
	693,225	**10,520**	**-**	**-**	**703,745**
Total	**735,312**	**13,151**	**-**	**-**	**748,463**

Number of warrants held	December 31, 2018	Granted	Exercised	Transferred	March 31, 2019
Board of Directors					
Mats Pettersson	26,250	-	-	-	26,250
Anders Gersel Pedersen	29,000	-	-	-	29,000
Pernille Erenbjerg	-	-	-	-	-
Paolo Paoletti	-	-	-	-	-
Rolf Hoffmann	-	-	-	-	-
Deirdre P. Connelly	-	-	-	-	-
Peter Storm Kristensen	2,515	-	-	-	2,515
Rick Hibbert	876	-	-	(876)	-
Mijke Zachariasse	-	-	-	557	557
Daniel Bruno	15,837	-	-	-	15,837
	74,478	**-**	**-**	**(319)**	**74,159**
Executive Management					
Jan van de Winkel	108,068	-	-	-	108,068
David A. Eatwell	335,201	-	-	-	335,201
Judith Klimovsky	36,932	-	-	-	36,932
	480,201	**-**	**-**	**-**	**480,201**
Total	**554,679**	**-**	**-**	**(319)**	**554,360**

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Number of RSUs held	December 31, 2018	Granted	Settled	Transferred	March 31, 2019
Board of Directors					
Mats Pettersson	3,298	-	(957)	-	2,341
Anders Gersel Pedersen	2,278	-	(718)	-	1,560
Pernille Erenbjerg	1,649	-	(478)	-	1,171
Paolo Paoletti	1,649	-	(478)	-	1,171
Rolf Hoffmann	1,899	-	-	-	1,899
Deirdre P. Connelly	2,094	-	-	-	2,094
Peter Storm Kristensen	1,481	-	-	-	1,481
Rick Hibbert	1,439	-	-	(1,439)	-
Mijke Zachariasse	-	-	-	188	188
Daniel Bruno	4,340	-	-	-	4,340
	20,127	**-**	**(2,631)**	**(1,251)**	**16,245**
Executive Management					
Jan van de Winkel	33,505	-	(11,387)	-	22,118
David A. Eatwell	20,068	-	(7,693)	-	12,375
Judith Klimovsky	12,579	-	-	-	12,579
	66,152	**-**	**(19,080)**	**-**	**47,072**
Total	**86,279**	**-**	**(21,711)**	**(1,251)**	**63,317**

Following Genmab A/S' Annual General Meeting on March 29, 2019, the Board of Directors is comprised of five independent directors, one non-independent director, and three employee-elected directors. Mats Pettersson, Dr. Anders Gersel Pedersen, Deirdre P. Connelly, Pernille Erenbjerg, Rolf Hoffmann and Dr. Paolo Paoletti were re-elected to the Board of Directors for a one year period. Peter Storm Kristensen, Mijke Zachariasse and Dan Bruno were elected to the Board of Directors by the employees for a three year period. Dr. Rick Hibbert stepped down from the Board of Directors. The reclassification of the employee elected board members' shares and share-based instruments is shown in the transferred column of the tables above. The Board of Directors convened and constituted itself with Mats Pettersson as Chairman and Deirdre P. Connelly as Deputy Chairman.

Other than the remuneration to the Board of Directors and the Executive Management and the transactions detailed in the tables above, no other significant transactions with the Board of Directors or the Executive Management took place during the first quarter of 2019. For further information on the remuneration of the Board of Directors and the Executive Management, refer to note 5.1 in the 2018 annual report.

Genmab settles RSUs using shares issued from treasury stock. A portion of the settlement is withheld to satisfy individual statutory tax withholding obligations which remain in our treasury share account.

Note 7 – Leases

Amounts recognized in the balance sheet

The balance sheet shows the following amounts relating to leases:

	March 31, 2019	December 31, 2018
	DKK'000	DKK'000
Right-of-use assets		
Properties	192,508	-
Equipment	5,432	-
		-
Total right-of-use assets	**197,940**	**-**
		-
Lease liabilities		-
Current	31,155	-
Non-current	168,274	-
		-
Total lease liabilities	**199,429**	**-**

There were no additions to the right-of-use assets in the first quarter ended March 31, 2019.

