ANNUAL REPORT 2014

Innovating antibodies, improving lives

Genmab A/S
CVR No. 21 02 38 84

Genmab

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"Progressing towards a healthy and successful future"

Genmab At-A-Glance

4 products

Arzerra™ on the market
Daratumumab in late stage clinical development

2 technologies

Two proprietary antibody technologies – DuoBody® and HexaBody™ platforms

173 FTE

Highly experienced and skilled employees

>20 projects

Broad pre-clinical pipeline contains multiple projects

3 locations

Offices in Denmark, the Netherlands & USA

DKK
850 M

2014 Revenue
28% increase versus 2013

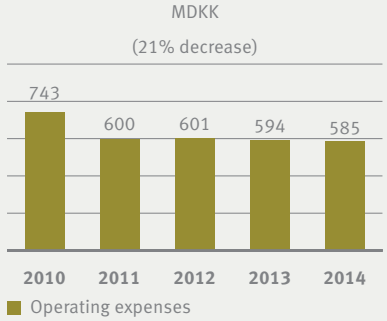
DKK
585 M

2014 operating expenses
Held flat for 4 years

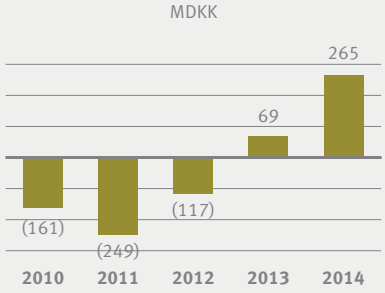
DKK
2,661 M

2014 year end cash position

Controlling Costs



Operating Result



Who We Are

Genmab is a publicly traded biotechnology company specializing in the creation and development of differentiated human antibody therapeutics focused on the treatment of cancer. We are an international team of determined and driven experts who believe that our work developing new antibody treatments can transform the way cancer is treated. We focus on developing products which are different from those currently available for patients, as well as products that represent new ways of treating certain types of cancer. Our product pipeline includes one marketed product, Arzerra, daratumumab in late stage clinical development, two further antibody products in clinical studies, and over 20 in-house and partnered pre-clinical programs. Our antibody expertise also allows us to invent new technologies which will enable us to create innovative antibody therapies in the future. Our proprietary technologies include the DuoBody technology, which creates antibodies that can target two molecules at once, and the HexaBody technology, which allows for the creation of more potent antibodies. We form strategic partnerships with pharmaceutical and biotechnology companies to help fund our research and development activities, and we ultimately aim to take our own product to the market. We believe this business model will allow us to contribute to better quality of life for patients and a successful future for the company.

Our Three-pronged Strategy

Focus on core competence

- Identify the best disease targets
- Develop unique best-in-class or first-in-class antibodies
- Develop next generation technologies

Turn science into medicine

- Generate differentiated antibody therapeutics with significant commercial potential

Build a profitable and successful biotech

- Maintain a flexible and capital efficient model
- Maximize relationships with partners
- Retain ownership of select products

What We Do

At Genmab we understand how antibodies work. We are deeply knowledgeable about the biology and function of antibodies and our scientists exploit this expertise to create and develop differentiated antibody therapeutics. By employing our antibody know-how and deep understanding of disease, we can focus on disease areas where antibody therapeutics can be the most useful, such as cancer. We employ a sophisticated and highly automated process to effectively generate, select, produce and evaluate antibody therapeutics. Our passion for innovation gives us the edge when it comes to creating truly differentiated therapeutics and platform technologies.

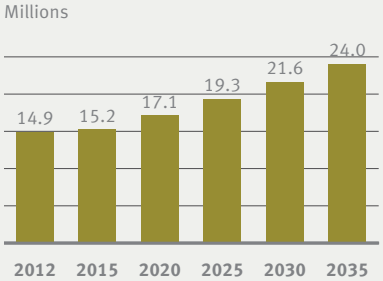
What Motivates Us

The fight against cancer is growing ever more important. Millions of people are diagnosed with cancer each year and cancer is the leading cause of death worldwide. At Genmab, we are driven by a deep desire to improve the quality of life for cancer patients and their loved ones, and we believe antibody therapies are one of the keys to reaching this goal. We are determined to make a difference and envision a future where cancer can be treated as a chronic disease, improving the quality of life for patients and their families.

Our Vision

By 2025, our own product has transformed cancer treatment, and we have a pipeline of knock-your-socks-off antibodies.

Projected New Cancer Cases Worldwide



The World Health Organization projects that the number of new cases of cancer will continue to increase over the next 20 years.

Source: GLOBOCAN 2012

One in Three

One out of every three people in the US is expected to be affected by cancer during their lifetime.

Source: American Cancer Society website, www.cancer.org

Shareholder Letter

We envision a future where we can help transform how cancer is treated

DEAR SHAREHOLDER,

The past year began with a successful private placement and ended with exciting presentations on daratumumab at the American Society of Hematology (ASH) Annual Meeting. During the months in between we made substantial progress across all business areas, continuing to advance our product pipeline and entering new collaborations as well as building on existing ones, while continuing to hold our costs steady.

FUELING GROWTH THROUGH OUR PRODUCTS AND PLATFORMS

The daratumumab program is progressing very swiftly, and a robust array of clinical trials is now underway spanning the entire disease spectrum within multiple myeloma. The first Phase III study for daratumumab was started in 2014 and was quickly followed by announcements for four more Phase III studies. We also reported encouraging early data for daratumumab from three early stage studies. This data was met with enthusiasm from the medical community. Our collaboration partner, Janssen Biotech, Inc. (Janssen), plans to expand the development program for daratumumab beyond multiple myeloma and we announced that a Phase II study in non-Hodgkin's lymphomas (NHL) is expected to begin in 2015. Janssen is highly committed to broadly developing daratumumab and we enjoy a close and cooperative relationship with them.

Our first marketed product, Arzerra (ofatumumab), was launched in first-line chronic lymphocytic leukemia (CLL) in the US and Europe in 2014 by our collaboration partner, GlaxoSmithKline (GSK). Arzerra is now approved to treat certain patients with refractory CLL, and in combination with other treatments, first-line CLL. We expect to file regulatory applications for ofatumumab as maintenance therapy for relapsed CLL in 2015 based on positive interim results from a Phase III study announced in 2014. However, we also reported disappointing results for two other Phase III studies of ofatumumab in diffuse large B-cell lymphoma (DLBCL) and bulky fludarabine-refractory CLL during the year. In 2014, GSK announced its intention to divest its marketed cancer portfolio, including ofatumumab, to Novartis Pharma AG (Novartis) and we signed an agreement to transfer our ofatumumab collaboration to Novartis. The transfer of the collaboration became effective upon closing of the GSK/Novartis transaction, on March 2, 2015. As a result of the transfer, Genmab is not liable for any development costs for ofatumumab beyond December 2014. Novartis will develop ofatumumab for cancer indications, while GSK will continue the development of ofatumumab as a subcutaneous formulation for the treatment of autoimmune diseases.

Looking to our technology platforms, we signed the first two research collaborations for the HexaBody technology and have made rapid progress in our various DuoBody technology collaborations. The Janssen DuoBody technology collaboration has been particularly productive with ten of the total 20 possible programs activated so far. We signed six new research collaborations for the DuoBody platform during 2014, two of which are in the promising immuno-oncology field.

CREATING A ROBUST DIFFERENTIATED PIPELINE

To be successful in the long term, we must expand our pipeline beyond daratumumab and ofatumumab. We are doing this partly through our technology collaborations as mentioned above, but have also been working hard to expand our own early pipeline projects. The Phase I study of HuMax®-TF-ADC, an antibody-drug conjugate (ADC) in development for solid tumors, is well on track. We have also announced a second ADC product candidate, HuMax-AXL-ADC. This pre-clinical program has shown promising efficacy in pre-clinical experiments. By combining innovative technologies with our significant expertise in the field of antibody therapeutics, we can create a truly differentiated product pipeline.

OUR VISION FOR 2015 AND BEYOND

Our priorities for 2015 will remain much the same as they have the past few years – we will focus on maximizing the value of our pipeline and technologies while remaining disciplined financially. One of the key milestones for the year, to report data from the Phase II daratumumab monotherapy study in multiple myeloma (MM), was already achieved in February. We were pleased with the positive preliminary results in the study and look forward to discussions with the health authorities. Additionally, we plan to start multiple new clinical studies of daratumumab. For ofatumumab, we intend to file regulatory applications in the maintenance setting in relapsed CLL and expect to report data from the Phase III study of ofatumumab in combination with fludarabine and cyclophosphamide in relapsed CLL.

> *We are determined to make a difference in the lives of cancer patients and their families"*

We also expect to report data from the first in human study of HuMax-TF-ADC. Finally, we will progress our pre-clinical ADC, DuoBody and HexaBody projects and work to maintain our cost base while selectively investing in new opportunities to accelerate our pipeline.

When we look ahead we also look beyond 2015. We are determined to make a difference in the lives of cancer patients and their families. We envision a future where we can help transform how cancer is treated. We can only do this by building a strong pipeline of differentiated therapeutic products and bringing some of these products to the market ourselves. This will help to create greater revenues that we can reinvest in further research to the benefit of patients and shareholders alike. It is exciting to look towards Genmab's future and I thank our talented employees for their dedication to achieving our vision, and our shareholders for believing in our potential to succeed.

Sincerely yours,

Jan van de Winkel, Ph.D.
President & Chief Executive Officer

2014 Achievements

Business Progress

Strategy	Priority	Targeted Milestone	Status
	MAXIMIZE VALUE OF OFATUMUMAB	• Phase III relapsed CLL ofatumumab + fludarabine and cyclophosphamide data	2015
		• Phase III maintenance CLL data	☑
		• Phase III bulky refractory CLL ofatumumab vs physician's choice data	☒
		• Phase III relapsed DLBCL ofatumumab + chemotherapy vs rituximab + chemotherapy data	☒
		• Update progress ofatumumab subcutaneous autoimmune development	☑
	EXPAND PIPELINE	• Progress Phase I HuMax-TF-ADC study	☑
		• Report progress pre-clinical ADC, DuoBody & HexaBody projects	☑
	NEXT GENERATION TECHNOLOGIES	• Enter new DuoBody technology collaborations	☑
		• Report progress DuoBody collaborations	☑
		• Start HexaBody technology collaborations	☑
	EXPANSION ARZERRA	• CLL front line label expansion and launch	☑
		• Launch & reimbursement in new countries	☑
	FULLY EXPLOIT THE POTENTIAL OF DARATUMUMAB	• Phase I/II MM monotherapy mature efficacy data	☑
		• Phase I/II MM daratumumab + Revlimid safety & efficacy data	☑
		• Phase II MM monotherapy preliminary data	2015
		• Phase Ib MM multiple combination data	☑
		• Start multiple new MM trials	☑
		• Progress non-MM indications	☑

☑ milestone achieved ☒ not achieved 2015 milestone moved to 2015

Business Progress

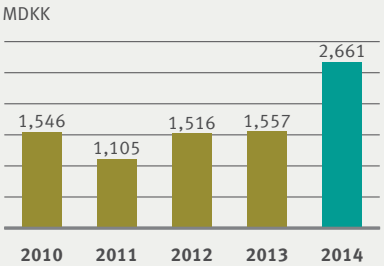
Strategy	Priority	Targeted Milestone	Status
	PARTNERSHIPS	• Report progress partnered programs	☑
		• Enter new collaboration	☑
	DISCIPLINED FINANCIAL MANAGEMENT	• Significant daratumumab milestones	☑
		• No significant increase in cost base	☑
		• Increase operating income and reduce cash burn	☑

☑ milestone achieved ☒ not achieved 2015 milestone moved to 2015

Financial Performance

- Revenue increased by DKK 186 million, 28%, from DKK 664 million in 2013 to DKK 850 million in 2014, mainly driven by higher revenue related to our daratumumab and DuoBody collaborations with Janssen, partially offset by lower Arzerra royalties.
- Operating expenses were reduced from DKK 594 million in 2013 to DKK 585 million in 2014.
- Operating income improved by DKK 196 million, from DKK 69 million in 2013 to DKK 265 million in 2014.
- 2014 year end cash position of DKK 2,661 million, compared to DKK 1,557 million as of December 31, 2013.

CASH POSITION



Consolidated Key Figures

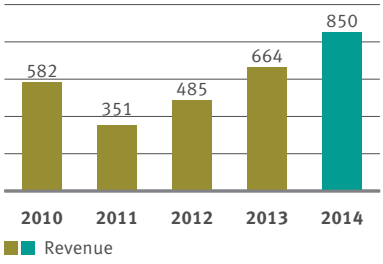
	2010	2011	2012	2013	2014
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
INCOME STATEMENT					
Revenue	582,077	350,936	484,636	663,570	850,385
Research and development costs	(582,512)	(532,507)	(536,702)	(527,576)	(505,679)
General and administrative expenses	(160,254)	(67,851)	(64,613)	(66,741)	(79,529)
Operating expenses	(742,766)	(600,358)	(601,315)	(594,317)	(585,208)
Operating result	(160,689)	(249,422)	(116,679)	69,253	265,177
Net financial items	38,246	39,594	2,598	(3,851)	32,169
Net result for continuing operations	(143,317)	(215,748)	(111,448)	70,155	301,296
BALANCE SHEET					
Cash position*	1,546,221	1,104,830	1,515,754	1,556,979	2,660,515
Non-current assets	62,234	47,632	39,076	38,544	100,327
Assets	2,481,601	1,564,432	1,692,886	1,731,527	2,866,681
Shareholders' equity	1,080,067	486,418	383,187	659,523	2,032,939
Share capital	44,907	44,907	50,308	51,756	56,967
Investments in intangible and tangible assets	10,110	7,205	8,998	11,078	75,442
CASH FLOW STATEMENT					
Cash flow from operating activities	268,171	(437,225)	70,919	(127,999)	132,671
Cash flow from investing activities	(738,496)	514,750	(416,343)	66,953	(1,010,656)
Cash flow from financing activities	(7,005)	(6,091)	357,814	151,663	1,035,352
Cash, cash equivalents and bank overdraft	(2,088)	69,408	78,997	168,135	359,087
Cash position increase/(decrease)	264,865	(441,391)	410,924	41,225	1,103,536
FINANCIAL RATIOS					
Basic net result per share	(7.16)	(13.28)	(10.58)	2.20	5.35
Diluted net result per share	(7.16)	(13.28)	(10.58)	2.16	5.26
Basic net result per share continuing operations	(3.19)	(4.80)	(2.42)	1.38	5.35
Diluted net result per share continuing operations	(3.19)	(4.80)	(2.42)	1.35	5.26
Year-end share market price	66	38	78	212	360
Price / book value	2.72	3.47	10.21	16.64	10.09
Shareholders' equity per share	24.05	10.83	7.62	12.74	35.69
Equity ratio	44%	31%	23%	38%	71%
Average number of employees (FTE)**	229	181	180	164	168
Number of employees (FTE) at year-end	189	179	179	157	173

* Cash, cash equivalents, bank overdraft and marketable securities
** Full-time equivalent

The key 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 (2010) and key figures in accordance with IFRS.

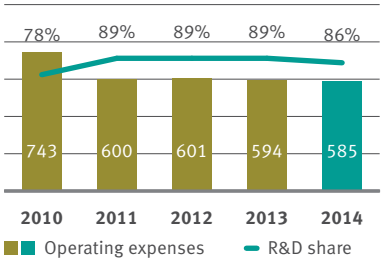
REVENUE

MDKK



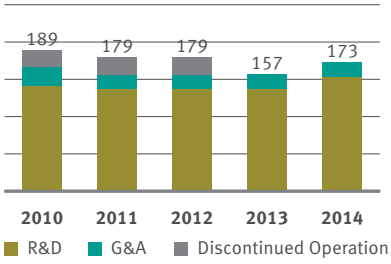
OPERATING EXPENSES

MDKK / %



FTE AT YEAR END

FTE



2015 Outlook

We expect our 2015 revenue to be in the range of DKK 650 – 725 million, compared to DKK 850 million in 2014. Our projected revenue for 2015 consists primarily of non-cash amortization of deferred revenue totaling DKK 285 million, daratumumab milestones of DKK 180 - 240 million and royalties on sales of Arzerra of DKK 125 million. Daratumumab milestones in 2015 include milestones associated with clinical progress and assumed regulatory filings in the US and EU, but do not include any milestones associated with commercialization.

We anticipate that our 2015 operating expenses will be DKK 600 – 650 million, compared to 2014 operating expenses of DKK 585 million.

The GSK/Novartis transaction, as described in this annual report, became effective on March 2, 2015. This results in Genmab having no ofatumumab development costs in 2015 and beyond, and no requirement to pay its deferred funding liability totaling DKK 176 million as of December 31, 2014. During the first quarter of 2015, the deferred liability will be reversed into income on a separate line in our income statement, as shown in the guidance table above.

We expect the operating income for 2015 to be approximately DKK 200 - 275 million compared to DKK 265 million reported for 2014.

We are projecting a cash position at the end of 2015 of DKK 2,300 - 2,400 million compared to DKK 2,661 million as of December 31, 2014.

MDKK	2015 Guidance	2014 Actual Result
Revenue	650 – 725	850
Operating expenses	(600) – (650)	(585)
Reversal of GSK liability	175	-
Operating income	200 – 275	265
Cash position at end of year*	2,300 – 2,400	2,661

* Cash, cash equivalents, and marketable securities

In addition to factors already mentioned, the estimates above are subject to change due to numerous reasons, including but not limited to 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; Arzerra sales and corresponding royalties to Genmab; fluctuations in the value of our marketable securities; and currency exchange rates. The financial guidance does not include any potential proceeds from warrant exercises and also assumes that no significant agreements are entered into during 2015 that could materially affect the results.

2015 Objectives

Our goals for 2015 are aligned with our three-pronged strategy: we focus on our core competence of antibody development, turn science into medicine by creating differentiated antibody therapeutics and aim to build a profitable and successful biotech by maintaining a capital efficient model, maximizing relationships with partners and retaining ownership of select products.

2015 Goals

Strategy	Priority	Targeted Milestone
	MAXIMIZE DARATUMUMAB CLINICAL PROGRESS	✓ Phase II MM monotherapy data and – if favorable, discuss regulatory next steps with health authorities • Start multiple new MM trials • Start non-MM clinical trial
	OPTIMIZE OFATUMUMAB VALUE	• File for an additional indication • Phase III relapsed CLL data • Start Phase III subcutaneous autoimmune trials
	STRENGTHEN DIFFERENTIATED PRODUCT PIPELINE	• Phase I HuMax-TF-ADC data • Progress HuMax-AXL-ADC • Progress pre-clinical DuoBody & HexaBody projects
	BROADEN PARTNERSHIP PORTFOLIO WITH NEXT GENERATION TECHNOLOGIES	✓ Expand DuoBody & HexaBody collaborations • Progress partnered programs • New Investigational New Drug (IND) filings
	DISCIPLINED FINANCIAL MANAGEMENT	• Maintain cost base while selectively investing to advance pipeline

"Maintaining our cost base while selectively investing to advance our pipeline"

Product Pipeline

Our product pipeline includes four antibodies in clinical development and over 20 in-house and partnered pre-clinical programs. At the date of this report, 25 clinical trials were ongoing. An overview of the development status of each of our clinical products is provided in the following sections. More 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 OMX Copenhagen A/S ("Nasdaq Copenhagen") stock exchange and are available on Genmab's website, www.genmab.com. The following chart illustrates the disease indications and most advanced development phases for each of our pipeline products.

The Genmab Product Pipeline*

Product	Disease Indications	Development Phase (Pre-clin. / I / II / III)
Ofatumumab 12 studies Target: CD20 Partner: Novartis (Cancer) GSK (Autoimmune)	Chronic Lymphocytic Leukemia (CLL)	
	Follicular Lymphoma (FL)	
	Pemphigus Vulgaris (PV)**	
	Relapsing-Remitting Multiple Sclerosis (RRMS)**	
Daratumumab 10 studies Target: CD38 Partner: Janssen	Multiple Myeloma (MM)	
HuMax-TF-ADC Target: Tissue factor (TF) Partner: Seattle Genetics	Solid cancers	
Teprotumumab 2 studies Target: IGF-1R Partner: River Vision	Active thyroid eye disease	
	Diabetic macular edema	
>20 Active Pre-clinical Programs including HuMax-AXL-ADC	Partnered & proprietary programs: HuMab, HuMab-ADC, DuoBody, DuoBody-ADC & HexaBody	

* Trials listed as active on clinicaltrials.gov

** Subcutaneous formulation of ofatumumab

Ofatumumab – Our First Marketed Product (brand name Arzerra[1])

AT-A-GLANCE

- Fully human CD20 antibody in development to treat cancer & autoimmune disease
- Arzerra launched in US in combination with chlorambucil for first-line CLL and in Europe in combination with chlorambucil or bendamustine for first-line CLL
- Arzerra marketed in all major markets for CLL refractory to fludarabine and alemtuzumab
- 2014 GSK sales of Arzerra were GBP 54.5 million
- Three pivotal Phase III cancer studies expected to read out
- Pivotal study active in PV and studies planned in RRMS and neuromyelitis optica (NMO)
- Transferred ofatumumab collaboration with GSK to Novartis in March 2015

OUR STRATEGY IN ACTION

- Transformed our antibody knowledge into an approved medicine
- Royalty stream helps to build solid financial base
- Expanded label into first-line CLL to increase market potential
- In development for disease areas with significant commercial potential

Arzerra (ofatumumab) is a human monoclonal antibody which targets an epitope on the CD20 molecule encompassing parts of the small and large extracellular loops. It is marketed and developed under a co-development and collaboration agreement with Novartis and GSK (see Ofatumumab Collaboration with Novartis Pharma AG & GlaxoSmithKline section for more information). Arzerra is approved in the United States in combination with chlorambucil and in Europe in combination with chlorambucil or bendamustine for first-line CLL. Arzerra is also approved to treat CLL in patients who are refractory to fludarabine and alemtuzumab in all major markets.

FIRST-LINE CLL

In April 2014, the US Food and Drug Administration (FDA) approved the use of Arzerra in combination with chlorambucil for the treatment of previously untreated patients with CLL for whom fludarabine-based therapy is considered inappropriate. In July 2014, EU authorization was granted for the use of Arzerra in combination with chlorambucil or bendamustine for the treatment of patients with CLL who have not received prior therapy and who are not eligible for fludarabine-based therapy.

The approvals were based on results from a Phase III study (COMPLEMENT 1) evaluating the combination of Arzerra and chlorambucil (N=221) versus chlorambucil alone (N=226) which demonstrated statistically significant improvement in median progression free survival (PFS) in patients randomized to Arzerra and chlorambucil compared to patients randomized to chlorambucil alone (22.4 months versus 13.1 months, respectively) (HR=0.57 [95% CI, 0.45, 0.72] p<0.001).

The EU approval was also based on results from a Phase II study evaluating Arzerra in combination with bendamustine in 44 patients with previously untreated CLL for whom fludarabine-based treatment was considered inappropriate. Results of this study demonstrated that Arzerra in combination with bendamustine provided an overall response rate (ORR) of 95% (95% CI, 85, 99) and a complete response rate (CR) of 43%.

REFRACTORY CLL

Arzerra is marketed to treat CLL in patients who are refractory to fludarabine and alemtuzumab in all major markets. The approval was based on interim results from a pivotal study in this refractory patient population (N=154) where 42% of patients responded to treatment with Arzerra. These patients had a median duration of response of 6.5 months.

SAFETY INFORMATION FOR ARZERRA

The overall safety profile of Arzerra in CLL (previously untreated and relapsed or refractory) is based on data from more than 800 patients treated alone or in combination with other therapies in clinical trials.

The most common undesirable effects for Arzerra include adverse events associated with infusion reactions, cytopenias (neutropenia, anemia, febrile neutropenia, thrombocytopenia, leukopenia), and infections (lower respiratory tract infection,

[1] Arzerra is the brand name of ofatumumab for cancer indications.

including pneumonia, upper respiratory tract infection, sepsis, including neutropenic sepsis and septic shock, herpes virus infection, urinary tract infection).

Please consult the full European Summary of Product Characteristics and full US Prescribing information, including Boxed Warning, for all the labeled safety information for Arzerra.

2014 SALES

Sales of Arzerra reported by GSK for the full year 2014 were GBP 54.5 million, resulting in royalty income of DKK 101 million to Genmab. In 2013, sales were GBP 74.9 million, resulting in royalty income of DKK 131 million to Genmab. As anticipated, sales were negatively impacted by increased competition in the refractory CLL market. The Arzerra marketing authorizations in first-line CLL in both the US and the EU were approved during April and July 2014, respectively, therefore these approvals had limited impact on sales of Arzerra for 2014.

FOURTH QUARTER 2014 UPDATE TO PRESENT

- **March 2015:** Announced that the agreement to transfer the ofatumumab collaboration from GSK to Novartis became effective.
- **November:** Entered into an agreement with GSK and Novartis to transfer the ofatumumab collaboration with GSK to Novartis.
- **November:** Announced additional data from the interim analysis of the ofatumumab Phase III study, PROLONG (OMB112517). The study evaluated ofatumumab maintenance therapy versus no further treatment (observation) in patients with a CR or partial response (PR) after 2nd or 3rd line treat-

About Chronic Lymphocytic Leukemia

- A cancer in which the bone marrow produces too many white blood cells called lymphocytes
- Most common form of leukemia in adults and usually occurs during or after middle age
- At present, no curative chemotherapy is available
- An estimated 32,000 people are diagnosed with CLL each year in the US, Japan and 5 major European markets. This amounts to approximately 250,000 people living with CLL at any given time
- 2013 global branded sales for CLL were approximately USD 1.9 billion, with anticipated growth to USD 5.3 billion in 2018

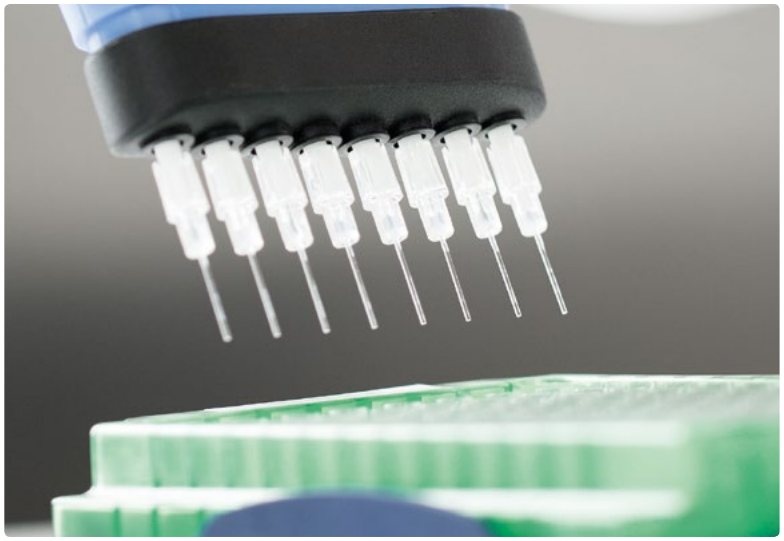
About Follicular Lymphoma

- A slow growing cancer of the B-cells accounting for about 20% of NHL
- Over time, about one third of FL turn into DLBCL
- About 32,000 new cases of FL are diagnosed annually with an estimated prevalence of 260,000 people in the US, Japan and five major European markets
- 2013 global branded sales for NHL, which includes DLBCL and FL, were approximately USD 6.5 billion, with anticipated growth to USD 10.5 billion in 2018

About Multiple Sclerosis

- An inflammatory disease of the central nervous system
- Most common form is relapsing-remitting multiple sclerosis (RRMS) characterized by unpredictable recurrent attacks
- An estimated 587,000 people in the US, Japan and five major European markets are living with multiple sclerosis
- 2012 global branded sales for MS estimated at approximately USD 12 billion, with anticipated growth to USD 20.8 billion in 2018

Sources: CLL 2013 forecast incidence: Datamonitor, "Pipeline Insight: Leukemias", March 2010. FL 2013 forecast incidence: Datamonitor, "Pipeline Insight: Lymphomas, Multiple Myeloma & Myelodysplastic Syndromes", March 2010. CLL and FL prevalence based on median survival of 8 yrs: SEER and company estimates. Sales data based on EvaluatePharma®, 2014. MS prevalence: Datamonitor, "Multiple sclerosis Epidemiology", September 2014. MS sales data: Datamonitor, "Multiple sclerosis Forecast", August 2014.



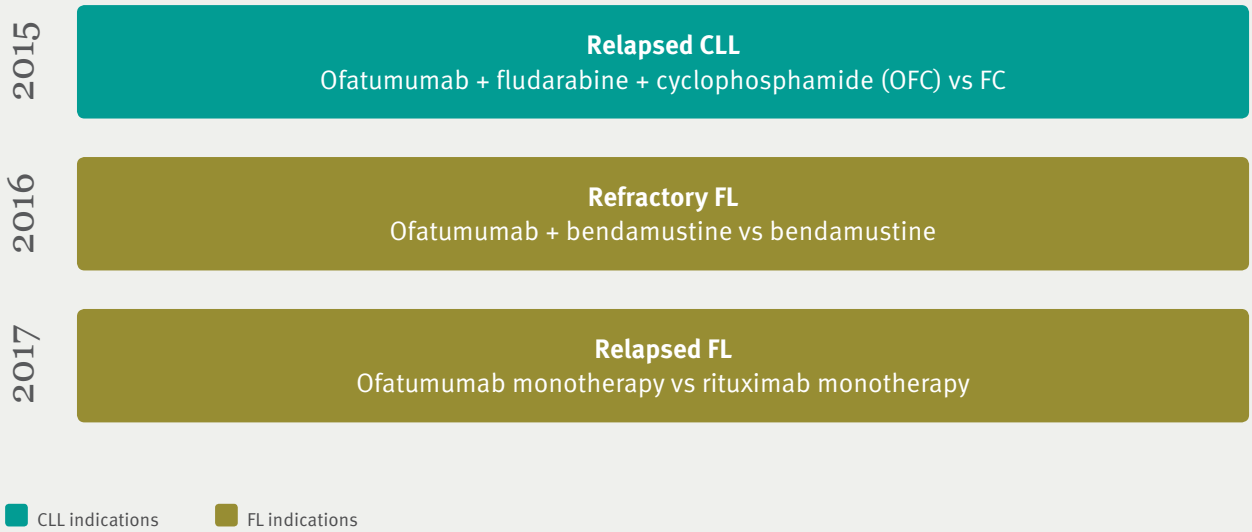
"Arzerra is now on the market in two CLL indications and we hope to further expand the label in the future"

ment for CLL. The improvement in the study's primary endpoint, PFS, met the prespecified statistical significance level for the interim analysis. Patients who received ofatumumab maintenance treatment lived 13.4 months longer without their disease worsening (median PFS) than patients who received no further treatment. Median PFS was 28.6 months for the ofatumumab treatment arm and 15.2 months for the observation arm. There were no unexpected safety findings in the study. This study is no longer recruiting patients. These data were presented at the ASH Annual Meeting in December.

UPDATES FROM FIRST QUARTER TO THIRD QUARTER 2014

- **July:** Marketing authorization was granted in the EU for the use of Arzerra in combination with chlorambucil or bendamustine for the treatment of patients with CLL who have not received prior therapy and who are not eligible for fludarabine-based therapy. The approval followed the positive opinion of the Committee for Medicinal Products for Human Use (CHMP) of the European Medicines Agency (EMA) in May.
- **July:** An Independent Data Monitoring Committee (IDMC) interim analysis of a Phase III study, PROLONG, evaluat-

Cancer Phase III Pivotal Study Readouts



Note: the indications in this graphic are unapproved and all trials are event driven and therefore timelines are subject to change.

ing ofatumumab maintenance therapy versus no further treatment (observation) in patients with relapsed CLL who responded to treatment at relapse met the primary endpoint of improving PFS, reaching the predefined significance level for efficacy ($p<0.001$).

- **June:** An interim analysis of a Phase II study of ofatumumab in patients with relapsed indolent NHL confirmed that a sufficiently high percentage of patients achieved a positive response to a combination of ofatumumab and bendamustine to allow the study to proceed.
- **June:** Topline data from the Phase III study of ofatumumab versus physician's choice in patients with bulky fludarabine-refractory CLL showed that the study did not meet its primary endpoint.
- **May:** Announced that GSK has taken the decision to start Phase III studies of subcutaneous ofatumumab in RRMS in 2015 and plans to file an IND for a potential pivotal study of subcutaneous ofatumumab in NMO.
- **May:** Topline results from the Phase III study (ORCHARRD) of ofatumumab in combination with chemotherapy versus rituximab in combination with chemotherapy for relapsed or refractory DLBCL showed that the study did not meet its primary endpoint. There was no statistically significant difference in PFS between the treatment arms in the study.
- **April:** The US FDA approved a supplemental Biologic License Application (sBLA) for the use of Arzerra in combination with chlorambucil for the treatment of previously untreated patients with CLL for whom fludarabine-based therapy is considered inappropriate.

Read more

About Arzerra: www.genmab.com/ofatumumab
About the ofatumumab collaboration: www.genmab.com/partnering/current-partnerships#tab2

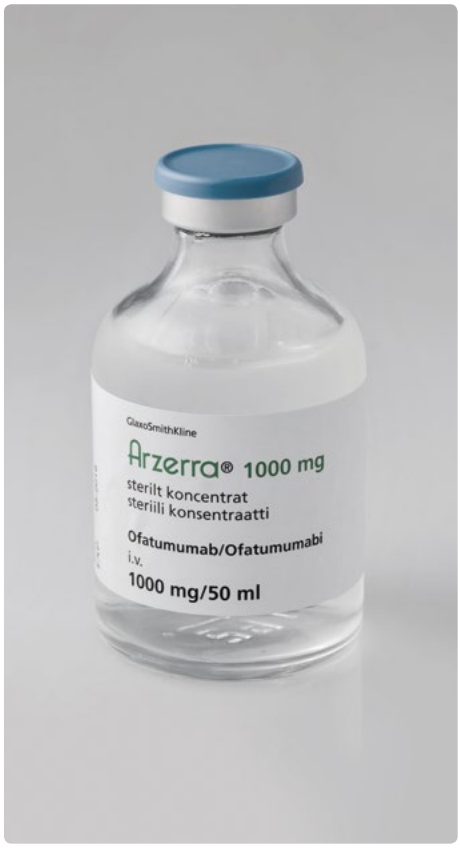
Ofatumumab Collaboration with Novartis Pharma AG & GlaxoSmithKline

Genmab and GSK entered a co-development and collaboration agreement for ofatumumab in 2006. The companies amended the agreement in 2010 at which time GSK took responsibility for developing ofatumumab in autoimmune indications while continuing to jointly develop ofatumumab with Genmab in cancer indications. A spending cap for Genmab was also put into place at the time of the amendment.

In November 2014, Genmab entered into an agreement with GSK and Novartis to transfer the ofatumumab collaboration to Novartis. The transfer of the collaboration follows an April 2014 announcement in which Novartis, as part of a definitive agreement reached with GSK, agreed to acquire GSK's oncology products including ofatumumab (the "GSK/Novartis Transaction"). The transfer of the collaboration became effective upon closing of the GSK/Novartis Transaction on March 2, 2015.

As a result of the transfer, Novartis will develop and commercialize ofatumumab in oncology indications and GSK will continue to develop and commercialize ofatumumab for autoimmune indications. The parties have also agreed that Genmab is not required to pay existing funding liabilities or to fund research and development costs for ofatumumab beyond December 31, 2014.

For more information about the transfer of the ofatumumab collaboration and existing funding liabilities, refer to notes 5.6 and 3.5 in this Annual Report.



Daratumumab - A First-in-Class Antibody

AT-A-GLANCE

- First CD38 antibody in development to treat cancer
- Breakthrough Therapy Designation from FDA
- 10 active and 1 additional announced clinical study in multiple myeloma
- First study in three different types of NHL expected to start in 2015
- Collaboration with Janssen

OUR STRATEGY IN ACTION

- Created with intention to be first-in-class therapeutic antibody
- Identified CD38 as promising target for multiple myeloma
- Collaboration with Janssen to ensure very broad development program

Daratumumab, a CD38 monoclonal antibody, is in clinical development as a single agent and in combination with other treatments for multiple myeloma. The first clinical study of daratumumab in three different types of NHL (DLBCL, FL and mantle cell lymphoma (MCL)), is expected to start in 2015. The CD38 molecule is highly expressed on the surface of multiple myeloma tumor cells. Daratumumab is also being studied pre-clinically in other hematological diseases in which CD38 is expressed. Daratumumab is being developed under a collaboration with Janssen.

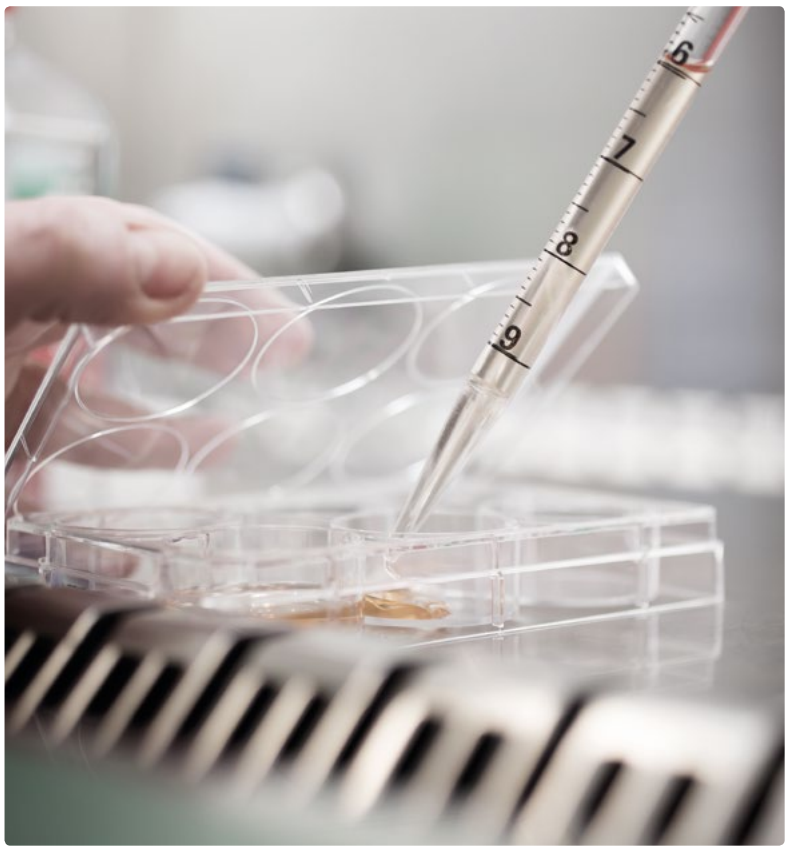
FOURTH QUARTER 2014 UPDATE TO PRESENT

- **February 2015:** Announced preliminary results from the Phase II study of daratumumab in double refractory multiple myeloma. The ORR in the study was 29.2% in the 16 mg/kg dosing group and the median duration of response was 7.4 months as determined by an Independent Review Committee (IRC). Daratumumab showed a manageable safety profile. The data will be discussed with health authorities at upcoming meetings, pending their agreement.

About Multiple Myeloma

- A cancer of plasma cells that accounts for approximately 1% of all cancers
- Second most common hematological cancer in the US and Europe
- At present, no cure available
- Approximately 55,000 new cases are diagnosed each year in the US, Japan and five major European markets, amounting to an estimated 190,000 people living with multiple myeloma
- 2013 global branded sales for multiple myeloma were USD 6 billion, with anticipated growth to USD 11.5 billion in 2018

Sources: Incidence: Datamonitor, "Multiple Myeloma Epidemiology", May 2013. Prevalence based on SEER 2012 US prevalence and company estimates. Sales data based on EvaluatePharma®, 2014.



- **December:** Janssen entered into an agreement with Halozyme Therapeutics for the purpose of developing and commercializing products combining proprietary Janssen compounds with Halozyme's ENHANZE™ technology. This agreement has the potential to lead to the development of a subcutaneous formulation of daratumumab.
- **December:** Presented data from two ongoing early stage clinical studies of daratumumab, as well as pre-clinical data, at the 56th Annual Meeting of the American Society of Hematology.
- **December:** Announced plans for first clinical study outside of multiple myeloma area – a Phase II study (LYM2001) of daratumumab monotherapy in three types of non-Hodgkin's lymphomas, DLBCL, FL and MCL. The study is expected to start enrolling patients in 2015.
- **November:** Announced plans for a Phase II study (SMM2001) of daratumumab monotherapy in smoldering multiple myeloma. The study is expected to start enrolling patients in 2015.
- **November:** Announced that the French Intergroup of Myeloma (IFM) in collaboration with Dutch-Belgian cooperative

Expansive Daratumumab Development Program

Indication	Disease Stage	Therapy	Development Phase
			Pre-clin. I I/II II III
Multiple Myeloma**	Smoldering	Mono*	
	Front line (transplant & non-transplant)	Dara + VMP	
		Dara + Revlimid + Dex*	
		Dara + VTD*	
		Multi combo: 1 Study	
	Relapsed or Refractory	Dara + Revlimid + Dex	
		Dara + Revlimid + Dex	
		Dara + Velcade + Dex	
		Mono, Japan	
		Mono, safety	
	Double Refractory	Mono, BTD population	
NHL (FL, DLBCL, MCL)	Relapsed or Refractory	Mono*	
Other Non-MM	Various	Potential in: ALL, AML, CLL	

* Study announced, first patient not yet dosed.
** Maintenance integrated into some study protocols
Mono = monotherapy, Dara = daratumumab, Dex = dexamethasone, VMP = bortezomib & melphalan-prednisone, VTD = bortezomib, thalidomide & dexamethasone, BTD = Breakthrough Therapy Designation, ALL = acute lymphocytic leukemia, AML = acute myeloid leukemia

Trial Group for Hematology Oncology (HOVON) and Janssen plans to start a Phase III study of daratumumab in front line multiple myeloma. The study ("Cassiopeia" MMY3006) will compare daratumumab in combination with bortezomib, thalidomide and dexamethasone (VTD) to VTD alone as front line treatment for patients who are candidates for stem cell transplantation (SCT). The study is planned to start in the second quarter of 2015.

- **October:** Reached the fourth milestone in the daratumumab collaboration with Janssen, triggering a USD 10 million payment to Genmab for progress in the ongoing Phase III study ("Castor" MMY3004) of daratumumab in combination with bortezomib and dexamethasone compared to bortezomib and dexamethasone alone for the treatment of relapsed or refractory multiple myeloma. This study was announced in May 2014.

UPDATES FROM FIRST QUARTER TO THIRD QUARTER 2014

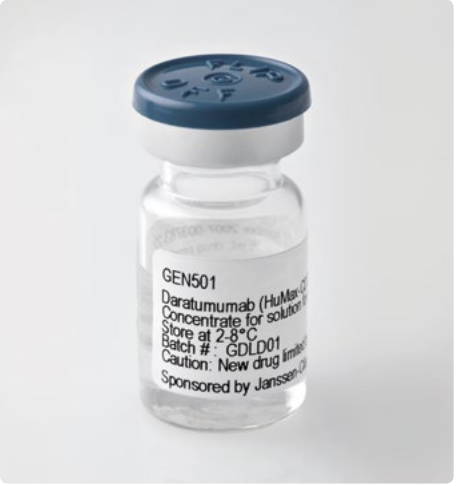
- **September:** Patient recruitment in the Phase I/II study of daratumumab in combination with lenalidomide to treat relapsed or refractory multiple myeloma was completed.
- **August:** Announced a Phase III study ("Maia" MMY3008) of daratumumab in combination with lenalidomide and dexamethasone compared to lenalidomide and dexamethasone alone as front line treatment for multiple myeloma patients who are not considered candidates for SCT. The study is planned to start in the first half of 2015.
- **July:** Announced a Phase III study ("Alcyone" MMY3007) of daratumumab in combination with bortezomib, melphalan and prednisone compared to bortezomib, melphalan and prednisone alone as front line treatment for patients who are not considered candidates for SCT. The study started in the first quarter of 2015.
- **July:** Reached the third milestone in the daratumumab collaboration with Janssen, triggering a USD 25 million payment to Genmab for progress in the ongoing Phase III study ("Pollux" MMY3003) of daratumumab in combination with lenalidomide and dexamethasone versus lenalidomide and dexamethasone alone for the treatment of relapsed or refractory multiple myeloma. This study was announced in March 2014.
- **May/June:** Updated data from two ongoing Phase I/II studies of daratumumab in multiple myeloma and two pre-clinical abstracts in other hematological cancer indications were presented at the 2014 American Society of Clinical Oncology (ASCO) Annual Meeting and the 2014 European Hematology Association Annual Meeting.
- **May:** Patient recruitment completed in the potentially pivotal Phase II study ("Sirius" MMY2002) of daratumumab in relapsed/refractory multiple myeloma.
- **April:** A Phase I study of daratumumab in Japanese patients with relapsed or refractory multiple myeloma was published on clinicaltrials.gov.
- **March:** A USD 22 million milestone payment to Genmab was triggered by progress in the ongoing Phase II study of daratumumab in double refractory multiple myeloma under the collaboration with Janssen.

Read more

About daratumumab: www.genmab.com/daratumumab
About the collaboration with Janssen: www.genmab.com/partnering/current-partnerships#tab2

Daratumumab Collaboration with Janssen Biotech, Inc. (Janssen)

In 2012, Genmab and Janssen Biotech, Inc., one of the Janssen Pharmaceutical Companies of Johnson & Johnson, entered a global license and development agreement for daratumumab. Genmab received an upfront license fee of USD 55 million and Johnson & Johnson Development Corporation (JJDC) invested USD 80 million to subscribe for 5.4 million new Genmab shares. Genmab could also be entitled to up to USD 1 billion in development, regulatory and sales milestones, in addition to tiered double digit royalties. Janssen are fully responsible for all costs associated with developing and commercializing daratumumab.