Amounts recognized in the statement of comprehensive income

The statement of comprehensive income shows the following amounts relating to leases:

	1st Quarter March 31, 2019	1st Quarter March 31, 2018
	DKK'000	DKK'000
Depreciation charge of right-of-use assets		
Properties	6,574	-
Equipment	320	-
Total depreciation charge of right-of-use assets	**6,894**	-
Interest expense	1,825	-
Expense relating to short-term leases	718	-

Interest expense is included in net financial items and expenses relating to short-term leases are included in operating expenses in the statement of comprehensive income.

Please refer to note 1 for disclosure of the impact of adoption of IFRS 16 on our consolidated financial statements. The comparative information has not been restated and continues to be reported under the accounting standards in effect for those periods.

Note 8 - Subsequent Events to the Balance Sheet Date

No events have occurred subsequent to the balance sheet date that could significantly affect the financial statements as of March 31, 2019.

Interim Report for the First Quarter of 2019

ABOUT GENMAB

Genmab is a publicly traded, international biotechnology company specializing in the creation and development of differentiated antibody therapeutics for the treatment of cancer. Founded in 1999, the company has two approved antibodies, DARZALEX® (daratumumab) for the treatment of certain multiple myeloma indications, and Arzerra® (ofatumumab) for the treatment of certain chronic lymphocytic leukemia indications. Daratumumab is in clinical development for additional multiple myeloma indications and other blood cancers. A subcutaneous formulation of ofatumumab is in development for relapsing multiple sclerosis. Genmab also has a broad clinical and pre-clinical product pipeline. Genmab's technology base consists of validated and proprietary next generation antibody technologies - the DuoBody® platform for generation of bispecific antibodies, the HexaBody® platform, which creates effector function enhanced antibodies and the HexElect® platform, which combines two co-dependently acting HexaBody molecules to introduce selectivity while maximizing therapeutic potency. The company intends to leverage these technologies to create opportunities for full or co-ownership of future products. Genmab has alliances with top tier pharmaceutical and biotechnology companies. For more information visit www.genmab.com.

This interim report contains forward looking statements. The words "believe", "expect", "anticipate", "intend" and "plan" and similar expressions identify forward looking statements. Actual results or performance may differ materially from any future results or performance expressed or implied by such statements. The important factors that could cause our actual results or performance to differ materially include, among others, risks associated with product discovery and development, uncertainties related to the outcome and conduct of clinical trials including unforeseen safety issues, uncertainties related to product manufacturing, the lack of market acceptance of our products, our inability to manage growth, the competitive environment in relation to our business area and markets, our inability to attract and retain suitably qualified personnel, the unenforceability or lack of protection of our patents and proprietary rights, our relationships with affiliated entities, changes and developments in technology which may render our products obsolete, and other factors. For a further discussion of these risks, please refer to the section "Risk Management" in Genmab's annual report, which is available on www.genmab.com and the "Significant Risks and Uncertainties" section in this interim report. Genmab does not undertake any obligation to update or revise forward looking statements in this interim report nor to confirm such statements in relation to actual results, unless required by law.

Interim Report for the First Quarter of 2019

DIRECTORS' AND MANAGEMENT'S STATEMENT ON THE INTERIM REPORT

The Board of Directors and the Executive Management have today considered and adopted the unaudited interim report of the Genmab group for the first quarter ended March 31, 2019.

The interim report is prepared in accordance with International Accounting Standard No. 34 (IAS 34), "Interim Financial Reporting", as endorsed by the EU and additional Danish disclosure requirements for interim reports of listed companies.

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

Furthermore, we consider the Management's Review, pages 3-13, to give a true and fair account of the development in the group's activities and financial affairs, results of operations and the group's financial position as a whole as well as a description of the significant risks and uncertainties which the group faces.

Copenhagen, May 8, 2019

Executive Management

Jan van de Winkel (President & CEO)	David A. Eatwell (Executive Vice President & CFO)	Judith Klimovsky (Executive Vice President & CDO)

Board of Directors

Mats Pettersson (Chairman)	Deirdre P. Connelly (Deputy Chairman)	Rolf Hoffmann
Pernille Erenbjerg	Paolo Paoletti	Anders Gersel Pedersen
Mijke Zachariasse (Employee elected)	Daniel J. Bruno (Employee elected)	Peter Storm Kristensen (Employee elected)