HuMax-TF-ADC

AT-A-GLANCE

- Antibody-drug conjugate (antibody coupled to a toxin) in development to treat solid tumors
- First Phase I study in up to eight solid tumors started in 2013
- Collaboration with Seattle Genetics

OUR STRATEGY IN ACTION

- First study covers broad array of cancer types to maximize future commercial potential
- Opportunity to retain 50% or 100% ownership
- Seattle Genetics collaboration provides access to ADC technology

HuMax-TF-ADC 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. HuMax-TF-ADC is in Phase I development for solid tumors. Genmab has a collaboration for HuMax-TF-ADC with Seattle Genetics and is working with Ventana Medical Systems to develop companion diagnostic tools.

Read more

About HuMax-TF-ADC: www.genmab.com/humax-tf-adc
About the Seattle Genetics collaboration: www.genmab.com/partnering/current-partnerships#tab3
About ADCs: www.genmab.com/research-and-technology/genmab-technology#tab5

HuMax-TF-ADC Collaboration with Seattle Genetics, Inc.

In September 2010, Genmab and Seattle Genetics, Inc. entered into an ADC collaboration, and a commercial license and collaboration agreement was executed in October 2011. Under the agreement, Genmab has rights to utilize Seattle Genetics' ADC technology with its HuMax-TF antibody. Seattle Genetics received an undisclosed upfront payment and has the right to exercise a co-development and co-commercialization option for any resulting ADC products at the end of Phase I clinical development.

Genmab is responsible for research, manufacturing, pre-clinical development and Phase I clinical evaluation of HuMax-ADC. Seattle Genetics will receive research support payments for any assistance provided to Genmab. If Seattle Genetics opts into a HuMax-ADC product at the end of Phase I, the companies would co-develop and share all future costs and profits for the product on a 50:50 basis. If Seattle Genetics does not opt in to a HuMax-ADC product, Genmab would pay Seattle Genetics fees, milestones and mid-single digit royalties on worldwide net sales of the product.

"Strategic partnerships with pharmaceutical and biotechnology companies help fund our R&D activities"

Teprotumumab

AT-A-GLANCE

- In clinical development by River Vision
- In Phase I and Phase II clinical studies for diseases of the eye

OUR STRATEGY IN ACTION

- Low risk collaboration that could potentially provide future income

Teprotumumab is a fully 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 River Vision Development Corporation, who licensed the product from Roche. Teprotumumab is in Phase II development for active thyroid eye disease and in Phase I for diabetic macular edema.

UPDATES FROM FIRST QUARTER TO THIRD QUARTER 2014

- River Vision filed an IND for a Phase I study of teprotumumab in diabetic macular edema.

Read more

About teprotumumab: www.genmab.com/product-pipeline/products-in-development/teprotumumab
About the Roche collaboration: www.genmab.com/partnering/current-partnerships#tab4

Pre-Clinical Programs

AT-A-GLANCE

- Broad pre-clinical pipeline of over 20 programs including HuMax-AXL-ADC
- Pre-clinical pipeline includes both partnered products and in-house programs based on our proprietary technologies

OUR STRATEGY IN ACTION

- Broad early stage pipeline provides maximum chance for success
- Collaborations minimize Genmab's risk and investment while providing potential future revenue streams
- Opportunity to retain ownership of select pre-clinical collaboration programs

Genmab has over 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, bispecific antibodies created with our DuoBody platform, and ADCs including HuMax-AXL-ADC. Genmab is committed to innovation and therefore investigates new ways of creating and improving antibody therapeutics. A majority of Genmab's own pre-clinical programs are based on our proprietary DuoBody and HexaBody technologies, with the remainder being ADC programs. A number of the pre-clinical programs are carried out under cooperation with our collaboration partners. These include DuoBody programs with Novartis and Janssen, antibodies for disorders of the central nervous system with H. Lundbeck A/S, HuMax-IL8 which is licensed to Cormorant Pharmaceuticals, Inc. and HuMax-TAC-ADC which is being developed by ADC Therapeutics Sarl.

AMGEN/CELIMMUNE

Amgen has sub-licensed AMG 714 to a private company, Celimmune, LLC. Celimmune is a newly founded clinical development-stage immunotherapy company focused on treating and preventing autoimmune diseases. Celimmune plans to initiate Phase II studies of AMG 714 for the treatment of diet non-responsive celiac disease and refractory celiac disease. AMG 714 was created by Genmab, as HuMax-IL15, under a collaboration with Amgen. AMG 714 is a human monoclonal antibody that binds to Interleukin-15 (IL-15), a cytokine molecule appearing early in the cascade of events that ultimately leads to inflammatory disease.

FOURTH QUARTER 2014 UPDATE TO PRESENT

- **March 2015:** Amgen has sub-licensed AMG 714 to a private company, Celimmune. AMG 714 is an antibody targeting IL15 developed under a collaboration with Amgen.
- **December:** Presented pre-clinical data on HuMax-TAC-ADC at the ASH Annual Meeting.

UPDATES FROM FIRST QUARTER TO THIRD QUARTER 2014

- **September:** Entered a license agreement with Seattle Genetics to utilize their ADC technology with our HuMax-AXL antibody. Seattle Genetics received an upfront payment of USD 11 million from Genmab and will be entitled to receive more than USD 200 million in potential milestone payments and royalties on net sales of any resulting products. Genmab will remain in full control of development and commercialization of HuMax-AXL-ADC.

Read more

About our pre-clinical pipeline: www.genmab.com/product-pipeline/products-in-development/pre-clinical
About our collaborations: www.genmab.com/partnering/current-partnerships
About ADCs: www.genmab.com/research-and-technology/genmab-technology#tab5
About the DuoBody platform: www.genmab.com/research-and-technology/genmab-technology#tab3
About the HexaBody technology: www.genmab.com/research-and-technology/genmab-technology#tab6

Protecting Our Pipeline Through Intellectual Property

Proprietary protection for our antibody products, processes, technologies and know-how are important to our business. We own and license patents, patent applications, and other proprietary rights relating to our antibody products and uses of these products in the treatment of diseases as well as antibody technologies and processes. Our policy is to file patent applications to protect inventions relating to antibody products, processes and technologies that we consider important to the development of our business.

Please refer to the "Risk Management" section and note 5.6 of the financial statements for further details.

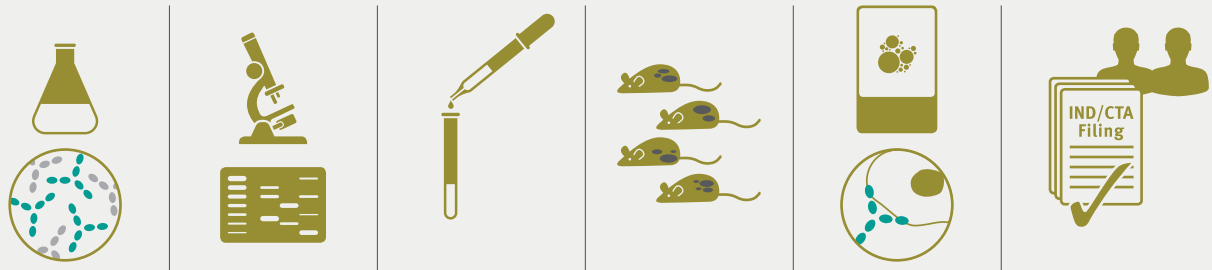
Antibody Technology

Antibodies are Y-shaped proteins that play a central role in immunity against bacteria and viruses (also known as pathogens). As we develop immunity, our bodies generate antibodies that bind to pathogen structures (known as antigens), which are specific to the pathogen. These antibodies interrupt infection indirectly by interfering with disease processes or by directly binding to the surface of the pathogen, which results in elimination or destruction of the pathogen via the immune system. In modern medicine, we have learned how to create and develop specific human antibodies against antigens associated with diseased human cells for use in the treatment of human diseases such as cancer, autoimmune disease, inflammation and cardiometabolic diseases.

Genmab is developing antibody therapeutics using a broad, state-of-the-art toolbox. We license several technologies from other companies for the generation of diverse libraries of high quality, functional antibodies. These technologies include the clinically and commercially validated UltiMAb® transgenic mouse technology from Medarex, Inc., a wholly owned subsidiary of Bristol-Myers Squibb (BMS) and, more recently, the transgenic mouse and rat OmniAb™ platforms from Open Monoclonal Technology, Inc. (OMT) and the rabbit antibody platform from MAB Discovery GmbH.

We use several technologies to increase the potency of some of our antibody therapeutics on a product-by-product basis. We license ADC technology from Seattle Genetics, which allows the specific targeting of highly cytotoxic agents using carefully selected antibodies to increase potency and therapeutic window. Genmab has developed proprietary antibody technologies including the DuoBody platform for the creation of bispecific antibodies and the HexaBody technology for the creation of immune effector enhanced antibodies. Details on the DuoBody and HexaBody technologies can be found in the following sections.

Antibody Discovery Process



1. Identification and purification of antibodies that bind to disease target
2. Analysis of the biochemical properties of the antibodies
3. Explore efficacy and mechanism of action in laboratory tests (in vitro)
4. Screen for efficacy in animal models (in vivo)
5. Test antibody binding to human and animal tissue and pre-clinical toxicity experiments
6. Application to regulatory authorities to begin testing in humans

The DuoBody Platform – Preferred Technology for Bispecific Antibody Therapeutics

AT-A-GLANCE

- Bispecific antibody technology platform
- Potential in cancer, autoimmune, infectious and central nervous system disease
- Commercial collaborations with Janssen, Novartis and BioNovion, plus multiple research collaborations

OUR STRATEGY IN ACTION

- Next generation antibody technology that is differentiated from competitor platforms
- Potential to create differentiated antibody therapeutics
- Multiple collaborations bring in revenues including milestones and potential royalty income

The DuoBody platform is Genmab's proprietary technology platform for the discovery and development of bispecific antibodies. Bispecific antibodies bind to two different epitopes (or "docking" sites) either on the same, or on different targets (also known as dual-targeting). Dual-targeting may improve binding specificity and efficacy in inactivating disease targets. Bispecific antibodies generated with the DuoBody platform may improve antibody therapy of cancer, autoimmune, and infectious and central nervous system disease. DuoBody molecules are unique in combining the benefits of bispecificity with the strengths of conventional antibodies, which allows DuoBody molecules to be administered and dosed the way other antibody therapeutics are. Genmab's

DuoBody Product Collaborations

JANSSEN BIOTECH, INC. (JANSSEN)

In July 2012, Genmab entered into a collaboration with Janssen Biotech, Inc. to create and develop bispecific antibodies using our DuoBody platform. Genmab will create panels of bispecific antibodies to multiple disease target combinations identified by Janssen, or Janssen may decide to create such panels itself under the agreement. Under the terms of the July 2012 agreement, Genmab and Janssen will collaborate on the research of up to ten DuoBody programs. Genmab received an upfront payment of USD 3.5 million from Janssen and all research by Genmab will be fully funded by Janssen. In addition, Genmab will potentially be entitled to milestone and license payments of up to approximately USD 175 million for each product as well as royalties on any commercialized products.

In December 2013, Genmab and Janssen expanded this collaboration to include up to ten additional programs. Under this amendment, Genmab received an initial payment of USD 2 million from Janssen. For each of the ten additional programs that Janssen successfully initiates, develops and commercializes, Genmab will potentially be entitled to milestone and license payments of up to approximately USD 174 million to USD 219 million, depending on the date each program is initiated. In the most favorable scenario in which all ten additional programs are successfully initiated, developed and commercialized, Genmab would receive average milestone and license payments of approximately USD 191 million for each of the ten programs. In addition, Genmab will be entitled to royalties on sales of any commercialized products.

NOVARTIS

In June 2012, Genmab entered into an agreement with Novartis to use our DuoBody platform to create and develop panels of bispecific antibodies to two disease target combinations identified by Novartis. All research work on the programs is fully funded by Novartis. Under the terms of the agreement, Genmab received an upfront payment of USD 2 million. If all milestones in the agreement are achieved, the total potential value of the agreement would be approximately USD 175 million, plus research funding and royalties.

BIONOVION

In February 2015, Genmab entered a co-development and commercialization agreement with BioNovion to evaluate a number of DuoBody product candidates targeting immune checkpoints. Genmab and BioNovion will contribute panels of antibodies for the creation of bispecific antibody products using our DuoBody platform. If the companies jointly select a product candidate for clinical development, development costs will be shared equally, with each party retaining a 50% share of the product rights. If one of the companies decides not to move a therapeutic candidate forward, the other company is entitled to continue developing the product at predefined licensing terms. The agreement also includes terms which allow the parties to opt out of joint development at key points in each product's clinical development.

DuoBody platform generates bispecific antibodies via a fast and broadly applicable process, which is easily performed at standard bench, as well as commercial manufacturing scale.

During 2014, Genmab received program reservation fees for activation of four bispecific antibody programs by Janssen under our DuoBody collaboration. In addition, milestone payments of USD 12 million were triggered under the collaboration, including: two in vivo milestones totaling USD 1 million, five proof-of-concept milestones totaling USD 5 million, and two pre-clinical progress milestones, as further explained below, totaling USD 6 million.

Genmab intends to use the DuoBody platform to create our own bispecific antibody programs and the technology is also available for licensing. Genmab has numerous alliances for the DuoBody platform including collaborations with Janssen and Novartis.

FOURTH QUARTER 2014 UPDATE TO PRESENT

- **February 2015:** Entered a co-development and commercialization agreement with BioNovion to evaluate a number of DuoBody product candidates targeting immune checkpoints.
- **December:** Reached a milestone in the DuoBody platform collaboration with Janssen, triggering a USD 3 million milestone payment for pre-clinical progress with a DuoBody product candidate targeting cancer.

UPDATES FROM FIRST QUARTER TO THIRD QUARTER 2014

- **July:** Entered a research collaboration in immuno-oncology with BioNovion under which Genmab and BioNovion will use Genmab's DuoBody bispecific antibody platform to create novel immune modulating therapeutic agents.
- **July:** Reached a milestone in the DuoBody platform collaboration with Janssen, triggering a USD 3 million milestone payment for pre-clinical progress with a DuoBody product candidate in autoimmune diseases.
- **June:** Entered a new research collaboration in immuno-oncology with Agenus Inc. under which Agenus and its affiliates, including 4-Antibody AG, will use Genmab's DuoBody platform to create bispecific antibodies against immune checkpoint targets.
- **June:** Entered a research collaboration with an undisclosed major biotechnology company that will use and evaluate the DuoBody and HexaBody platforms.
- **May:** Genmab entered a research collaboration with Cormorant Pharmaceuticals to evaluate the DuoBody platform for the creation of a bispecific antibody against IL-8 and an undisclosed target.
- **January:** Genmab announced a research collaboration with Eli Lilly and Company to use and evaluate the DuoBody platform.

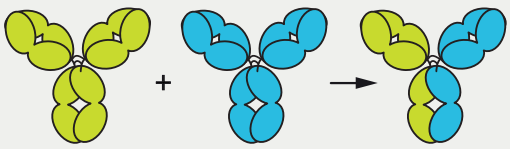
Read more

About our DuoBody collaborations: www.genmab.com/partnering/current-partnerships#tab3
About the DuoBody platform: www.genmab.com/research-and-technology/genmab-technology#tab3
About our Open Innovation opportunities for the DuoBody platform: www.genmab.com/duobody/open-innovation

DuoBody Research Collaborations

- Kyowa Hakko Kirin
- Eli Lilly
- Cormorant Pharmaceuticals
- Humabs BioMed
- Agenus
- Undisclosed major biotech company

DuoBody Process



The DuoBody platform generates bispecific antibodies by a fast and broadly applicable process which causes the binding arms of two distinct monoclonal antibodies to exchange – combining into one bispecific antibody.

HexaBody Technology – Creating Differentiated Therapeutics

AT-A-GLANCE

- Enhanced potency antibody technology platform
- Broadly applicable technology builds on natural antibody biology
- Pre-clinical proof-of-concept achieved
- Entered first research collaboration with undisclosed major biotechnology company in June 2014

OUR STRATEGY IN ACTION

- Developed HexaBody technology based on our deep antibody expertise and innovative approach
- Opportunity to create differentiated products and manage product life cycle
- Collaborations serve to validate this new technology

The HexaBody technology is Genmab's novel proprietary antibody platform that is designed to increase the potency of antibodies. Antibodies have a natural ability to eliminate pathogens and tumor cells by various cytotoxic mechanisms. The HexaBody platform strengthens the killing ability of antibodies while retaining regular structure and specificity. The technology allows for the creation of potent therapeutics by inducing antibody hexamer formation (clusters of six antibodies). The HexaBody platform builds on natural antibody biology and enhances complement-mediated killing (complement-dependent cytotoxicity (CDC)), allowing antibodies with limited or absent CDC to be transformed into potent, cytotoxic antibodies. The HexaBody technology creates opportunities to explore new product candidates, to repurpose drug candidates unsuccessful in previous clinical trials due to insufficient potency and may provide a useful strategy in product life cycle extension. The HexaBody technology is broadly applicable and can be combined with Genmab's DuoBody platform as well as other antibody technologies. The technology has the potential to enhance the killing activity of antibody therapeutics for a broad range of applications in cancer and infectious diseases. Genmab intends to use the HexaBody technology for our own antibody programs and the technology is also available for licensing. Genmab has entered HexaBody research collaborations with Humabs BioMed and an undisclosed major biotechnology company.

FOURTH QUARTER 2014 UPDATE TO PRESENT

- **October:** Entered a research evaluation agreement with Humabs BioMed, a Swiss biotech company, which will evaluate the HexaBody and DuoBody platforms.

UPDATES FROM FIRST QUARTER TO THIRD QUARTER 2014

- **June:** Entered a research collaboration with an undisclosed major biotechnology company which will use and evaluate the DuoBody and HexaBody platforms. This was the first collaboration for the HexaBody platform.

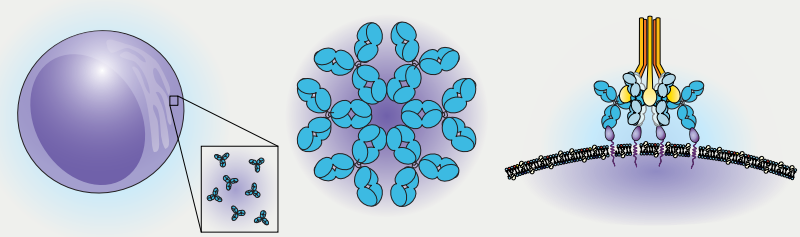
Read more

About our HexaBody collaborations: www.genmab.com/partnering/current-partnerships#tab3
About the HexaBody technology: www.genmab.com/research-and-technology/genmab-technology#tab6

HexaBody Research Collaborations

- Humabs BioMed
- Undisclosed major biotech company

HexaBody Process



The HexaBody platform is an innovative approach to enhance the ordered clustering of antibodies after they bind to their target on cells. This biological mechanism can be exploited to robustly enhance the killing of target cells by the antibody.

Corporate Governance

Genmab works diligently to improve its guidelines and policies for corporate governance taking into account the recent trends in international and domestic requirements and recommendations. Genmab's commitment to corporate governance is based on ethics and integrity and forms the basis of its effort to strengthen the confidence that existing and future shareholders, partners, employees and other stakeholders have in Genmab. The role of shareholders and their interaction with Genmab is important. Genmab acknowledges that open and transparent communication is necessary to maintain the confidence of Genmab's shareholders and achieves this through company announcements, investor meetings and company presentations. Genmab is committed to providing reliable and transparent information about its business, development programs and scientific results in a clear and timely manner.

All Danish companies listed on the Nasdaq Copenhagen are required to disclose in their annual reports how they address the Recommendations for Corporate Governance issued by the Committee on Corporate Governance in May 2013, revised by November 2014, (the "Recommendations") applying the "comply-or-explain" principle.

Genmab follows the vast majority of the Recommendations, although specific sub-areas have been identified where Genmab's corporate governance principles differ from the Recommendations:

- The Recommendations provide that according to a company's takeover contingency procedures, the board of directors shall not attempt to counter a takeover bid without the acceptance of the general meeting. Genmab does not have such a restriction in its takeover contingency procedures and retains the right in certain circumstances to reject takeover bids without consulting the shareholders. Actions will be determined on a case-by-case basis with due consideration to the interests of the shareholders and other stakeholders.
- The Recommendations provide that remuneration of the board members shall not include share options. However, Genmab's remuneration of the board members includes restricted stock units (RSUs) which may be considered a share option. Share options constitute a common part of the remuneration paid to members of the board of directors in competing international biotech companies. To remain competitive in the international market and to be able to attract and retain qualified members of the Board of Directors, it is considered in the best interest of Genmab to follow this practice, which we believe is aligned to serve the shareholders' long-term interests. Following the most recent amendment of the guidelines for incentive-based remuneration of the Board of Directors and Executive Management by the general meeting in 2014, share options granted to board members may only be in the form of RSUs.
- The Recommendations provide that share options should not be exercisable earlier than three years from the date of the grant. Warrants granted under Genmab's 2004 warrant scheme and 2012 warrant scheme vest over a period of four years from the date of the grant. The warrant holder may only exercise 25% of the warrants granted per full year of employment or affiliation with Genmab after the grant date. RSUs are subject to a cliff vesting period and become fully vested after three years from the date of grant and comply with the Recommendations.
- The Recommendations provide that Genmab, in exceptional cases, should be able to reclaim variable components of remuneration. It is, however, Genmab's assessment that a claim to repayment, in whole or in part, of variable components of remuneration, which have been paid on the basis of information later proven incorrect, should be based on the general Danish legal principles.

Genmab publishes its statutory report on Corporate Governance for the financial year 2014 cf. Section 107 b of the Danish Financial Statements Act ("Lovpligtig redegørelse for virksomhedsledelse jf. årsregnskabslovens § 107 b") on the company's website, including a detailed description of the Board of Directors' consideration in respect of all the Recommendations. The statutory report on Corporate Governance can be found on Genmab's website ✱ http://ir.genmab.com/governance.cfm.

THE BOARD OF DIRECTORS

The Board of Directors plays an active role within Genmab in setting the strategies and goals for Genmab and monitoring the operations and results of the company. Board duties include establishing policies for strategy, accounting, organization and finance, and the appointment of executive officers. The Board of Directors also assesses Genmab's capital and share structure and is responsible for approving share issues and the grant of warrants and RSUs.

BOARD COMMITTEES

To support the Board of Directors in its duties, the Board of Directors has established and appointed a Compensation Committee, an Audit Committee and a Nominating and Corporate Governance Committee. These committees are charged with reviewing issues pertaining to their respective fields that are due to be considered at board meetings. Written charters specifying the tasks and responsibilities for each of the committees are available on Genmab's website ✱ www.genmab.com.

✱ For more details on the work and composition of the Board of Directors and its committees, reference is made to the statutory report on Corporate Governance.

GUIDELINES FOR INCENTIVE REMUNERATION

Pursuant to section 139 of the Danish Companies Act (in Danish "Selskabsloven"), the board of directors is required, before the company enters into a specific incentive payment agreement with a member of the board of directors or executive management, to lay down general guidelines governing the company's incentive remuneration of such member. The guidelines are considered and adopted at the company's annual general meeting and can be found in their full length on our website www.genmab.com. The guidelines were adopted at the 2008 annual general meeting and amended by the annual general meetings of the company in 2011, 2012, and 2014.

All incentive payments have been carried out in accordance with Genmab's General Guideline for Incentive Programs for the Board of Directors and the Executive Management.

DISCLOSURE REGARDING CHANGE OF CONTROL

The Danish Financial Statements Act (Section 107 a) contains rules relating to listed companies with respect to certain disclosures that may be of interest to the stock market and potential takeover bidders, in particular in relation to disclosure of change of control provisions.

For information on change of control clauses in our collaboration, development and license agreements as well as certain service agreements with the Executive Management and employees, please refer to note 5.6. Change of control clauses related to our warrant & RSU programs are outlined in note 4.6.

More information on share capital is included in note 4.7. Unless otherwise provided in the Danish Companies Act, the adoption of any resolution to amend Genmab A/S' articles of association shall be subject to the affirmative vote of not less than two thirds of the votes cast as well as of the voting share capital represented at the general meeting. Genmab A/S' entire articles of association can be found on our website (www.genmab.com).

Read more

Corporate Governance reports: http://ir.genmab.com/governance.cfm
Charters and guidelines: http://ir.genmab.com/charters.cfm
Articles of Association: http://ir.genmab.com/articles.cfm

Corporate Social Responsibility (CSR)

AT-A-GLANCE

- Genmab strives to comply with all relevant laws, standards and guidelines
- Our commitment to CSR is inherently based in the company's core purpose
- CSR initiatives focus on four main areas

Being socially responsible is at the core of how we do business at Genmab and is reflected in Genmab's core values. We believe in the idea that a company has a responsibility to conduct itself in a way that benefits not only the company's main stakeholders, in our case patients, shareholders and employees, but also society as a whole.

At Genmab we strive to comply with all relevant laws, standards and guidelines. We seek to create new medicines to help patients, with a focus on cancer. We consider the well-being of our employees a top priority and we minimize our impact on the environment as much as we can. We have high ethical standards and aim to conduct business with companies and within countries which share our ethics. We do not conduct business in high risk countries where human rights are not upheld. Due to the fact that we have a limited number of employees and therefore carefully allocate our resources, we have chosen not to implement a specific human rights policy. However, Genmab supports and respects the protection of internationally proclaimed human rights through other policies which address responsible supply chain management, ethical procedures, health and safety procedures and issues regarding access to medicine. In addition, Genmab only conducts clinical trials in markets where a drug is planned to become available.

Our CSR Committee, comprised of representatives from our human resources, investor relations & communications, legal, finance and research & development functions, ensures that Genmab carries out these activities effectively and communicates clearly and openly about our CSR initiatives.

Genmab's CSR report discloses the main highlights of our CSR initiatives but does not reflect all of our ongoing initiatives and procedures. As part of our commitment to CSR we monitor new developments and practices and consider new initiatives which could further enhance our CSR activities.

Genmab publishes its statutory report on CSR for the financial year 2014 cf. Section 99 a of the Danish Financial Statements Act on the company's website, including additional information about policies, progress made during 2014 and expected activities for 2015. Genmab has adopted a target figure for women in the Board of Directors and a policy regarding the proportion of gender in other management levels of the Genmab group. In accordance with section 99 b of the Danish Financial Statements Act, Genmab discloses the target figure, the policy and current performance in its statutory report on CSR for the financial year 2014. The statutory report on CSR can be found at http://ir.genmab.com/csr.cfm.

Read more

CSR reports: http://ir.genmab.com/csr.cfm#tab2
Gender policy: http://ir.genmab.com/csr.cfm#tab3
Target figure for women in the Board of Directors: www.genmab.com/about-us/board-of-directors/target-figure

“Our vision to transform cancer treatment motivates our employees in their everyday work”

88%

The great majority of our employees are focused on research and development.

48%

Nearly half of our team has an advanced degree.

91%

Most employees have over 5 years of experience in the biotech or pharma industry.

Human Resources

AT-A-GLANCE

- Genmab strives to attract and retain the most qualified employees
- Our employees are highly qualified within the pharmaceutical and biotechnology industry
- 173 full time equivalent employees at the end of 2014

Employees are Genmab's most important resource and we strive to attract and retain the most qualified people to fulfil our core purpose. Genmab's vision is to develop and retain value in our own products which could one day transform cancer treatment. At Genmab, our core purpose, together with our core values, guides and inspires employees in their everyday work.

Skill, knowledge, experience and employee motivation are essential to Genmab as a biotech company. The ability to organize our highly skilled and very experienced employees at all levels of the organization into interactive teams is a key factor in achieving our goals and ensuring Genmab's success. Genmab's team is very experienced in the pharmaceutical and biotechnology industry, particularly among the more senior personnel.

KEY EMPLOYEE RATIOS

Male/Female Ratios	2014		2013	
	Male	Female	Male	Female
Genmab Group	46%	54%	47%	53%
Director level and above	56%	44%	52%	48%
Below director level	43%	57%	45%	55%

OTHER KEY EMPLOYEE RATIOS

		2014	2013
FTE at the end of the year	No.	173	157
Research and development employees	%	88%	87%
Administrative employees	%	12%	13%
Average age of workforce	No.	41 years	41 years
Number of nationalities	No.	14	10
Employees holding an advanced degree (Ph.D., Doctoral or Master)	%	48%	45%
More than 5 years' experience in pharma/biotech industry	%	91%	92%
Seniority	No.	7 years	7 years
Employee turnover[1]	%	3%	5%
Employee absence[2]	%	3%	3%

Read more

CSR reports: http://ir.genmab.com/csr.cfm#tab2
Gender policy: http://ir.genmab.com/csr.cfm#tab3
Core purpose and values: http://www.genmab.com/about-us/core-purpose-and-values
Our culture: http://www.genmab.com/careers/our-culture

[1] Employee turnover percentage is calculated by the FTE voluntarily leaving since the beginning of the year divided by the average FTE.
[2] The rate of absence is measured as absence due to the employee's own illness, pregnancy-related sick leave, and occupational injuries and illnesses compared with a regional standard average of working days in the year, adjusted for holidays.

Our Core Purpose

To improve the lives of patients by creating and developing innovative antibody products

Our Core Values

Passion for innovation
Work as one team and respect each other
Determined – being the best at what we do
Integrity – we do the right thing

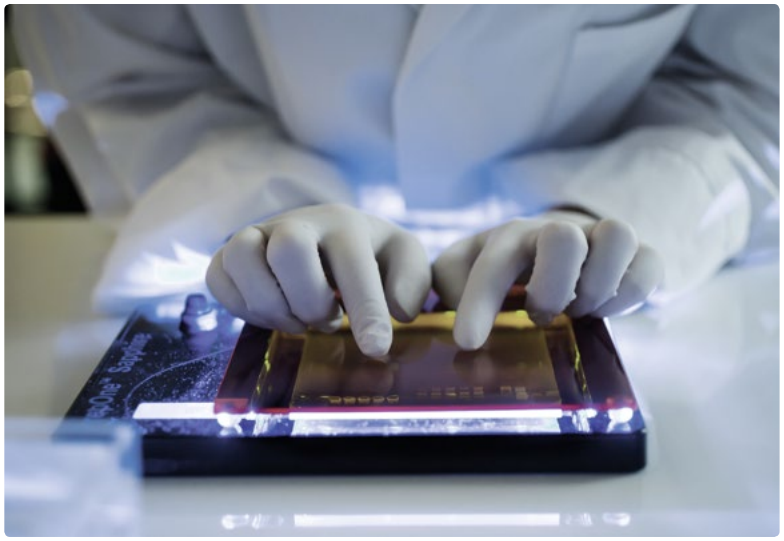
Risk Management

Genmab has facilities in three countries and performs research and development activities with clinical trials conducted around the globe. Through our activities, we are exposed to a variety of risks, some of which are beyond our control. These risks may have a significant impact on our business if not properly assessed and controlled. Maintaining a strong control environment, with adequate procedures for identification and assessment of risks and adhering to operational policies designed to reduce such risks to an acceptable level, is essential for the continued development of Genmab. It is our policy to identify and reduce the risks derived from our operations and to establish insurance coverage to hedge any residual risk, wherever considered practicable. The Board of Directors performs a yearly review of Genmab's insurance coverage to ensure that it is adequate.

The following is a summary of some of Genmab's key risk areas and how we attempt to address and mitigate such risks. Environmental and ethical risks are covered in the section on Corporate Social Responsibility.

Risk related to	Risk areas	Mitigation	Risk trend
BUSINESS	Identification and development of successful technologies and products, expensive, time-consuming clinical trials with uncertain outcome and risk of failure	Genmab has established various committees to ensure optimal selection of disease targets and antibody candidates and to monitor progress. We strive to have a well-balanced product pipeline and continue to identify and search for new product candidates and closely follow the market.	=
	Dependent on development and access to new technologies such as ADC technology including exposure to safety issues related to use thereof	Genmab strives to continue its development of new technologies such as the DuoBody and HexaBody platforms and gain access to competitive new technologies such as ADC technology. We closely monitor our clinical trials to mitigate any unforeseen safety issues associated with the use of ADC technology.	=
	We may face competition, including from biosimilars and rapid technology change, which may render our products non-competitive	Genmab attempts to control commercial risks by monitoring and evaluating current market conditions, competing products and new technologies. Genmab strives to ensure market exclusivity for its own technologies and products by seeking patent protection.	=
	Dependent on pricing/public reimbursement	Genmab strives to develop differentiated, cost-effective products that may obtain price reimbursement by government health care programs and private health insurers.	=
	Exposure to product liability claims	A product liability claim could materially affect our business and financial position and Genmab therefore maintains product liability insurance for our clinical trials and other coverage required under applicable laws.	=
STRATEGIC COLLABORATIONS	Dependent on partnerships with major pharmaceutical or biotech companies to support our business and develop and commercialize our products	Our business may suffer if our collaboration partners do not devote sufficient resources to our programs and products or do not successfully maintain, defend and enforce their intellectual property rights. Genmab strives to be an attractive and respected collaboration partner and pursues a close and open dialogue with our partners to share ideas and best practices within clinical development to increase the likelihood that we reach our goals.	=
	Dependent on contract manufacturing organizations and clinical research organizations to conduct our clinical trials	Genmab oversees outsourcing relationships to ensure consistency with strategic objectives and service provider compliance with regulatory requirements, resources and performance. This includes assessment of contingency plans, availability of alternative service providers, and costs and resources required to switch service providers.	=

Risk Level in Relation to Last Year: New | Unchanged | Decreased | Increased



"We maintain a strong control environment to identify and reduce potential risks"

Risk related to	Risk areas	Mitigation	Risk trend
REGULATION AND LEGISLATION	Subject to extensive regulatory requirements both during clinical development and post-marketing approval, including healthcare laws and regulations	To ensure compliance with regulatory requirements including current Good Laboratory Practices (cGLP), current Good Clinical Practices (cGCP) and current Good Manufacturing Practices (cGMP), Genmab has established a quality assurance department and makes every effort to stay abreast of regulatory changes to legislation to ensure compliance. To ensure compliance with healthcare laws and regulations regarding interactions with healthcare professionals and promotion of pharmaceuticals, Genmab has implemented global compliance guidelines for interactions with healthcare professionals and promotion of pharmaceuticals with mandatory training, as well as guidelines for company communications regarding products in development.	=
	Legislation, regulations and practices may change from time to time and we may receive warnings from regulatory authorities regarding use in certain patient populations	To prevent unwarranted consequences of new and amended legislation, regulations etc., Genmab strives to be up to date with all relevant new legislation, regulations and practices by means of internal as well as external legal counsel. Also, internal procedures for review of contracts have been implemented to ensure contractual consistency and compliance with legislation and regulation.	=
INTELLECTUAL PROPERTY	Dependent on protecting own intellectual property rights and avoiding infringement of third party intellectual property rights	Genmab files and prosecutes patent applications to optimally protect its products and technologies. To protect trade secrets and technologies, Genmab maintains strict confidentiality standards and agreements for employees and collaborating parties. Genmab actively monitors third party patent positions within our relevant fields to secure freedom-to-operate for our products and technologies to avoid violating any third party patent rights.	=
FINANCES	Genmab may need additional funding	Because Genmab's future commercial potential and operating results are hard to predict, Genmab's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence, and a continuous advancement of Genmab's product pipeline and business in general.	=
	Genmab is exposed to different kinds of financial risks, including currency exposure and changes in interest rates	The financial risks of the Genmab group are managed centrally. Group financial risk management guidelines have been established to identify and analyze the risks faced by the Genmab group, to set the appropriate risk limits and controls and to monitor the risks and adherence to limits. For further details, refer to note 4.2 of the financial statements.	=
MANAGEMENT AND WORKFORCE	Inability to attract and retain suitably qualified personnel	To attract and retain our highly skilled workforce, including the members of Genmab's Senior Leadership, Genmab offers competitive remuneration packages, including share-based remuneration. For further details on share-based remuneration, refer to note 4.6 of the financial statements.	=

Risk Level in Relation to Last Year: New Unchanged Decreased Increased

Financial Review

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

RESULT FOR THE YEAR

During 2014, we improved our 2014 financial guidance twice, lastly in August. Comparing the August guidance with the original guidance, the expected operating result was improved due to an increase in revenue as a result of the achievement of additional milestone payments under our daratumumab collaboration with Janssen. The cash position was improved due to the proceeds from warrant exercises of DKK 46 million and the improved operating performance.

RESULT AND GUIDANCE FOR 2014

MDKK	Original Guidance	Latest Guidance	Actual
Income Statement			
Revenue	725 – 775	800 – 875	850
Operating expenses	(600) – (650)	(600) – (650)	(585)
Operating result	90 – 160	175 – 250	265
Cash position			
Cash position beginning of year*	1,557	1,557	1,557
Cash from/(used in) operations	(50) – (100)	0 – (50)	66
Proceeds from private placement	972	972	972
Warrant exercises	-	46	66
Cash position at end of year*	2,400 – 2,500	2,450 – 2,550	2,661

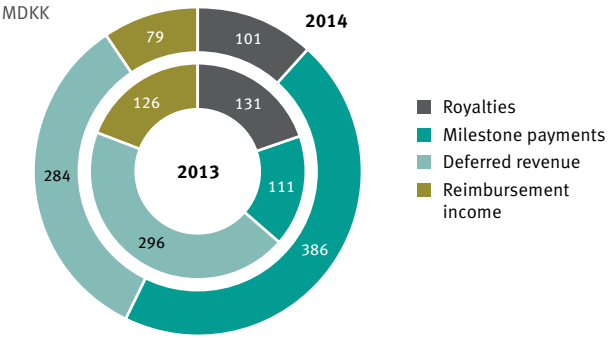
*Cash, cash equivalents and marketable securities

Overall, the total financial performance is better than the latest guidance of August 13, 2014. Revenue is within the projected range while the operating expenses are slightly lower than the projected range, mainly driven by a reduction in development costs related to our collaboration with GSK. The operating result and cash position exceeded the top end of the guidance range mainly due to the lower operating expenses.

REVENUE

Genmab's revenue was DKK 850 million for 2014 as compared to DKK 664 million in 2013. The increase of DKK 186 million or 28% was mainly driven by higher revenue related to our daratumumab and DuoBody collaborations with Janssen, partially offset by lower Arzerra royalties.

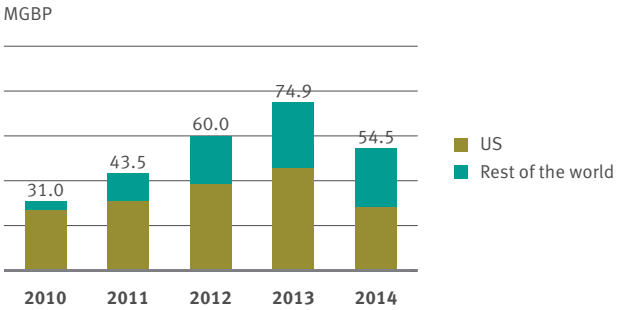
SPLIT OF REVENUE



Royalties

GSK net sales of Arzerra were GBP 54.5 million in 2014 compared to GBP 74.9 million in 2013, a decrease of 27%. The rest of the world sales in both 2014 and 2013 were enhanced by sales related to the supply of ofatumumab for clinical trials run by other companies and as such do not reflect ongoing commercial demand. As anticipated, sales in the US were negatively

GSK NET SALES OF ARZERRA



impacted by increased competition in the refractory CLL market. The Arzerra marketing authorizations in first-line CLL in both the US and the EU were approved during April and July 2014, respectively, therefore these approvals had limited impact on sales of Arzerra for 2014. The previous overview shows the development of Arzerra net sales since the beginning of 2010.

The total recognized royalties on net sales of Arzerra for 2014 were DKK 101 million compared to DKK 131 million in 2013. The decrease in royalties of 23% is lower than the decrease in the underlying sales due to currency fluctuations between the GBP and DKK.

Milestone Payments

In 2014 twelve milestone payments totalling DKK 386 million were earned under our collaborations with Janssen with DKK 315 million and DKK 71 million related to daratumumab and DuoBody, respectively. During 2013, eight milestone payments totalling DKK 111 million were earned under our collaborations with GSK, Janssen, Lundbeck, Novartis and Cormorant.

Deferred Revenue

In 2014 deferred revenue amounted to DKK 284 million compared to DKK 296 million in 2013. The deferred revenue is mainly related to our collaboration agreements with GSK and Janssen and is recognized in the income statement on a straight line basis over planned development periods. The decrease of DKK 12 million compared to 2013 was mainly related to our Lundbeck collaboration as the amortization ended in October 2013. As of December 31, 2014, DKK 550 million was included as deferred income in the balance sheet. **Please refer to note 2.1 of the financial statements for further details about the accounting treatment of deferred revenue.**

Reimbursement Income

Reimbursement income, mainly comprised of the reimbursement of certain research and development costs related to the development work under Genmab's collaboration agreements, amounted to DKK 79 million in 2014 compared to DKK 126 million in 2013. The decrease of 37% was mainly due to lower reimbursement income under our daratumumab collaboration as Janssen is executing all new clinical trials.

OPERATING EXPENSES

Total operating expenses decreased by DKK 9 million from DKK 594 million in 2013 to DKK 585 million in 2014.

Research and Development Costs

Research and development costs amounted to DKK 506 million in 2014 compared to DKK 528 million in 2013. The decrease of DKK 22 million, or 4%, was driven by a decrease in costs associated with the ofatumumab, daratumumab, and HuMax-TF-ADC programs, which was partly offset by increased investment in our research and technology programs and non-cash share-based compensation expenses.

Research and development costs accounted for 86% of the total operating expenses in 2014 compared to 89% in 2013.

General and Administrative Expenses

General and administrative expenses were DKK 80 million in 2014 compared to DKK 67 million in 2013. The increase of DKK 13 million was driven by higher non-cash share-based compensation and general consultancy expenses.

General and administrative expenses accounted for 14% of the total operating expenses in 2014 compared to 11% in 2013.

OPERATING RESULT

Operating income improved by DKK 196 million from DKK 69 million in 2013 to DKK 265 million in 2014 due to higher revenue and lower expenses.

NET FINANCIAL ITEMS

The net financial items reflect a combination of interest income, unrealized and realized fair market value adjustments on our portfolio of marketable securities, as well as realized and unrealized foreign exchange adjustments.

Net financial items for 2014 reflected a net income of DKK 32 million compared to a net loss of DKK 4 million in 2013. The main drivers for the variance between the two periods were lower realized and unrealized losses, net related to our marketable securities and foreign exchange movements which positively impacted adjustments of derivative financial instruments, net. **Please refer to note 4.5 of the financial statements for further details about the net financial items.**

In the financial statements of the parent company, the financial income included an exchange rate adjustment of DKK 3 million in 2013 related to Genmab A/S' non-current intercompany loan to Genmab MN, Inc. (now Genmab US, Inc.), resulting in a negative DKK 3 million non-cash impact on the net financial items line from 2013 to 2014. The loan was considered as part of the total investment in the subsidiary and exchange rate adjustments related to the loan are recognized in the income statement in the financial statements of Genmab A/S. Following the sale of the facility in 2013, this loan was contributed to capital.

NET RESULT FOR CONTINUING OPERATIONS

Net income for continuing operations for 2014 was DKK 301 million compared to a net income of DKK 70 million in 2013. The improvement of DKK 231 million was mainly driven by the operating items discussed above as well as an improvement in net financial items of DKK 36 million.

NET RESULT FOR DISCONTINUED OPERATION

The divestiture of the Minnesota manufacturing facility was completed in February 2013. The discontinued operation income of DKK 42 million in the first quarter of 2013 related to the gain on the sale and the final few months of running costs. There are no discontinued operations in 2014.

In the financial statements of the parent company, net result for discontinued operation included a reversal of impairment of DKK 26 million in 2013 which was related to Genmab A/S' investment in Genmab MN, Inc. The facility was owned by Genmab MN, Inc. (now Genmab US, Inc.). **Please refer to note 5.3 of the financial statements for additional information.**

CASH POSITION

As of December 31, 2014, the balance sheet reflected cash, cash equivalents and marketable securities (cash position) of DKK 2,661 million. This represents a net increase of DKK 1,104 million from the beginning of 2014, which was primarily related to net proceeds of DKK 972 million received from the private placement in January, exercise of warrants, and income from operations. This compares to a net increase of DKK 41 million in 2013, which was primarily related to proceeds received from warrant exercises and sale of the manufacturing facility, partially offset by the ongoing investment in our research and development activities.

MDKK	2014	2013
Marketable securities	2,302	1,389
Cash and cash equivalents	359	168
Cash position	**2,661**	**1,557**

Given the current market conditions, all future cash inflows and re-investments of proceeds from the disposal of marketable securities are invested in highly secure, liquid and conservative investments with short effective maturity. As of December 31, 2014, 100% of our marketable securities had a triple A-rating, which was unchanged since the end of December 2013. The weighted average effective duration was approximately one year, which was also unchanged since December 31, 2013. **Please refer to notes 4.2 and 4.4 for further details about our financial risks and marketable securities.**

BALANCE SHEET

As of December 31, 2014, total assets were DKK 2,867 million, compared to DKK 1,732 million as of December 31, 2013. As of December 31, 2014, the assets were mainly comprised of the cash position of DKK 2,661 million and receivables of DKK 112 million. The receivables were primarily related to our development agreements with Janssen and GSK. The credit risk related to these receivables is limited.

Other payables increased from DKK 250 million as of December 31, 2013, to DKK 282 million as of December 31, 2014. The increase was primarily driven by liabilities related to our collaboration agreement with GSK, which was transferred to Novartis subsequent to year end. As a result of the transfer of the collaboration, the existing funding liability of DKK 176 million is not required to be paid. During the first quarter of 2015, the existing funding liability will be reversed into income on a separate line in Genmab's income statement. **Please refer to notes 5.6 and 3.5 in this annual report for further information on the transfer of the ofatumumab collaboration and this existing liability.**

Shareholders' equity as of December 31, 2014 equaled DKK 2,033 million, compared to DKK 660 million at the end of December 2013. On December 31, 2014, Genmab's equity ratio was 71%, compared to 38% at the end of 2013. The increase was driven by our net income as well as proceeds from the private placement and the exercise of warrants in 2014.

"Shareholder support is crucial to our success"

Shareholders and Share Information

OWNERSHIP

Genmab is listed on the Nasdaq Copenhagen under the symbol GEN. Our communication with the capital markets complies with the disclosure rules and regulations of this exchange. Since December 23, 2013, Genmab has been included in the OMXC20 index. As of December 31, 2014, the number of registered shareholders totaled 24,132 shareholders holding a total of 53,853,524 shares, which represented 94.53% of the share capital.

In February 2015, GSK, holding shares through Glaxo Group Limited, disposed of its 4,471,202 Genmab shares and no longer have ownership in Genmab A/S.

The following shareholders have a minimum of 5% of the votes or a minimum of 5% of the share capital:

- Johnson & Johnson Innovation-JJDC, Inc., 410 George Street, New Brunswick, NJ 08901, United States of America (9.48%)
- ATP Group, Kongens Vænge 8, DK-3400 Hillerød, Denmark (6.31%)
- FMR LLC (Fidelity Management and Research), 245 Summer Street, Boston, Massachusetts 02210, United States of America (5.02%*)

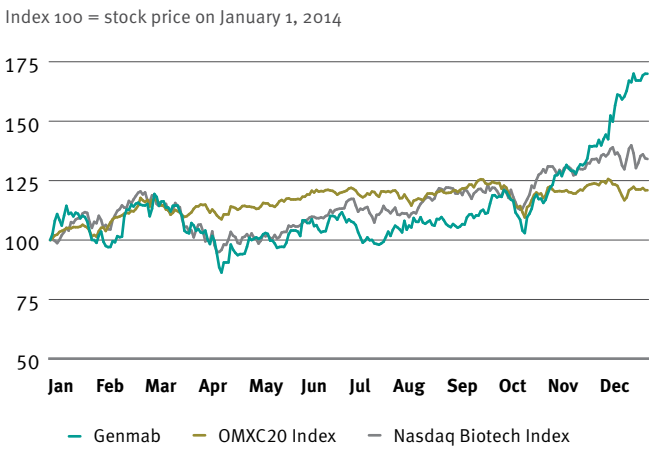
* FMR LLC's holding as per the major shareholder announcement dated December 11, 2013.

Shareholders registered in the company's shareholder registry may sign up for electronic shareholder communications via Genmab's investor portal. **The investor portal can be accessed at Genmab's website www.genmab.com.** Electronic shareholder communication enables Genmab to, among other things, quickly and efficiently call general meetings.

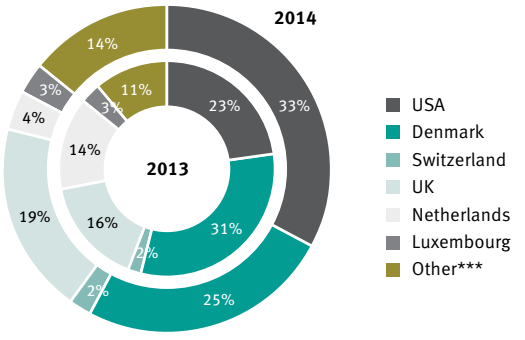
SHARE PERFORMANCE & SHAREHOLDERS

The following charts illustrate the performance of the Genmab share during 2014 and the geographical distribution of our shareholders. **Please refer to note 4.7 for further details about Genmab's share capital.**

STOCK PERFORMANCE 2014



GEOGRAPHICAL SHAREHOLDER DISTRIBUTION**



** Based on figures from the internal shareholder register per December 31, 2014 and December 31, 2013

*** "Other" includes shares held in other countries and shares not held in nominee accounts, including OTC trade shares

AMERICAN DEPOSITARY RECEIPT (ADR) PROGRAM

Genmab has established a sponsored Level 1 ADR program with Deutsche Bank Trust Company Americas. An ADR is a share certificate representing ownership of shares in a non-US corporation. ADRs are quoted and traded in US dollars on the over-the-counter (OTC) market in the US. Two Genmab ADRs correspond to one Genmab ordinary share. Genmab's ADR ticker symbol is GMXAY. **For more information on Genmab's ADR Program, visit http://ir.genmab.com/adr.cfm.**

Investor Relations (IR)
Genmab's investor relations and communications department aims to ensure relevant, accurate and timely information is available to our investors and the rest of the financial community.

As part of our Investor Relations activities we:

- Observe quiet periods before issuing financial reports
- Hold regular analyst and investor meetings to discuss financial reports or other important news events
- Provide annual financial guidance
- Maintain an updated website, which includes corporate documents, financial reports, stock information and other information about the company, including our products and technology
- Have a dedicated IR contact person (Rachel Curtis Gravesen, r.gravesen@genmab.com)

Genmab is covered by a number of domestic and international financial analysts. **A full list can be found at http://ir.genmab.com/analysts.cfm.**

CORPORATE INFORMATION

Commercial Bankers

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

Nykredit Bank A/S
Kalvebod Brygge 1-3
DK-1780 Copenhagen V

Legal Counsel

Kromann Reumert
Sundkrogsgade 5
DK-2100 Copenhagen Ø

Shearman & Sterling LLP
599 Lexington Avenue
New York, NY 10022-6069
USA

Independent Auditors
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Annual Report
Copies of this annual report in English are available without charge upon request.

2014 Summary in Danish
A Danish language publication providing an overview of the year will be available on the company's website, following the publication of the 2014 Annual Report.

Annual General Meeting
The annual general meeting will be held on March 26, 2015 at 2:00 PM local time at:

Tivoli Hotel & Congress Center
Arni Magnussons Gade 2-4
DK-1577 Copenhagen V

Financial Calendar for 2015

Annual General Meeting 2015	Thursday, March 26, 2015
Publication of the Interim Report for the first quarter 2015	Tuesday, May 12, 2015
Publication of the Interim Report for the first half 2015	Tuesday, August 11, 2015
Publication of the Interim Report for the first nine months 2015	Tuesday, November 3, 2015

2014 Company Announcements

January

14 Genmab Announces DuoBody Platform Collaboration with Lilly
23 Genmab Announces Launch of Private Placement of a Limited Number of New Shares in Accelerated Book-Build
24 Genmab Raises DKK 998 Million in Private Placement
29 Registration of Capital Increase

February

5 Arzerra Fourth Quarter and Full Year 2013 Net Sales Figures

March

4 Genmab 2013 Annual Report
5 Genmab Announces Phase III Study of Daratumumab in Relapsed or Refractory Multiple Myeloma
18 Genmab A/S Summons Annual General Meeting
26 Genmab Reaches $22 Million Milestone in Daratumumab Collaboration with Janssen

April

9 Passing of Genmab A/S' Annual General Meeting
9 Constitution of the Board of Directors in Genmab A/S and Grant of Warrants to Employees
17 GSK and Genmab Receive FDA Approval for Arzerra (ofatumumab) as First-Line Treatment in Combination with Chlorambucil for Patients with Chronic Lymphocytic Leukemia (CLL) for Whom Fludarabine-Based Therapy is Considered Inappropriate
30 First Quarter 2014 Net Sales Figures for Arzerra

May

1 Genmab Announces New Phase III Study of Daratumumab in Multiple Myeloma & Improves 2014 Financial Guidance
7 Genmab Announces Financial Results for the First Quarter of 2014
19 GSK and Genmab Announce Topline Results from a Pivotal Head to Head Study of Ofatumumab in Combination with Chemotherapy Versus Rituximab in Combination with Chemotherapy for the Treatment of Relapsed or Refractory Diffuse Large B-cell Lymphoma
23 GSK and Genmab Receive CHMP Positive Opinion for Arzerra in Combination with Chlorambucil or Bendamustine as a First-line Treatment for Patients with Chronic Lymphocytic Leukemia (CLL) Who Are Not Eligible for Fludarabine-based Therapy
30 Genmab Announces Ofatumumab Development Plans in RRMS and NMO

June

4 Genmab Announces DuoBody and HexaBody Platform Collaboration with Undisclosed Biotechnology Company
27 GSK and Genmab Announce Top-line Results from a Phase III Study of Ofatumumab Versus Physicians' Choice for Bulky Fludarabine-Refractory CLL

July

3 GSK and Genmab Receive EU Authorization for Arzerra (ofatumumab) as First-Line Treatment for Chronic Lymphocytic Leukemia (CLL) in Combination with Chlorambucil or Bendamustine for Patients Ineligible for Fludarabine-based Therapy
7 Genmab Reaches USD 25 Million Milestone in Daratumumab Collaboration with Janssen
14 Genmab to Receive Milestone Payment in DuoBody Platform Collaboration with Janssen
18 Genmab Announces Phase III Study of Daratumumab in Front Line Multiple Myeloma
23 Second Quarter 2014 Net Sales Figures for Arzerra
31 GSK and Genmab Announce Positive Interim Result for Phase III Study of Ofatumumab as Maintenance Therapy for Relapsed CLL

August

11 Genmab Announces New Phase III Study of Daratumumab in Front Line Multiple Myeloma
13 Genmab Announces Financial Results for the First Half of 2014 and Improves 2014 Financial Guidance

September

10 Seattle Genetics and Genmab Enter Into New Antibody-Drug Conjugate Collaboration

October

22 Third Quarter 2014 Net Sales Figures for Arzerra
23 Genmab Reaches USD 10 Million Milestone in Daratumumab Collaboration with Janssen

November

3 Genmab Announces Conditional Transfer of Ofatumumab Agreement
5 Genmab Announces Financial Results for the First Nine Months of 2014
6 Genmab Announces Additional Data from Phase III Study of Ofatumumab as Maintenance Therapy for Relapsed CLL
10 Genmab Announces New Phase III Combination Study of Daratumumab in Frontline Multiple Myeloma
10 Genmab's Financial Calendar for 2015
24 Genmab Announces Phase II Study of Daratumumab in Smoldering Multiple Myeloma

December

4 Genmab Announces Phase II Study of Daratumumab in Non-Hodgkin's Lymphoma
12 Genmab to Receive $3 Million Milestone Payment in DuoBody Platform Collaboration with Janssen
15 Grant of Restricted Stock Units to Board Members and Management and Grant of Warrants to Management and Employees in Genmab

Other Company Announcements

Report Pursuant to Section 28a of the Danish Securities Trading Act
March 12, March 13, May 14, May 15, August 20, November 12, December 15

Grant of Warrants in Genmab A/S
February 10, June 12, October 15

Major Shareholder Announcement
January 29, August 25

Capital Increase in Genmab as a Result of Employee Warrant Exercise
March 12, May 14, August 20, November 12

Genmab's Total Number of Voting Rights and Total Share Capital
January 31, March 31, May 28, August 29, November 28

All of our company announcements are available at www.genmab.com. Interested parties are invited to subscribe to Genmab news alerts through the website to receive email notifications.

Board of Directors

Mats Pettersson, B.Sc.

Swedish, 69, Male
Board Chairman (Independent, elected by the General Meeting); Chairman of the Nominating & Corporate Governance Committee and Member of the Audit Committee and Compensation Committee
First elected 2013, current term expires 2015

Special Competences
Extensive experience from international research-based biotech and pharmaceutical companies. Founder and CEO of SOBI AB. Responsible for several transforming Business Development deals and member of various Executive management committees at Pharmacia.

Current Board Positions
Member: Photocure ASA
Chairman: Moberg Pharma AB

Anders Gersel Pedersen, M.D., Ph.D.

Danish, 63, Male
Deputy Chairman (Independent, elected by the General Meeting); Chairman of the Compensation Committee and Member of the Nominating & Corporate Governance Committee
First elected 2003, current term expires 2015

Special Competences
Business and management experience in pharmaceutical industry, including expertise in clinical research, development, regulatory affairs and product life cycle management.

Current Position, Including Managerial Positions
Executive Vice President, Research & Development at H. Lundbeck A/S

Current Board Positions
Member: ALK-Abelló A/S
Deputy Chairman: Bavarian Nordic A/S

Burton G. Malkiel, Ph.D.

American, 82*, Male
Board Member (Independent, elected by the General Meeting); Chairman of the Audit Committee
First elected 2007, current term expires 2015

Special Competences
Extensive expertise in economics and finance, particularly relating to securities valuation and corporate finance; significant board and audit committee experience.

Current Position, Including Managerial Positions
Chemical Bank Chairman's Professor Emeritus of Economics at Princeton University; Chief Investment Officer, Wealthfront, Inc.

Current Board Positions
Member: Vanguard Group Ltd., Theravance Biopharma, American Philosophical Society and Maldeb Foundation
Audit Committee Chairman: Theravance Biopharma
Investment Committee Member: American Philosophical Society, Maldeb Foundation

* According to the company's Articles of Association, no individual can be a member of the Board after the first Annual General Meeting in the calendar year in which such person reaches the age of 75 years. In connection with Burton Malkiel's re-election in 2010, 2013 and 2014 respectively, an exception was adopted by the shareholders at the Annual General Meeting.

Hans Henrik Munch-Jensen

Danish, 54, Male
Board Member (Independent, elected by the General Meeting); Member of the Audit Committee and Nominating & Corporate Governance Committee
First elected 2007, current term expires 2015

Special Competences
Considerable finance, investor relations and strategic communication knowledge and business management experience.

Current Position, Including Managerial Positions
Chief Financial Officer at NordEnergie Renewables A/S

Current Board Positions
Member: Larix A/S
Chairman: Riddersalen Theater

Tom Vink, Ph.D.

Dutch, 52, Male
Board Member (Non-independent, elected by the employees)
First elected 2010, current term expires 2016

Special Competences
Comprehensive research experience in life sciences; theoretical and practical knowledge in the fields of antibody engineering, protein structure-function relationships, experimental design techniques and vascular biology.

Current Position, Including Managerial Positions
Associate Director, Cell & Molecular Science at Genmab

Nedjad Losic

Swedish, 45, Male
Board Member (Non-independent, elected by the employees)
First elected 2010, current term expires 2016

Special Competences
Extensive pharmaceutical experience with a specialty in statistics relevant to clinical development.

Current Position, Including Managerial Positions
Director, Biostatistics at Genmab

Senior Leadership

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

Dutch, 54, Male
President & Chief Executive Officer

Special Competences
Extensive antibody discovery and development expertise, broad knowledge of the biotechnology industry and executive management skills.

Current Board Positions
Member: ISA Pharmaceuticals, Celdara Medical, Forward Pharma
Chairman: Regenesance

David A. Eatwell

British, 54, Male
Executive Vice President & Chief Financial Officer

Special Competences
Broad international experience in finance, strategy and business management and in-depth knowledge of the pharmaceutical and biotechnology industries.

Paul W.H.I. Parren, Ph.D.

Dutch, 51, Male
Senior Vice President & Scientific Director

Special Competences
In-depth knowledge of antibody research, drug discovery & development.

Birgitte Stephensen

Danish, 54, Female
Senior Vice President, IPR & Legal

Special Competences
Intellectual property and legal expertise in the biotechnology field.

Michael K. Bauer, Ph.D.

German, 51, Male
Senior Vice President, Clinical Development

Special Competences
Wide scientific and pharmaceutical industry background; significant experience in clinical drug development, cross-functional project management and strategic leadership.

Rachel Curtis Gravesen

British, 46, Female
Senior Vice President, Investor Relations and Communications

Special Competences
Extensive experience in strategic communication, investor relations, corporate communication, healthcare communication, issues management, crisis communication, internal communication, and change communication.

Anthony Pagano

American, 37, Male
Senior Vice President, Global Finance

Special Competences
Significant knowledge and experience in the life sciences industry particularly as relates to corporate finance, corporate development, strategic planning, business acumen, treasury, accounting and corporate governance.

Martine J. van Vugt, Ph.D.

Dutch, 44, Female
Senior Vice President Strategic Initiatives

Special Competences
Extensive knowledge and experience in portfolio, project and alliance management, as well as business development operations related to corporate transactions and licensing.

"Building a strong pipeline of differentiated therapeutic products and bringing some of them to the market ourselves will generate revenues that we can reinvest in further research"

Financial Statements

Introduction

Genmab works diligently to improve its financial reporting to ensure transparency and make the financial statements more reader friendly in accordance with recent international and domestic trends and best practice.

The financial statements in the 2014 annual report are grouped into six sections: Primary Statements; Basis of Presentation; Results for the Year; Operating Assets and Liabilities; Capital Structure, Financial Risk and Related Items; and Other Disclosures. Each note to the financial statements includes information about the accounting policies applied and significant management judgments and estimates in addition to the financial numbers. Unless specifically outlined in the related notes, the statements for the group and the parent company are identical.

Finally, the symbols I/S and B/S in the notes to the financial statements show which amounts can be found in the income statement or balance sheet. The aim of this structure and symbols is to provide the reader with a clearer understanding of Genmab's financial statements.

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Primary Statements

Statement of Comprehensive Income

IS INCOME STATEMENT		GENMAB GROUP		PARENT COMPANY	
	Note	2014	2013	2014	2013
		DKK'000	DKK'000	DKK'000	DKK'000
Revenue	2.1, 2.2	**850,385**	**663,570**	**853,024**	**665,171**
Research and development costs	2.3, 3.1, 3.2	(505,679)	(527,576)	(453,403)	(515,018)
General and administrative expenses	2.3, 3.2	(79,529)	(66,741)	(77,447)	(63,571)
Operating expenses		**(585,208)**	**(594,317)**	**(530,850)**	**(578,589)**
Operating result		**265,177**	**69,253**	**322,174**	**86,582**
Financial income	4.5	57,921	30,446	58,896	45,300
Financial expenses	4.5	(25,752)	(34,297)	(25,674)	(34,188)
Net result for continuing operations before tax		**297,346**	**65,402**	**355,396**	**97,694**
Corporate tax	2.4	3,950	4,753	6,125	1,250
Net result for continuing operations		**301,296**	**70,155**	**361,521**	**98,944**
Net result for discontinued operation	5.3, 5.4	-	42,207	-	26,173
Net result		**301,296**	**112,362**	**361,521**	**125,117**
Basic net result per share	2.5	5.35	2.20		
Diluted result per share	2.5	5.26	2.16		
Basic net result continuing operations per share	2.5	5.35	1.38		
Diluted result continuing operations per share	2.5	5.26	1.35		

STATEMENT OF COMPREHENSIVE INCOME

Net result		**301,296**	**112,362**	**361,521**	**125,117**
Other comprehensive income:					
Amounts which will be reclassified to the income statement:					
Adjustment of foreign currency fluctuations on subsidiaries		9,614	(5,835)	-	-
Fair value adjustments of cash flow hedges:					
Fair value adjustments during the period		2,417	3,638	2,417	3,638
Fair value adjustments reclassified to the income statement to financial income		(5,110)	(945)	(5,110)	(945)
Total comprehensive income		**308,217**	**109,220**	**358,828**	**127,810**

DISTRIBUTION OF THE YEAR'S RESULT

The Board of Directors proposes that the parent company's 2014 net income of DKK 362 million (2013: net income of DKK 125 million) be carried forward to next year by transfer to accumulated deficit.

Primary Statements

Balance Sheet

B/S

	Note	GENMAB GROUP December 31, 2014	GENMAB GROUP December 31, 2013	PARENT COMPANY December 31, 2014	PARENT COMPANY December 31, 2013
		DKK'000	DKK'000	DKK'000	DKK'000
ASSETS					
Intangible assets	2.2, 3.1	62,530	2,541	62,530	2,541
Tangible assets	2.2, 3.2	25,684	22,662	1,612	2,514
Equity interests in subsidiaries	5.3	-	-	227,895	139,796
Receivables	3.3	6,428	6,163	1,142	1,128
Deferred tax assets	2.4	5,685	7,178	-	-
Total non-current assets		**100,327**	**38,544**	**293,179**	**145,979**
Receivables	3.3	105,839	136,004	92,594	121,980
Marketable securities	4.4	2,301,428	1,388,844	2,301,428	1,388,844
Cash and cash equivalents		359,087	168,135	342,970	131,345
Total current assets		**2,766,354**	**1,692,983**	**2,736,992**	**1,642,169**
Total assets		**2,866,681**	**1,731,527**	**3,030,171**	**1,788,148**
SHAREHOLDERS' EQUITY AND LIABILITIES					
Share capital	4.7	56,967	51,756	56,967	51,756
Share premium	4.7	6,920,226	5,887,957	6,920,226	5,887,957
Other reserves		84,101	77,180	-	2,693
Accumulated deficit		(5,028,355)	(5,357,370)	(4,848,447)	(5,237,687)
Shareholders' equity		**2,032,939**	**659,523**	**2,128,746**	**704,719**
Provisions	3.4	1,433	1,433	1,433	1,433
Lease liability	5.2, 5.5	118	356	-	-
Other payables	3.5	176,223	162,713	176,218	162,713
Total non-current liabilities		**177,774**	**164,502**	**177,651**	**164,146**
Provisions	3.4	-	861	-	861
Lease liability	5.2, 5.5	237	2,129	-	1,892
Deferred income	2.1	550,243	817,492	550,243	817,492
Other payables	3.5	105,488	87,020	173,531	99,038
Total current liabilities		**655,968**	**907,502**	**723,774**	**919,283**
Total liabilities		**833,742**	**1,072,004**	**901,425**	**1,083,429**
Total shareholders' equity and liabilities		**2,866,681**	**1,731,527**	**3,030,171**	**1,788,148**

Primary Statements

Statement of Cash Flows

		GENMAB GROUP		PARENT COMPANY	
	Note	2014	2013	2014	2013
		DKK'000	DKK'000	DKK'000	DKK'000
Net result for continuing operations before tax		297,346	65,402	355,396	97,694
Net result for discontinued operation before tax	5.3, 5.4	-	42,236	-	26,173
Net result before tax		**297,346**	**107,638**	**355,396**	**123,867**
Reversal of financial items, net	4.5, 5.4	(32,169)	3,844	(33,222)	(11,112)
Adjustments for non-cash transactions	5.8	40,039	(29,487)	14,829	(19,817)
Changes in working capital	5.8	(221,757)	(240,157)	(217,521)	(237,574)
Cash flow from operating activities before financial items		**83,459**	**(158,162)**	**119,482**	**(144,636)**
Financial interest received		44,898	30,527	44,942	31,063
Financial expenses paid		(59)	(312)	(1)	(203)
Corporate taxes received/(paid)		4,373	(52)	1,250	-
Cash flow from operating activities		**132,671**	**(127,999)**	**165,673**	**(113,776)**
Investment in intangible assets	3.1	(63,259)	(2,723)	(63,259)	(2,723)
Investment in tangible assets	3.2	(12,183)	(7,642)	(322)	(45)
Disposal of tangible assets/assets held for sale		82	52,525	-	-
Transactions with subsidiaries		-	-	(21,790)	12,656
Marketable securities bought	4.4	(2,679,286)	(974,279)	(2,679,286)	(974,279)
Marketable securities sold		1,743,990	999,072	1,743,990	999,072
Cash flow from investing activities		**(1,010,656)**	**66,953**	**(1,020,667)**	**34,681**
Shares issued for cash		998,200	-	998,200	-
Exercise of warrants		65,804	155,591	65,805	155,591
Costs related to issuance of shares		(26,524)	(41)	(26,524)	(41)
Paid installments on lease liabilities		(2,128)	(3,887)	(1,892)	(3,768)
Cash flow from financing activities		**1,035,352**	**151,663**	**1,035,589**	**151,782**
Change in cash and cash equivalents		**157,367**	**90,617**	**180,595**	**72,687**
Cash and cash equivalents at the beginning of the period		168,135	78,997	131,345	58,896
Exchange rate adjustments		33,585	(1,479)	31,030	(238)
Cash and cash equivalents at the end of the period		**359,087**	**168,135**	**342,970**	**131,345**
Cash and cash equivalents include:					
Bank deposits and petty cash		359,087	168,135	342,970	131,345
Short-term marketable securities	4.4	-	-	-	-
Cash and cash equivalents at the end of the period		**359,087**	**168,135**	**342,970**	**131,345**

Primary Statements

Statement of Changes in Equity

	Number of shares	Share capital	Share premium	Translation reserves	Cash flow hedges	Accumulated deficit	Shareholders' equity
		DKK'000	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
CONSOLIDATED							
December 31, 2012	**50,307,892**	**50,308**	**5,733,855**	**80,322**	**-**	**(5,481,298)**	**383,187**
Total comprehensive income				(5,835)	2,693	112,362	109,220
Transactions with owners:							
Exercise of warrants	1,447,830	1,448	154,143				155,591
Expenses related to capital increases			(41)				(41)
Share-based compensation expenses						11,566	11,566
B/S **December 31, 2013**	**51,755,722**	**51,756**	**5,887,957**	**74,487**	**2,693**	**(5,357,370)**	**659,523**
Total comprehensive income				9,614	(2,693)	301,296	308,217
Transactions with owners:							
Shares issued for cash	4,600,000	4,600	993,600				998,200
Exercise of warrants	611,697	611	65,193				65,804
Expenses related to capital increases			(26,524)				(26,524)
Share-based compensation expenses						27,719	27,719
B/S **December 31, 2014**	**56,967,419**	**56,967**	**6,920,226**	**84,101**	**-**	**(5,028,355)**	**2,032,939**
PARENT COMPANY							
December 31, 2012	**50,307,892**	**50,308**	**5,733,855**	**-**	**-**	**(5,374,370)**	**409,793**
Total comprehensive income					2,693	125,117	127,810
Transactions with owners:							
Exercise of warrants	1,447,830	1,448	154,143				155,591
Expenses related to capital increases			(41)				(41)
Share-based compensation expenses						11,566	11,566
B/S **December 31, 2013**	**51,755,722**	**51,756**	**5,887,957**	**-**	**2,693**	**(5,237,687)**	**704,719**
Total comprehensive income					(2,693)	361,521	358,828
Transactions with owners:							
Shares issued for cash	4,600,000	4,600	993,600				998,200
Exercise of warrants	611,697	611	65,193				65,804
Expenses related to capital increases			(26,524)				(26,524)
Share-based compensation expenses						27,719	27,719
B/S **December 31, 2014**	**56,967,419**	**56,967**	**6,920,226**	**-**	**-**	**(4,848,447)**	**2,128,746**

I Section 1 – Basis of Presentation

This section describes Genmab's financial accounting policies including management's judgments and estimates under International Financial Reporting Standards (IFRS). New or revised EU endorsed accounting standards and interpretations are described in addition to how these changes are expected to impact the financial performance and reporting of the Genmab Group.

Genmab describes the accounting policies in conjunction with each note with the aim to provide a more understandable description of each accounting area. The description of the accounting policies in the notes are part of the complete description of Genmab's accounting policies.

1.1 – Accounting Policies

The financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board (IASB), and with the International Financial Reporting Standards as endorsed by the EU and additional Danish disclosure requirements for annual reports of listed companies. Except as outlined in note 1.2, the financial statements have been prepared using the same accounting policies as 2013.

Please refer to the overview below to see in which note/section the detailed accounting policy is included.

§ ACCOUNTING POLICIES

FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements have been prepared in Danish Kroner (DKK), which is the functional and presentation currency of the parent company. The financial statements have been rounded to the nearest thousand.

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.

DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The group designates certain derivatives as either:

- Fair value hedge (hedges of the fair value of recognized assets or liabilities or a firm commitment); or
- Cash flow hedge (hedges of a particular risk associated with a recognized asset or liability or a highly probable forecast transaction).

There were no hedges of currency exposure in subsidiaries in 2014 and 2013.

At the inception of the transaction, the group documents the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

I Section 1 – Basis of Presentation

1.1 – Accounting Policies – Continued

The fair values of various derivative instruments used for hedging purposes are disclosed in note 4.2. Movements on the hedging reserve in other comprehensive income are shown as part of the statement of shareholders' equity. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

Fair Value Hedge
Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that is attributable to the hedged risk.

Cash Flow Hedge
The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income. The gain or loss relating to the ineffective portion and changes in time value of the derivative instrument is recognized immediately in the income statement within financial income or expenses.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements include Genmab A/S (the parent company) and subsidiaries in which the parent company directly or indirectly exercises a controlling interest through shareholding or otherwise. A group overview is included in note 5.3.

The group's consolidated financial statements have been prepared on the basis of the 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 unrealized gains and losses on transactions between the consolidated companies are eliminated.

There was no change in the scope of consolidation during 2014 and 2013.

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 subsidiaries with a different functional currency than the group presentation currency are translated into the group's presentation 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 translation reserves in shareholders' equity. Translation reserves cannot be used for distribution.

CLASSIFICATION OF OPERATING EXPENSES IN THE INCOME STATEMENT

Research and Development Costs
Research and development costs primarily include salary and related expenses, license costs, manufacturing costs, clinical costs, amortization of licenses and rights, and depreciation and impairment of intangible and tangible assets, to the extent that such costs are related to the group's research and development activities. Please see note 3.1 for a more detailed description.

General and Administrative Expenses
General and administrative expenses relate to the administration of the group, including depreciation and impairment of intangible and tangible 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.

STATEMENT OF CASH FLOW

The cash flow statement is presented using the indirect method with basis in the net result before tax.

Cash flow from operating activities is stated as the net loss adjusted for net financial items, non-cash operating items such as depreciation, amortization, impairment losses, warrant compensation expenses, provisions, and for changes in working capital, interest paid and received, and corporate taxes paid. Working capital mainly comprises changes in receivables, deferred income, provisions paid and other payables excluding the items included in cash and cash equivalents. Changes in non-current assets and liabilities are included in working capital, if related to the main revenue-producing activities of Genmab.

Cash flow from investing activities is comprised of cash flow from the purchase and sale of intangible and tangible assets and financial assets as well as purchase and sale of marketable securities. The parent company's transactions with subsidiaries are included separately in the cash flow statement of the parent company.

Cash flow from financing activities is comprised of cash flow from the issuance of shares, if any, and payment of long-term loans including installments on lease liabilities.

Finance lease transactions are considered non-cash transactions.

Cash and cash equivalents comprise cash, bank deposits, and marketable securities with a maturity of three months or less on the date of acquisition.

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

I Section 1 – Basis of Presentation

1.2 – New Accounting Policies and Disclosures

NEW ACCOUNTING POLICIES AND DISCLOSURES FOR 2014

Genmab has, with effect from January 1, 2014, implemented IFRS 10, IFRS 11 and IFRS 12 and the amendments to IAS 32 and IAS 39. The implementation has not impacted the recognition and measurement of Genmab assets and liabilities.

NEW ACCOUNTING POLICIES AND DISCLOSURES EFFECTIVE IN 2015 OR LATER

The IASB has issued, and the EU has endorsed, a number of new standards and updated some existing standards, the majority of which are effective for accounting periods beginning on January 1, 2015 or later. Such new or improved standards are expected to have a limited effect on the financial reporting of Genmab. Only standards and interpretations issued before December 31, 2014 and of relevance for the Genmab group are described.

NEW ACCOUNTING POLICIES AND DISCLOSURES

Standard	Effective for accounting period beginning on or after	Endorsed by EU as of December 31, 2014
Improvements to IFRSs 2010-2012	July 1, 2014	Yes
Improvements to IFRSs 2011-2013	July 1, 2014	Yes
Improvements to IFRSs 2012-2014	January 1, 2016	No
Equity method in separate financial statements – Amendments to IAS 27	January 1, 2016	No
Clarification of acceptable methods of depreciation & amortization – Amendments to IAS 16 & IAS 38	January 1, 2016	No
Acquisition of an interest in a joint operation – Amendments to IFRS 11	January 1, 2016	No
Contribution of assets in jointly controlled enterprises and associates – Amendments to IFRS 10 & IAS 28	January 1, 2016	No
Improvements to IFRSs 2012-2014	January 1, 2016	No
IFRS 15: Revenue Recognition	January 1, 2017	No
IFRS 9: Financial Instruments	January 1, 2018	No

1.3 Management's Judgments and Estimates under IFRS

In preparing financial statements under IFRS, certain provisions in the standards require management's judgments, including various accounting estimates and assumptions. Such judgments are considered important to understand the accounting policies and Genmab's compliance with the standards.

Determining the carrying amount of some assets and liabilities requires judgments, estimates and assumptions concerning future events which are based on historical experience and other factors, which by their very nature are associated with uncertainty and unpredictability.

These assumptions may prove incomplete or incorrect, and unexpected events or circumstances may arise. The Genmab group is also subject to risks and uncertainties which may lead actual results to differ from these estimates, both positively and negatively. Specific risks for the Genmab group are discussed in the relevant section of the directors' report and in the notes to the financial statements.

The areas involving a high degree of judgment and estimation that are significant to the financial statements are described in more detail in the related sections/notes.

MANAGEMENT'S JUDGMENTS AND ESTIMATES

2.1 Revenue Recognition
2.3 Share-based Compensation
2.4 Deferred Tax Assets

3.1 Research and Development Costs
3.5 Other Payables

II Section 2 – Results for the Year

This section includes disclosures related to revenue, information about geographical areas, staff costs, taxation and result per share. A detailed description of the results for the year is provided in the Financial Review section in the Directors' Report.

Research and development costs are described in note 3.1.

2.1 – Revenue

	GENMAB GROUP		PARENT COMPANY	
	2014	2013	2014	2013
	DKK'000	DKK'000	DKK'000	DKK'000
Revenue:				
Royalties	101,427	131,186	101,427	131,186
Milestone payments	385,603	110,833	385,603	110,833
Deferred revenue	284,130	296,322	284,130	296,322
Reimbursement income	79,225	125,229	81,864	126,830
I/S **Total**	**850,385**	**663,570**	**853,024**	**665,171**
Revenue split by collaboration partners:				
Janssen	531,172	256,971	531,172	256,971
GSK	310,013	363,474	310,013	363,474
Lundbeck	5,601	32,673	5,601	32,673
Other collaboration partners	3,599	10,452	6,238	12,053
I/S **Total**	**850,385**	**663,570**	**853,024**	**665,171**

Revenue may vary from period to period as revenue comprises royalties, milestone payments and reimbursement of certain research and development costs in relation to development work under Genmab's collaboration agreements.

§ ACCOUNTING POLICIES

Revenue is recognized when it is probable that future economic benefits will flow to the group and these benefits can be measured reliably and is expected to be received. Further, revenue recognition requires that all significant risks and rewards in the transaction have been transferred to the buyer.

Revenue from R&D activities is considered as rendering of services.

Deferred income reflects the part of revenue that has not been recognized as income immediately on receipt of payment and which concerns agreements with multiple components that cannot be separated. Deferred income is measured at nominal value. ■

MANAGEMENT'S JUDGMENTS AND ESTIMATES

Evaluating the criteria for revenue recognition with respect to the group's research and development and collaboration agreements requires management's judgment to ensure that all criteria have been fulfilled prior to recognizing any amount of revenue. In particular, such judgments are made with respect to determination of the nature of transactions, whether simultaneous transactions shall be considered as one or more revenue-generating transactions, allocation of the contractual price (upfront and milestone payments and obtained share premium to the market value on shares subscribed in connection with a collaboration agreement) to several elements included in an agreement, and the determination of whether the significant risks and rewards have been transferred to the buyer.

Collaboration agreements are reviewed carefully to understand the nature of risks and rewards of the arrangement. All of the group's revenue-generating transactions, including those with Janssen, GSK,

II Section 2 – Results for the Year

2.1 – Revenue – Continued

Novartis and Lundbeck have been subject to such evaluation by management.

UPFRONT PAYMENTS AND DEFERRED INCOME

Upfront payments that are deemed attributable to subsequent research and development work are initially recognized as deferred income and recognized and allocated as revenue over the planned development period. This judgment is made when entering the agreement and is based on development budgets and plans. The planned development period is assessed on an ongoing basis. If the expected development period is changed significantly, this will require a reassessment of the allocation period. The allocation periods have not been changed in 2013 and 2014 for any of our collaborations.

During 2013 Genmab announced an amendment to the DuoBody license agreement with Janssen. Genmab received an upfront payment of USD 2 million. The upfront payment was deferred and is being amortized over the planned development period as the amendment was activated during 2014. In addition, during 2014 and 2013, Janssen activated four and three programs, respectively, under our DuoBody collaboration, for which Genmab received program reservation fees. The program reservation fees are amortized over a period of up to four years.

	Amortization Period (months)	Amortization ends (year)	2014	2013
			DKK'000	DKK'000
Deferred income split by collaboration partners:				
GSK	66	2015	207,453	414,907
Janssen (Daratumumab)	84	2019	290,296	352,502
Janssen (DuoBody)	Up to 60	2019	48,263	42,863
Other collaboration partners	Up to 48	2016	4,231	7,220
B/S **Total**			**550,243**	**817,492**
To be recognized in the income statement:				
2014			-	282,227
2015			288,622	282,227
2016			78,783	72,388
2017			72,494	66,100
2018			66,879	62,206
2019			43,645	41,471
Not yet determined			-	10,873
B/S **Total**			**550,423**	**817,492**

The group does have certain obligations under the collaboration agreements that need to be fulfilled to enable the upfront payments and any designated part of a share premium to be recognized as revenue. The deferred income does not represent cash owed to our collaboration partners. **Please refer to note 5.5 for further details regarding the financial obligations under our collaboration agreements.**

MILESTONE PAYMENTS

Milestone payments related to reaching particular stages in product development are recognized immediately if a separate earnings process relative to the milestone payment has been completed and achieved. This determination is judgmental and assessments made by management include, among other items, consideration of the efforts made in achieving a milestone, e.g., the level, skill, and expertise of the personnel involved, as well as the costs incurred. The milestone events must have real substance and they must represent achievement of specific defined goals.

In addition, the associated risks related to the achievement of each milestone are evaluated and compared to all milestone payments designated under the collaboration agreement.

During 2014, 12 milestones of DKK 386 million in total were recognized as revenue, compared to eight milestones of DKK 111 million in 2013.

ROYALTIES

Royalty income from licenses is based on third-party sales of licensed products and is recognized in accordance with contract terms when third-party results are available and are deemed to be reliable. Royalty estimates are made in advance of amounts collected using preliminary sales data received from the third party.

II Section 2 – Results for the Year

2.2 – Information about Geographical Areas

The Genmab group is managed and operated as one business unit which is reflected in the organizational structure and internal reporting. No separate lines of business or separate business entities have been identified with respect to any of the product candidates or geographical markets and no segment information is currently disclosed in the internal reporting.

Accordingly, it has been concluded that it is not relevant to include segment disclosures in the financial statements as the group business activities are not organized on the basis of differences in related product and geographical areas.

	Revenue	Non-current assets	Revenue	Non-current assets
	2014		2013	
	DKK'000	DKK'000	DKK'000	DKK'000
Denmark	850,343	64,142	663,570	5,055
The Netherlands	42	23,959	-	20,037
USA	-	113	-	111
I/S B/S **Total**	**850,385**	**88,214**	**663,570**	**25,203**

ACCOUNTING POLICIES

Geographical information is presented for the Genmab group's revenue and non-current assets. Revenue is attributed to countries on the basis of the location of operations. Non-current assets comprise intangible and tangible assets. ■

2.3 – Staff Costs

	GENMAB GROUP		PARENT COMPANY	
	2014	2013	2014	2013
	DKK'000	DKK'000	DKK'000	DKK'000
Wages and salaries	124,735	116,179	52,063	47,671
Share based compensation expenses	27,719	11,566	10,334	4,580
Defined contribution plans	13,623	17,848	3,831	3,588
Other social security costs	9,065	9,414	378	256
Total	**175,142**	**155,007**	**66,606**	**56,095**
Staff costs are included in the income statement as follows:				
Research and development costs	130,607	113,982	46,217	39,717
General and administrative expenses	44,535	37,675	20,389	16,378
Net result for discontinued operation	-	3,350	-	-
Total	**175,142**	**155,007**	**66,606**	**56,095**
Average number of FTE	**168**	**164**	**46**	**45**
Number of FTE at year end:				
Denmark	46	45	46	45
Netherlands	119	105	-	-
USA	8	7	-	-
Total	**173**	**157**	**46**	**45**

II Section 2 – Results for the Year

2.3 – Staff Costs – Continued

For information regarding the remuneration of the Board of Directors and Executive Management, please refer to note 5.1.

Government grants (reduction of payroll taxes in The Netherlands) amounted to DKK 6 million in 2014 and DKK 5 million in 2013. The amount has been deducted from the wages and salaries.

ACCOUNTING POLICIES

SHARE-BASED COMPENSATION EXPENSES

The parent company has granted restricted stock units (RSUs) and warrants to the Board of Directors, Executive Management and employees under various share-based compensation programs. The group applies IFRS 2, according to which the fair value of the warrants and RSUs at grant date is recognized as an expense in the income statement over the vesting period. Such compensation expenses represent calculated values of warrants and RSUs granted and do not represent actual cash expenditures. A corresponding amount is recognized in shareholders' equity as both the warrant and RSU programs are designated as equity-settled share-based payment transactions.

In the financial statements for the parent company, expenses and exercise proceeds related to employees in the subsidiaries are allocated to the relevant subsidiary where the employee has entered an employment contract.

GOVERNMENT GRANTS

WBSO – Government grants received as a reduction to payroll tax have been deducted from the wages and salaries expenses. ■

MANAGEMENT'S JUDGMENTS AND ESTIMATES

SHARE-BASED COMPENSATION EXPENSES

In accordance with IFRS 2 *"Share-based Payment,"* the fair value of the warrants and RSUs at grant date is recognized as an expense in the income statement over the vesting period, the period of delivery of work. Subsequently, the fair value is not remeasured.

The fair value of each warrant granted during the year is calculated using the Black-Scholes pricing model. This pricing model requires the input of subjective assumptions such as:

The **expected stock price volatility**, which is based upon the historical volatility of Genmab's stock price;

The **risk-free interest rate**, which is determined as the interest rate on Danish government bonds (bullet issues) with a maturity of five years;

The **expected life of warrants**, which is based on vesting terms, expected rate of exercise and life terms in the current warrant program.

These assumptions can vary over time and can change the fair value of future warrants granted.

Valuation Assumptions for Warrants Granted in 2014 and 2013

The fair value of each warrant granted during the year is calculated using the Black-Scholes pricing model with the following assumptions:

Weighted average	2014	2013
Fair value per warrant on grant date	112	92
Share price	292	221
Exercise price	292	221
Expected dividend yield	0%	0%
Expected stock price volatility	48%	51%
Risk-free interest rate	0.3%	1.0%
Expected life of warrants	5 years	5 years

Based on an average fair value per warrant of DKK 112 (2013: DKK 92) the total fair value of warrants granted amounted to DKK 29 million (2013: DKK 46 million) on the grant date.

The fair value of each RSU granted during the year is equal to the closing market price on the date of grant of one Genmab A/S share. Based on a fair value per RSU of DKK 337.40 (2013: DKK 0) the total fair value of RSUs granted amounted to DKK 15 million (2013: DKK 0 million) on the grant date. ■

II Section 2 – Results for the Year

2.4 – Corporate and Deferred Tax

TAXATION – INCOME STATEMENT

	GENMAB GROUP		PARENT COMPANY	
	2014	2013	2014	2013
	DKK'000	DKK'000	DKK'000	DKK'000
Current tax on result including carry back refund	(5,999)	(1,212)	(6,125)	(1,250)
Adjustment to prior years etc.	464	(81)	-	-
Adjustment to deferred tax	(211,294)	336,271	(11,577)	41,376
Adjustment to valuation allowance	212,879	(339,702)	11,577	(41,376)
Total corporate tax for the period	**(3,950)**	**(4,724)**	**(6,125)**	**(1,250)**
Corporate tax is included in				
I/S Net result for continuing operations	(3,950)	(4,753)	(6,125)	(1,250)
Net result for discontinued operation	-	29	-	-
Total corporate tax for the period	**(3,950)**	**(4,724)**	**(6,125)**	**(1,250)**

A reconciliation of Genmab's effective tax rate relative to the Danish statutory tax rate is as follows:

	GENMAB GROUP		PARENT COMPANY	
	2014	2013	2014	2013
	DKK'000	DKK'000	DKK'000	DKK'000
I/S Net result for continuing operations before tax	297,346	65,402	355,396	97,694
Net result for discontinued operation before tax	-	42,236	-	26,173
Net result before tax	297,346	107,638	355,396	123,867
Computed 24.5% (2013: 25%)	**72,850**	**26,910**	**87,072**	**30,967**
Tax effect of:				
Tax losses not capitalized and change in valuation allowance	(76,800)	(31,634)	(93,197)	(32,217)
Total tax effect	**(76,800)**	**(31,634)**	**(93,197)**	**(32,217)**
Total corporate tax for the period	**(3,950)**	**(4,724)**	**(6,125)**	**(1,250)**

II Section 2 – Results for the Year

2.4 – Corporate and Deferred Tax – Continued

TAXATION – BALANCE SHEET

Significant components of the deferred tax asset are as follows:

	GENMAB GROUP		PARENT COMPANY	
	2014	2013	2014	2013
	DKK'000	DKK'000	DKK'000	DKK'000
Tax deductible losses	1,357,368	1,134,545	665,693	642,477
Deferred income	100,336	148,381	100,336	148,381
Other temporary differences	218,290	181,774	217,950	181,544
	1,675,994	**1,464,700**	**983,979**	**972,402**
Valuation allowance	(1,670,309)	(1,457,522)	(983,979)	(972,402)
B/S **Total deferred tax assets**	**5,685**	**7,178**	**-**	**-**

On December 31, 2014, the group had net tax loss carry-forwards of DKK 4.9 billion (2013: DKK 4.4 billion) for income tax purposes, of which DKK 3.0 billion (2013: DKK 2.9 billion) can be carried forward without limitation.

§ ACCOUNTING POLICIES

CORPORATE TAX

Corporate tax, 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 entries directly related to shareholders' equity is recognized in other comprehensive income.

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 current tax liabilities are recognized in other payables in the balance sheet. Please refer to note 3.5.

Any prepaid taxes are recognized in receivables in the balance sheet. Please refer to note 3.3.

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 in the individual countries and the tax rates expected to be in force at the time the deferred tax is utilized. Changes in deferred tax as a result of changes in tax rates are recognized in the income statement.

Deferred tax assets resulting from temporary differences, including the tax value of losses to be carried forward, are recognized only to the extent that it is probable that future taxable profit will be available against which the differences can be utilized. ■

MANAGEMENT'S JUDGMENTS AND ESTIMATES

DEFERRED TAX

Genmab recognizes deferred tax assets, including the tax base of tax loss carry-forwards, if management assesses that these tax assets can be offset against positive taxable income within a foreseeable future. This judgment is made on an ongoing basis and is based on budgets and business plans for the coming years, including planned commercial initiatives.

The creation and development of therapeutic products within the biotechnology and pharmaceutical industry is subject to considerable risks and uncertainties. Since inception, Genmab has reported significant losses, and as a consequence, we have unused tax losses.

The tax asset is mainly related to Genmab A/S. Management has concluded, except for one subsidiary, that deferred tax assets should not be recognized as of December 31, 2014, and a 100% valuation allowance of the deferred tax asset is recognized in accordance with IAS 12, *"Income Taxes."* The tax assets are currently not deemed to meet the criteria for recognition as management is not able to provide any convincing positive evidence that deferred tax assets should be recognized. ■

II Section 2 – Results for the Year

2.5 – Result Per Share

	2014	2013
	DKK'000	DKK'000
Net result for continuing operations	301,296	70,155
Net result for discontinuing operation	-	42,207
I/S **Net result**	**301,296**	**112,362**

	2014	2013
	Shares'000	Shares'000
Average number of shares	56,315	50,977
Average number of share-based instruments, dilution	936	933
Average number of shares, diluted	**57,251**	**51,910**
Basic net result per share	5.35	2.20
Diluted result per share	5.26	2.16
Basic net result continuing operations per share	5.35	1.38
Diluted result continuing operations per share	5.26	1.35

Net result per share for discontinued operations is outlined in note 5.4.

In the calculation of the diluted net result per share for 2014 2,890,577 warrants (of which 2,733,052 were vested) are excluded as these warrants are out of the money. These warrants could potentially have a future dilutive effect on the net result per share.

§ ACCOUNTING POLICIES

BASIC NET RESULT PER SHARE

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

DILUTED NET RESULT PER SHARE

Diluted net result per share is calculated as the net result for the year divided by the weighted average number of outstanding ordinary shares adjusted for the dilutive effect of share equivalents. ■

III Section 3 – Operating Assets and Liabilities

This section covers the operating assets and related liabilities that form the basis for the Genmab group's activities. Deferred tax assets and liabilities are included in note 2.4. Assets related to the group's financing activities are shown in section 4.

3.1 – Intangible Assets

GENMAB GROUP AND PARENT COMPANY

	Goodwill	Licenses and Rights	Total Intangible Assets
	DKK'000	DKK'000	DKK'000
2014			
Cost per January 1	-	155,207	155,207
Exchange rate adjustment	-	-	-
Additions for the year	-	63,259	63,259
Disposals for the year	-	-	-
Cost per December 31	**-**	**218,466**	**218,466**
Accumulated amortization and impairment per January 1	-	(152,666)	(152,666)
Exchange rate adjustment	-	-	-
Amortization for the year	-	(3,270)	(3,270)
Disposals for the year	-	-	-
Accumulated amortization and impairment per December 31	**-**	**(155,936)**	**(155,936)**
B/S **Carrying amount per December 31**	**-**	**62,530**	**62,530**
2013			
Cost per January 1	335,671	152,484	488,155
Exchange rate adjustment	(14,382)	-	(14,382)
Additions for the year	-	2,723	2,723
Disposals for the year	(321,289)	-	(321,289)
Cost per December 31	**-**	**155,207**	**155,207**
Accumulated amortization and impairment per January 1	(335,671)	(152,484)	(488,155)
Exchange rate adjustment	14,382	-	14,382
Amortization for the year	-	(182)	(182)
Disposals for the year	321,289	-	321,289
Accumulated amortization and impairment per December 31	**-**	**(152,666)**	**(152,666)**
B/S **Carrying amount per December 31**	**-**	**2,541**	**2,541**

	2014	2013
	DKK'000	DKK'000
Depreciation, amortization and impairments are included in the income statement as follows:		
Research and development costs	3,270	182
General and administrative expenses	-	-
	3,270	**182**

III Section 3 – Operating Assets and Liabilities

3.1 – Intangible Assets – Continued

§ ACCOUNTING POLICIES

GOODWILL – GENMAB GROUP

The carrying amount of goodwill related to the acquisition of the manufacturing facility in 2008. In November 2009, Genmab announced that it intended to sell its manufacturing facility due to a change in business strategy. This decision triggered an impairment review and as a result the goodwill was fully impaired in 2009. Please refer to note 5.4 for additional information regarding the manufacturing facility. The facility was sold in 2013.

RESEARCH AND DEVELOPMENT – GENMAB GROUP AND PARENT COMPANY

The group currently has no internally generated intangible assets from development, as the criteria for recognition of an asset are not met as described below.

LICENSES AND RIGHTS – GENMAB GROUP AND PARENT COMPANY

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. Genmab acquires licenses and rights primarily to get access to targets and technologies identified by third parties.

In 2014 Genmab entered a collaboration to utilize Seattle Genetics' ADC technology with our HuMax-AXL antibody, currently in pre-clinical development, for an upfront fee of DKK 63 million.

The group has previously acquired licenses and rights to technology at a total cost of DKK 152 million, which have been fully amortized during the period from 2000 to 2005. The licenses and rights are still in use by the parent company and the group and contribute to our research and development activities.

Depreciation

Licenses and rights are amortized using the straight-line method over the estimated useful life of five to seven years. Amortization, impairment losses, and gains or losses on the disposal of intangible assets are recognized in the income statement as research and development costs, general and administrative expenses or discontinued operation, as appropriate.

Impairment

If circumstances or changes in Genmab's operations indicate that the carrying amount of non-current assets in a cash-generating unit may not be recoverable, management reviews the asset for impairment. Please see note 3.2 for further details. ■

III Section 3 – Operating Assets and Liabilities

3.1 – Intangible Assets – Continued

MANAGEMENT'S JUDGMENTS AND ESTIMATES

RESEARCH AND DEVELOPMENT

Internally Generated Intangible Assets

According to the 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 that:

- the development project is clearly defined and identifiable and the attributable costs can be measured reliably during the development period;
- the technological feasibility, adequate resources to complete and a market for the product or an internal use of the product can be documented; and
- 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 sale and administration of the product.

A development project involves a single product candidate undergoing a high number of tests to illustrate its safety profile and its effect on human beings prior to obtaining the necessary final approval of the product from the appropriate authorities. The future economic benefits associated with the individual development projects are dependent on obtaining such approval. Considering the significant risk and duration of the development period related to the development of biological 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 final regulatory approval of the product has been obtained. Accordingly, the group has not recognized such assets at this time and therefore all research and development costs are recognized in the income statement when incurred. The total research and development costs related to the continuing operations amounted to DKK 506 million in 2014, compared to DKK 528 million in 2013.

Antibody Clinical Trial Material Purchased for Use in Clinical Trials

According to our accounting policies, antibody clinical trial material (antibodies) for use in clinical trials that are purchased from third parties will be recognized in the balance sheet at cost and expensed in the income statement when consumed, if all criteria for recognition as an asset are fulfilled.

During both 2013 and 2014, no antibodies purchased from third parties for use in clinical trials have been capitalized, as these antibodies do not qualify for being capitalized as inventory under either the *"Framework"* to IAS/IFRS or IAS 2, *"Inventories."*

Management has concluded that the purchase of antibodies from third parties cannot be capitalized as the technical feasibility is not proven and no alternative use exists. Expenses in connection with purchase of antibodies are treated as described under "Research and Development Costs."

Collaboration Agreements

The group has entered into various collaboration agreements, primarily in connection with the group's research and development projects and the clinical testing of the product candidates, e.g., our worldwide collaboration agreements with Janssen, Novartis and GSK. When accounting for new collaboration agreements, a judgment is made concerning the classification of the agreement. Collaborations are often structured so that each party contributes its respective skills in the various phases of the development project. No joint control exists for such collaborations as the parties have not established an economic activity subject to joint control. Accordingly, the collaborations are not considered to be either a joint venture or joint operation as defined in IFRS 11, *"Joint Arrangements."* Expenses in connection with collaboration agreements are treated as described under "Research and Development Costs." ■

III Section 3 – Operating Assets and Liabilities

3.2 – Tangible Assets

GENMAB GROUP

	Leasehold improvements	Equipment, furniture and fixtures	Total Tangible Assets
	DKK'000	DKK'000	DKK'000
2014			
Cost per January 1	9,617	126,854	136,471
Exchange rate adjustment	(13)	48	35
Additions for the year	-	12,183	12,183
Disposals for the year	-	(2,976)	(2,976)
Cost per December 31	**9,604**	**136,109**	**145,713**
Accumulated depreciation and impairment per January 1	(8,528)	(105,281)	(113,809)
Exchange rate adjustment	13	(78)	(65)
Depreciation for the year	(334)	(8,727)	(9,061)
Disposals for the year	-	2,906	2,906
Accumulated depreciation and impairment per December 31	**(8,849)**	**(111,180)**	**(120,029)**
B/S **Carrying amount per December 31**	**755**	**24,929**	**25,684**
Carrying amount of assets under finance leases included above	-	336	336
2013			
Cost per January 1	9,572	139,364	148,936
Exchange rate adjustment	-	(413)	(413)
Additions for the year	45	8,310	8,355
Transfers between the classes	-	-	-
Disposals for the year	-	(20,407)	(20,407)
Cost per December 31	**9,617**	**126,854**	**136,471**
Accumulated depreciation and impairment per January 1	(7,877)	(115,099)	(122,976)
Exchange rate adjustment	-	400	400
Depreciation for the year	(651)	(10,831)	(11,482)
Disposals for the year	-	20,249	20,249
Accumulated depreciation and impairment per December 31	**(8,528)**	**(105,281)**	**(113,809)**
B/S **Carrying amount per December 31**	**1,089**	**21,573**	**22,662**
Carrying amount of assets under finance leases included above	-	574	574

	2014	2013
	DKK'000	DKK'000
Depreciation, amortization and impairments are included in the income statement as follows:		
Research and development costs	8,673	10,893
General and administrative expenses	388	589
	9,061	**11,482**

III Section 3 – Operating Assets and Liabilities

3.2 – Tangible Assets – Continued

PARENT COMPANY

	Leasehold improvements	Equipment, furniture and fixtures	Total Tangible Assets
	DKK'000	DKK'000	DKK'000
2014			
Cost per January 1	3,981	14,727	18,708
Additions for the year	-	322	322
Cost per December 31	**3,981**	**15,049**	**19,030**
Accumulated depreciation and impairment per January 1	(3,031)	(13,163)	(16,194)
Depreciation for the year	(241)	(983)	(1,224)
Accumulated depreciation and impairment per December 31	**(3,272)**	**(14,146)**	**(17,418)**
B/S **Carrying amount per December 31**	**709**	**903**	**1,612**
2013			
Cost per January 1	3,936	14,727	18,663
Additions for the year	45	-	45
Cost per December 31	**3,981**	**14,727**	**18,708**
Accumulated depreciation and impairment per January 1	(2,514)	(11,736)	(14,250)
Depreciation for the year	(517)	(1,427)	(1,944)
Accumulated depreciation and impairment per December 31	**(3,031)**	**(13,163)**	**(16,194)**
B/S **Carrying amount per December 31**	**950**	**1,564**	**2,514**

	2014	2013
	DKK'000	DKK'000
Depreciation, amortization and impairments are included in the income statement as follows:		
Research and development costs	980	1,555
General and administrative expenses	244	389
	1,224	**1,944**

III Section 3 – Operating Assets and Liabilities

3.2 – Tangible Assets – Continued

§ ACCOUNTING POLICIES

Tangible assets are mainly comprised of leasehold improvements and equipment, furniture and fixtures, which are measured at cost less accumulated depreciation, and any impairment losses.

The cost is comprised of the acquisition price and direct costs related to the acquisition until the asset is ready for use. The present value of estimated liabilities related to the restoration of our offices in connection with the termination of the lease is added to the cost if the liabilities are provided for. Costs include direct costs, salary related expenses, and costs to subcontractors.

DEPRECIATION

Depreciation, which is stated at cost net 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
Computer equipment	3 years
Leasehold improvements	5 years or the lease term, if shorter

The useful lives and residual values are reviewed and adjusted if appropriate on a yearly basis. Assets under construction are not depreciated.

IMPAIRMENT

If circumstances or changes in Genmab's operations indicate that the carrying amount of non-current assets in a cash-generating unit may not be recoverable, management reviews the asset for impairment.

The basis for the review is the recoverable amount of the assets, determined as the greater of the fair value less cost to sell 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. ■

III Section 3 – Operating Assets and Liabilities

3.3 – Receivables

	GENMAB GROUP		PARENT COMPANY	
	2014	2013	2014	2013
	DKK'000	DKK'000	DKK'000	DKK'000
Receivables related to collaboration agreements	57,374	100,901	57,374	100,901
Finance lease receivables from subsidiaries	-	-	-	1,892
Interest receivables	22,207	12,057	22,207	12,057
Derivatives (note 4.2)	2,727	2,693	2,727	2,693
Tax receivable	6,125	9,811	6,125	1,250
Other receivables	10,821	10,655	1,976	2,460
Prepayments	13,013	6,050	3,327	1,855
Total	**112,267**	**142,167**	**93,736**	**123,108**
B/S Non-current receivables	6,428	6,163	1,142	1,128
B/S Current receivables	105,839	136,004	92,594	121,980
Total	**112,267**	**142,167**	**93,736**	**123,108**

GENMAB GROUP

In 2014 and 2013, overdue receivables and losses related to receivables were insignificant. The credit risk on receivables is considered to be limited. **For further information about the interest receivables and derivatives and related credit risk, please refer to note 4.2.**

The receivables are mainly comprised of non-interest bearing receivables which are due less than one year from the balance sheet date.

PARENT COMPANY

Please refer to note 5.2 for additional information regarding receivables from subsidiaries.

§ ACCOUNTING POLICIES

Receivables except derivatives are designated as loans and receivables and are initially measured at fair value and subsequently measured in the balance sheet at amortized cost, which generally corresponds to nominal value less provision for bad debts.

The provision for bad debts is calculated on the basis of an individual assessment of each receivable including analysis of capacity to pay, creditworthiness, and historical information on payment patterns and doubtful debts.

Prepayments include expenditures related to a future financial year. Prepayments are measured at nominal value. ■

III Section 3 – Operating Assets and Liabilities

3.4 – Provisions

	2014	2013
	DKK'000	DKK'000
Provisions per January 1	2,294	3,505
Used during the year	(861)	(861)
Released during the year	-	(350)
Total	**1,433**	**2,294**
B/S Non-current provisions	1,433	1,433
B/S Current provisions	-	861
Total	**1,433**	**2,294**

Provisions include mainly contractual and restoration obligations related to our lease of offices and development activities. In determining the fair value of the restoration obligation, assumptions and estimates are made in relation to discounting, the expected cost to restore the offices and the expected timing of those costs.

The major part of non-current provisions is expected to be settled in 2017.

§ ACCOUNTING POLICIES

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 management's best estimate of the expenses required to settle the obligation.

A provision for onerous contracts is recognized when the expected benefits to be derived by the group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

When the group has a legal obligation to restore our office lease in connection with the termination, a provision is recognized corresponding to the present value of expected future costs.

The present value of a provision is calculated using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as an interest expense. ■

III Section 3 – Operating Assets and Liabilities

3.5 – Other Payables

	GENMAB GROUP		PARENT COMPANY	
	2014	2013	2014	2013
	DKK'000	DKK'000	DKK'000	DKK'000
Liabilities related to collaboration agreements	216,600	174,588	216,600	174,588
Staff costs liabilities	16,780	26,238	8,752	7,314
Other liabilities	31,069	29,813	14,226	15,748
Derivatives (note 4.2)	-	480	-	480
Payable to subsidiaries (note 5.2)	-	-	101,156	48,138
Accounts payable	17,262	18,614	9,015	15,483
Total	**281,711**	**249,733**	**349,749**	**261,751**
B/S Non-current other payables	176,223	162,713	176,218	162,713
B/S Current other payables	105,488	87,020	173,531	99,038
Total	**281,711**	**249,733**	**349,749**	**261,751**

§ ACCOUNTING POLICIES

Other payables are initially measured at fair value and subsequently measured in the balance sheet at amortized cost.

The current other payables are comprised of liabilities that are due less than one year from the balance sheet date and are in general not interest bearing and settled on an ongoing basis during the financial year.

The non-current other payables include DKK 176 million (2013: DKK 162 million), which is related to our collaboration with GSK, which was transferred to Novartis subsequent to year end. As a result of the transfer of the collaboration, this liability is no longer required to be paid. Such amount is equal to the present value of the liability based on a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The nominal amount of the liability is DKK 181 million at year end 2014 (2013: DKK 171 million).

Non-current payables are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the liability due to passage of time is recognized as interest expense.

STAFF COSTS LIABILITIES

Wages and salaries, social security contributions, paid leave and bonuses, and other employee benefits are recognized in the financial year in which the employee performs the associated work.

Termination benefits are recognized as an expense, when the Genmab group is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to terminate employment.

The group's pension plans are classified as defined contribution plans, and, accordingly, no pension obligations are recognized in the balance sheet. Costs relating to defined contribution plans are included in the income statement in the period in which they are accrued and outstanding contributions are included in other payables.

ACCOUNTS PAYABLE

Accounts payable are measured in the balance sheet at amortized cost. ■

MANAGEMENT'S JUDGMENTS AND ESTIMATES

LIABILITIES RELATED TO COLLABORATION AGREEMENTS

The recognition of the GSK partner payments associated with the oncology indications for ofatumumab is based on overviews from GSK. In advance of each quarterly closing an estimate is received from GSK showing the expected spend for the quarter. In connection with the receipt of the quarterly estimates, these are reviewed carefully by Genmab and various checks and analytic reviews are made. Additional questions are raised to GSK, if necessary. The quarterly estimates are subject to some degree of uncertainty as the estimates are made prior to the finalization of GSK accounts for the respective quarter using preliminary data of the expected costs to be incurred. As of December 31, 2014, the total amount outstanding related to the fourth quarter of 2014 amounted to DKK 41 million. Historically, the variances between the estimate and the final overviews have not been material. ■

IV Section 4 – Capital Structure, Financial Risk and Related Items

This section includes disclosures related to how Genmab manages its capital structure, cash position and related risks and items. Genmab is primarily financed through equity and partnership collaborations.

4.1 – Capital Management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence, and a continuous advancement of Genmab's product pipeline and business in general.

Genmab is primarily financed through equity and partnership collaboration income and had, as of December 31, 2014, a cash position of DKK 2,661 million compared to DKK 1,557 million as of December 31, 2013. The cash position supports the advancement of our overall mission and strategy to maximize our chances for success.

On January 24, 2014 Genmab completed a capital increase of 4,600,000 in connection with a private placement and the net proceeds amounted to DKK 972 million. The potential use of the net proceeds from the transaction may include, among other things, and without limiting Genmab's discretion, the funding of:

- Clinical development of HuMax-TF-ADC (currently in a Phase I study in up to eight solid tumors)
- Progressing Genmab's pipeline of pre-clinical projects towards clinical development
- Further development of Genmab's proprietary technologies, the DuoBody platform and HexaBody platform
- Potential complimentary acquisitions of new products, technologies or businesses that would further expand Genmab's capabilities and product portfolio
- General corporate purposes to support the development of Genmab's pipeline and business

The transaction significantly improved our financial position and strength.

The adequacy of our available funds will depend on many factors, including scientific progress in our research and development programs, the magnitude of those programs, our commitments to existing and new clinical collaborators, our ability to establish commercial and licensing arrangements, our capital expenditures, market developments, and any future acquisitions. Accordingly, we may require additional funds and may attempt to raise additional funds through equity or debt financings, collaborative agreements with partners or from other sources.

The Board of Directors monitors the share and capital structure to ensure that Genmab's capital resources support the strategic goals. There was no change in the group's approach to capital management procedures in 2014.

Neither Genmab A/S nor any of its subsidiaries are subject to externally imposed capital requirements.

The Board of Directors believes Genmab will have sufficient cash to run operations for the next year. Therefore the Board of Directors has concluded that the financial statements have been prepared on a going concern basis.

IV Section 4 – Capital Structure, Financial Risk and Related Items

4.2 - Financial Risk

The financial risks of the Genmab group are managed centrally.

The overall risk management guidelines have been approved by the Board of Directors and include the group's foreign exchange and investment policy related to our marketable securities. The group's risk management guidelines are established to identify and analyze the risks faced by the Genmab group, to set the appropriate risk limits and controls and to monitor the risks and adherence to limits. It is Genmab's policy not to actively speculate in financial risks. The group's financial risk management is directed solely against monitoring and reducing financial risks which are directly related to the group's operations.

The primary objective of Genmab's investment activities is to preserve capital and ensure liquidity with a secondary objective of maximizing the income derived from security investments without significantly increasing risk. Therefore, our investment policy includes among other items, guidelines and ranges for which investments (all of which are shorter-term in nature) are considered to be eligible investments for Genmab and which investment parameters are to be applied, including maturity limitations and credit ratings. In addition, the policy includes specific diversification criteria and investment limits to minimize the risk of loss resulting from over concentration of assets in a specific class, issuer, currency, country, or economic sector.

Currently, our marketable securities are administrated by two external Danish investment managers. The guidelines and investment managers are reviewed regularly to reflect changes in market conditions, the group's activities and financial position. No changes have been made to the investment policy in 2014 or 2013.

In addition to the capital management and financing risk mentioned in note 4.1, the group has identified the following key financial risk areas, which are mainly related to our marketable securities portfolio:

- credit risk;
- currency risk and;
- interest rate risk

All our marketable securities are traded in established markets. Given the current market conditions, all future cash inflows including re-investments of proceeds from the disposal of marketable securities are invested in highly liquid and conservative investments, such as European government bonds, treasury bills from e.g. Germany, Finland, Netherlands and Denmark, and Danish mortgage bonds with high credit ratings. As such we consider the liquidity risk to be at an acceptable and low level.

CREDIT RISK

Genmab is exposed to credit risk and losses on our marketable securities, bank deposits and receivables related to derivative financial instruments. The credit risk related to our other receivables is not significant.

Marketable Securities

To manage and reduce credit risks on our securities, only securities from investment grade issuers are eligible for our portfolios. No issuer of marketable securities can be accepted if it is not assumed that the credit quality of the issuer would be at least equal to the rating shown below:

Category	S&P	Moody's	Fitch
Short-term	A-1	P-1	F-1
Long-term	A-	A3	A-

Our current portfolio is spread over a number of different securities and is conservative with a focus on liquidity and security and, as of December 31, 2014, 100% of our marketable securities had a triple A-rating from Moody's, S&P or Fitch, which was unchanged compared to December 31, 2013. The total value of marketable securities including interest receivables amounted to DKK 2,324 million compared to DKK 1,401 million at the end of 2013.

Bank Deposits

To reduce the credit risk on our bank deposits, Genmab maintains the major part of its bank deposits in large Danish and American financial institutions. Currently, these financial institutions have a short-term Fitch and S&P rating of at least F-1 and A-1, respectively. In addition, Genmab maintains limited bank deposits at a level necessary to support the short-term funding requirements of the Genmab group. The total value of bank deposits amounted to DKK 359 million as of December 31, 2014 compared to DKK 168 million at the end of 2013.

Derivative Financial Instruments

Genmab has established various derivative financial instruments under an International Swaps and Derivatives Association master agreement (see below). We are exposed to credit loss in the event of non-performance by our counterpart which is a financial institution with the following short term ratings: Fitch (F1), Moody's (P-2) and S&P (A-2). The total value of receivables related to derivative financial instruments amounted to DKK 3 million at the end of both 2014 and 2013.

IV Section 4 – Capital Structure, Financial Risk and Related Items

4.2 - Financial Risk – Continued

CURRENCY RISK

Genmab is exposed to currency exposure, and as Genmab incurs income and expenses in a number of different currencies, the group is subject to currency risk. Increases or decreases in the exchange rate of such foreign currencies against our functional currency, the DKK, can affect the group's results and cash position negatively or positively.

The foreign subsidiaries are not significantly affected by currency risks as both income and expenses are primarily settled in the foreign subsidiaries' functional currencies.

Assets and Liabilities in Foreign Currency

The most significant cash flows of the group are GBP, DKK, EUR and USD. Overall, Genmab hedges its currency exposure primarily by matching income and expenses in the same currency and by maintaining cash positions in all major currencies. Our total marketable securities were invested in EUR (35%), DKK (63%), and GBP denominated securities (2%) as of December 31, 2014, compared to 29%, 70%, and 1%, as of December 31, 2013. In addition, Genmab uses hedging instruments such as derivatives and future contracts if it is deemed appropriate.

Based on the amount of assets and liabilities denominated in EUR, USD and GBP as of December 31, 2014, a 1% change in the EUR to DKK and a 10% change in both USD to DKK exchange rate and GBP to DKK exchange rate will impact our net financial items by approximately:

MDKK	Cash Position	Receivables	Liabilities	Net Exposure	Percentage change in exchange rate**	Impact of change in exchange rate
2014						
EUR	843	10	(33)	**820**	1%	**8.2**
USD	256	34	(81)	**209**	10%	**20.9**
GBP*	84	-	(222)	**(138)**	10%	**13.8**
2013						
EUR	407	21	(34)	**394**	1%	**3.9**
USD	93	52	(32)	**113**	10%	**11.3**
GBP*	39	-	(181)	**(142)**	10%	**14.2**

* excluding impact from cash flow hedges.
** The analysis assumes that all other variables, in particular interest rates, remain constant.

Accordingly, significant changes in exchange rates could cause our net result to fluctuate significantly as gains and losses are recognized in the income statement. Our EUR exposure is mainly related to our marketable securities, contracts and other costs denominated in EUR. Since the introduction of EUR in 1999, Denmark has committed to maintaining a central rate of 7.46 DKK to the EUR. This rate may fluctuate within a +/- 2.25% band. Should Denmark's policy towards the EUR change, the DKK values of our EUR denominated assets and costs could be materially different compared to what is calculated and reported under the existing Danish policy towards the DKK/EUR.

The USD currency exposure was mainly related to bank deposits and receivables related to our collaborations with Janssen.

The GBP currency exposure is mainly related to marketable securities denominated in GBP and our collaboration with GSK, which was transferred to Novartis subsequent to year end. As a result of the transfer of the collaboration, Genmab is not liable for any develop-

IV Section 4 – Capital Structure, Financial Risk and Related Items

4.2 - Financial Risk – Continued

ment costs for ofatumumab beyond December 2014, significantly reducing our GBP currency exposure.

Hedging of Expected Future Cash Flows (Cash Flow Hedges)
To reduce Genmab's long term GBP/DKK currency exposure associated with the annual funding obligations under the GSK collaboration, Genmab has entered into derivative contracts to hedge the associated currency exposure for the period from 2013 to 2015. This foreign exchange hedging is carried out to minimize risks and thereby increase the predictability of the group's financial results.

() = debt or income		2014			
Derivative	Notional amount (MGBP)	Fair value (MDKK)	Changes recognized in the income statement (MDKK)	Changes recognized under other comprehensive income (MDKK)	Maturity period
Capped Risk Collar					
Protection: Genmab buys GBP call option/ DKK put struck at 9.60	13	3	(3)	-	May 2015 to November 2015
Obligation: Genmab sells GBP put option/ DKK call struck at 8.40	13	-	-	-	May 2015 to November 2015
Risk Cap: Genmab buys GBP put option/ DKK call struck at 6.50	13	-	-	-	May 2015 to November 2015
Total		**3**	**(3)**	**-**	

() = debt or income		2013			
Derivative	Notional amount (MGBP)	Fair value (MDKK)	Changes recognized in the income statement (MDKK)	Changes recognized under other comprehensive income (MDKK)	Maturity period
Foreign Exchange Forward Contact					
Protection: Genmab buys GBP at 8.765	17	3	-	(3)	May 2014 to November 2014
Total		**3**	**-**	**(3)**	
Capped Risk Collar					
Protection: Genmab buys GBP call option/ DKK put struck at 9.60	17	2	(2)	-	May 2015 to November 2015
Obligation: Genmab sells GBP put option/ DKK call struck at 8.40	17	(3)	3	-	May 2015 to November 2015
Risk Cap: Genmab buys GBP put option/ DKK call struck at 6.50	17	-	-	-	May 2015 to November 2015
Total		**(1)**	**1**		

In 2013, the capped risk collar related to the 2013 and 2014 funding commitments was replaced by foreign exchange forward contracts. The capped risk collar contract falls due in the period from May 2015 to November 2015 and is broken into 3 expires to match anticipated timing of payment of quarterly invoices to GSK. As a result of the transfer of the ofatumumab collaboration from GSK to Novartis on March 2, 2015, Genmab has no future funding obligations for development costs and the existing capped risk collar contract will be terminated in 2015.

A 10% change in the GBP to DKK forward exchange rate will impact the valuation of the derivatives as outlined below. The analysis assumes that all other variables, in particular the volatility, remain constant.

IV Section 4 – Capital Structure, Financial Risk and Related Items

4.2 - Financial Risk – Continued

IMPACT OF CHANGE IN EXCHANGE RATE IN MDKK

	2014			2013		
() = debt or income	-10%	Base	+10%	-10%	Base	+10%
Fair value	(4)	3	10	(23)	2	24
Income statement	4	(3)	2	1	1	(6)
Statement of Comprehensive income	-	-	(12)	22	(3)	(18)

INTEREST RATE RISK

Genmab's exposure to interest rate risk is primarily ascribable to the marketable securities, as we currently do not have significant interest bearing debts.

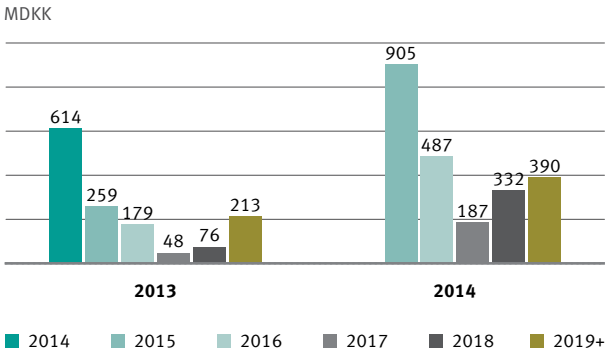
Marketable Securities

The securities in which the group has invested bear interest rate risk, as a change in market derived interest rates may cause fluctuations in the fair value of the investments. In accordance with the objective of the investment activities, the portfolio of securities is monitored on a total return basis.

To control and minimize the interest rate risk, the group maintains an investment portfolio in a variety of securities with a relatively short effective duration.

As of December 31, 2014, the portfolio has an average effective duration of approximately 1 year (2013: 1 year) and no securities have an effective duration of more than 5 years (2013: 6 years), which means that a change in the interest rates of one percentage point will cause the fair value of the securities to change by approximately 1% (2013: 1%). Due to the short-term nature of the current investments and to the extent that we are able to hold the investments to maturity, we consider our current exposure to changes in fair value due to interest rate changes to be insignificant compared to the fair value of the portfolio.

MATURITY PROFILE MARKETABLE SECURITIES



IV Section 4 – Capital Structure, Financial Risk and Related Items

4.3 - Financial Assets and Liabilities

CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES

Category	Note	2014	2013
		(DKK'000)	(DKK'000)
Financial assets at fair value through the income statement			
Marketable securities	4.4	2,301,428	1,388,844
Cash and cash equivalents		-	-
Financial assets designated as hedging instruments			
Derivatives designated as cash flow hedges	3.3	2,727	2,693
Loans and receivables			
Receivables ex. prepayments	3.3	96,527	133,424
Cash and cash equivalents		359,087	168,135
Financial liabilities designated as hedging instruments			
Derivatives designated as cash flow hedges	3.5	-	(480)
Financial liabilities measured at amortized cost:			
Lease liability	5.5	(355)	(2,485)
Other payables	3.5	(281,711)	(249,253)

FAIR VALUE MEASUREMENT

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).

Derivative Financial Instruments

Genmab entered derivative instruments to hedge currency exposure associated with the annual funding obligation under the GSK collaboration, which subsequent to year end was transferred to Novartis. The derivatives are not traded on an active market based on quoted prices. The fair value is determined using valuation techniques that utilize market based data such as currency rates, yield curves and implied volatility (Level 2). As a result of the transfer of the ofatumumab collaboration from GSK to Novartis, Genmab has no future funding obligations for development costs and the existing capped risk collar contract will be terminated in 2015.

Finance Lease Commitments and Non-Current Payables (GSK)

Fair value is calculated based on the present value of the future principal and interest cash flows, discounted at the market rate of interest at the balance sheet date. The unobservable input is mainly related to the credit risk, which should be re-assessed if there are indications that Genmab's creditworthiness is changed (Level 3).

		2014			2013		
(DKK'000)	Note	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets Measured at Fair Value							
Marketable securities	4.4	2,301,428			1,388,844		
Receivables – derivatives	3.3		2,727			2,693	
Liabilities Measured at Fair Value							
Other payables – derivatives	3.5					(480)	
Liabilities for which Fair Value is disclosed							
Finance lease commitments	5.5			(355)			(2,475)
Non-current other payables (GSK)	3.5			(176,218)			(164,826)

IV Section 4 – Capital Structure, Financial Risk and Related Items

4.3 - Financial Assets and Liabilities – Continued

§ ACCOUNTING POLICIES

CLASSIFICATION OF CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES

In accordance with IFRS, Genmab has divided its financial assets and liabilities in the categories shown in the above overview. The classification is based on the nature, characteristics and risks of the asset and liability. The classification is re-assessed at the end of each reporting period.

Financial assets are derecognized when the rights to receive cash flow from the financial assets have expired or been transferred and the risk and reward have been substantially transferred. Financial liabilities are derecognized when the obligation is discharged, cancelled or expired.

Further details about the accounting policy for each of the categories are outlined in the respective notes.

FAIR VALUE MEASUREMENT

The Genmab group measures financial instruments, such as marketable securities and derivatives, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortized cost and assumption used are disclosed. The management assessed that financial assets and liabilities measured as amortized costs such as bank deposits, receivables and other payables (except non-current payables related to the GSK collaboration) approximate their carrying amounts largely due to the short-term maturities of these instruments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Genmab group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Genmab group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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).

Currently no financial instruments are measured and determined with reference to level 3. Level 3 fair values of financial instruments measured at amortized cost and assumption used are disclosed cf. above.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. Any transfers between the different levels are carried out at the end of the reporting period. There have not been any transfers between the different levels during 2014 and 2013. ■

IV Section 4 – Capital Structure, Financial Risk and Related Items

4.4 – Marketable Securities

	2014	2013
	DKK'000	DKK'000
Cost per January 1	1,398,655	1,436,910
Additions for the year	2,679,286	974,279
Disposals for the year	(1,758,767)	(1,012,534)
Cost per December 31	**2,319,174**	**1,398,655**
Fair value adjustment per January 1	(9,811)	(153)
Fair value adjustment for the year	(7,935)	(9,658)
Fair value adjustment per December 31	**(17,746)**	**(9,811)**
B/S **Net book value per December 31**	**2,301,428**	**1,388,844**
Net book value in percentage of cost	**99%**	**99%**

Specification of the securities:

	Market value 2014	Average effective duration	Share %	Market value 2013	Average effective duration	Share %
	DKK'000			DKK'000		
Kingdom of Denmark bonds and treasury bills	312,164	1.26	14%	306,611	1.53	22%
Other Danish bonds	1,138,284	1.30	49%	664,369	1.27	48%
DKK portfolio	**1,450,448**	**1.29**	**63%**	**970,980**	**1.35**	**70%**
GBP portfolio						
UK government bonds and treasury bills	38,522	0.09	2%	12,035	0.13	1%
EUR portfolio						
European government bonds and treasury bills	812,458	1.70	35%	405,829	1.21	29%
Total portfolio	**2,301,428**	**1.41**	**100%**	**1,388,844**	**1.30**	**100%**
Transferred to cash and cash equivalents	-			-		
B/S **Marketable securities**	**2,301,428**			**1,388,844**		

YIELD

The portfolio generated a net yield of 0.7% in 2014 compared to 0.3% in 2013. The relatively low yields are mainly driven by general low market interest level for highly liquid and conservative short term securities with a low degree of risks and high credit ratings.

Please refer to note 4.2 for additional details on the risks related to our marketable securities.

The total interest income amounted to DKK 38 million in 2014 compared to DKK 29 million in 2013. The increase was mainly a result of a higher average cash position.

IV Section 4 – Capital Structure, Financial Risk and Related Items

4.4 – Marketable Securities – Continued

§ ACCOUNTING POLICIES

Marketable securities consist of investments in securities with a maturity greater than three months at the time of acquisition. Genmab invests its cash in deposits with major financial institutions, in Danish mortgage bonds, and notes issued by the Danish, European and American governments. The securities can be purchased and sold using established markets.

Genmab's portfolio of investments has been designated as financial assets at fair value through profit or loss as the portfolio is managed and evaluated on a fair value basis in accordance with Genmab's investment guidelines and the information provided internally to management.

Marketable securities are initially and subsequently recognized at fair value, which equals the listed price. Realized and unrealized gains and losses (including unrealized foreign exchange rate gains and losses) are recognized in the income statement as financial items.

Transactions are recognized at trade date. ■

4.5 – Financial Income and Expenses

	GENMAB GROUP		PARENT COMPANY	
	2014	2013	2014	2013
	DKK'000	DKK'000	DKK'000	DKK'000
Financial income:				
Interest and other financial income	38,331	28,613	38,224	28,446
Interest from subsidiaries	-	-	945	11,930
Realized and unrealized gains on fair value hedges, net	12,199	1,592	12,199	1,592
Exchange rate gains, net	7,391	241	7,528	3,332
I/S **Total**	**57,921**	**30,446**	**58,896**	**45,300**
Financial expenses:				
Interest and other financial expenses	4,054	3,326	3,976	3,217
Realized and unrealized losses on marketable securities (fair value through the income statement), net	21,698	23,165	21,698	23,165
Loss on currency options including change in time value, net	-	7,806	-	7,806
I/S **Total**	**25,752**	**34,297**	**25,674**	**34,188**
Net financial items	**32,169**	**(3,851)**	**33,222**	**11,112**
Interest on financial assets measured at amortized cost	183	182	1,490	11,977
Interest on financial liabilities measured at amortized cost	4,054	3,326	3,976	3,217

IV Section 4 – Capital Structure, Financial Risk and Related Items

4.5 – Financial Income and Expenses – Continued

§ ACCOUNTING POLICIES

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 (designated as fair value through the income statement), realized gains and losses and write-downs of other securities and equity interests (designated as available-for-sale financial assets), and realized and unrealized gains and losses on derivative financial instruments.

Interest and dividend income are shown separately from gains and losses on marketable securities and other securities and equity interests.

Gains or losses relating to the ineffective portion of a cash flow hedge and changes in time value are recognized immediately in the income statement as part of the financial income or expenses.

Exchange rate adjustments of balances with foreign subsidiaries, which are considered part of the total net investment in the subsidiary, are recognized in the income statement of the parent company. ■

4.6 – Share-Based Instruments

RESTRICTED STOCK UNIT PROGRAM

In April 2014 at the Annual General Meeting, the incentive guidelines were amended to enable Genmab A/S to establish an RSU program (equity-settled share-based payment transactions) as an incentive for the members of the Board of Directors and members of the Executive Management.

RSUs are granted by the Board of Directors in accordance with authorizations given to it by Genmab A/S' shareholders and are subject to the incentive guidelines adopted by the general meeting.

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. If a member of Executive Management or Board of Directors ceases their employment or board membership prior to the vesting date, all RSUs that are granted, but not yet vested, shall lapse automatically.

However, if a member of the Executive Management or the Board of Directors ceases employment or board membership due to retirement or age limitation in Genmab A/S' articles of association, death, serious sickness or serious injury then all RSUs that are granted, but not yet vested shall remain outstanding and will be settled in accordance with their terms.

Vesting of the RSUs may be subject to further vesting conditions as decided by the Board of Directors.

Within 30 days of the vesting date, the holder of a RSU receives one share in Genmab A/S for each RSU. Genmab A/S may at its sole discretion in extraordinary circumstances choose to make cash settlement instead of delivering shares.

In case of a change of control event as defined in the RSU program, the Board of Directors shall decide to either accelerate the vesting or accelerate the vesting and make a cash settlement.

The RSU program contains anti-dilution provisions if changes occur in Genmab's share capital prior to the vesting date.

Genmab A/S intends to purchase its own shares in order to cover its obligations in relation to the RSUs. Authorization to purchase Genmab A/S' own shares up to a nominal value of DKK 250,000 was given at the Annual General Meeting in April 2014.

IV Section 4 – Capital Structure, Financial Risk and Related Items

4.6 – Share-Based Instruments – Continued

RSU ACTIVITY IN 2014 AND 2013

	Number of RSUs held by the Board of Directors	Number of RSUs held by the Executive Management	Total outstanding RSUs
Outstanding at January 1, 2013	**-**	**-**	**-**
Granted	-	-	-
Settled	-	-	-
Cancelled	-	-	-
Outstanding at December 31, 2013	**-**	**-**	**-**
Outstanding at January 1, 2014	**-**	**-**	**-**
Granted	8,625	35,725	44,350
Settled	-	-	-
Cancelled	-	-	-
Outstanding at December 31, 2014	**8,625**	**35,725**	**44,350**

The fair value of RSUs granted was DKK 337.40 in 2014.

WARRANT PROGRAM

Genmab A/S has established warrant programs (equity-settled share-based payment transactions) as an incentive for all the group's employees, including those in our subsidiaries, members of the Executive Management, and members of the Board of Directors.

Warrants are granted by the Board of Directors in accordance with authorizations given to it by Genmab A/S' shareholders. Warrant grants are based on the merits of the individual grantee and no employee is automatically entitled to receive warrants simply by virtue of being employed at Genmab.

Warrant grants to our Board of Directors and Executive Management are subject to guidelines for incentive-based remuneration adopted by the general meeting. These guidelines were most recently amended by the general meeting in April 2014, so that members of the Board of Directors may only be granted RSUs whereas members of the Executive Management may be granted RSUs and/or warrants.

Under the terms of the warrant programs, warrants are granted at an exercise price equal to the share price on the grant date. According to the warrant programs, the exercise price cannot be fixed at a lower price than the market price at the grant date. In connection with exercise, the warrants shall be settled with the delivery of shares in Genmab A/S. As general rule, Genmab has four pre-defined exercise dates during a year.

The warrant programs contain anti-dilution provisions if changes occur in Genmab's share capital prior to the warrants being exercised.

WARRANTS GRANTED FROM AUGUST 2004 UNTIL APRIL 2012

Under the August 2004 warrant program, warrants can be exercised starting from one year after 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 continue to be able to exercise all warrants on a regular schedule in instances where the employment relationship is terminated by Genmab without cause.

In case of a change of control event as defined in the warrant programs, the warrant holder will immediately be granted the right to exercise all of his/her warrants regardless of the fact that such warrants would otherwise only become fully vested at a later point in time. Warrant holders who are no longer employed by or affiliated with us will, however, only be entitled to exercise such percentages as would otherwise have vested under the terms of the warrant program.

WARRANTS GRANTED FROM APRIL 2012

Following the Annual General Meeting 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 new April 2012 warrant program will lapse at the seventh anniversary of the grant date. All other terms in the warrant programs are identical.

IV Section 4 – Capital Structure, Financial Risk and Related Items

4.6 – Share-Based Instruments – Continued

WARRANT ACTIVITY IN 2014 AND 2013

	Number of warrants held by the Board of Directors	Number of warrants held by the Executive Management	Number of warrants held by employees	Number of warrants held by former members of the Executive Management, Board of Directors and employees	Total outstanding warrants	Weighted average exercise price
						DKK
Outstanding at January 1, 2013	**711,675**	**1,380,000**	**930,310**	**3,654,068**	**6,676,053**	**192.59**
Granted	100,000	192,000	204,250	-	496,250	220.59
Exercised	(5,000)	(265,000)	(65,915)	(1,111,915)	(1,447,830)	107.46
Cancelled	-	-	(15,875)	(48,750)	(64,625)	71.85
Transfers	(361,000)	-	(53,350)	414,350	-	-
Outstanding at December 31, 2013	**445,675**	**1,307,000**	**999,420**	**2,907,753**	**5,659,848**	**218.16**
Exercisable at year end	269,050	811,250	645,359	2,849,253	4,574,912	238.30
Exercisable warrants in the money at year end	136,250	481,250	247,996	752,931	1,618,427	124.55
Outstanding at January 1, 2014	**445,675**	**1,307,000**	**999,420**	**2,907,753**	**5,659,848**	**218.16**
Granted	-	23,775	231,250	-	255,025	292.24
Exercised	(48,575)	(95,000)	(121,942)	(346,180)	(611,697)	107.61
Expired	(50)	-	(62)	(11,225)	(11,337)	86.05
Cancelled	-	-	(1,500)	(11,750)	(13,250)	164.68
Transfers	-	-	(52,370)	52,370	-	-
Outstanding at December 31, 2014	**397,050**	**1,235,775**	**1,054,796**	**2,590,968**	**5,278,589**	**234.97**
Exercisable at year end	281,800	918,000	618,228	2,570,598	4,388,626	243.34
Exercisable warrants in the money at year end	231,800	918,000	577,453	2,331,660	4,058,913	215.99

Please see note 5.1 for further information about the number of warrants held by the Executive Management and the Board of Directors.

As of December 31, 2014, the Board of Directors has been authorized to grant a total of 13,571,263 (2013: 13,071,263) warrants since Genmab's inception. As of December 31, 2014, the 5,278,589 outstanding warrants amounted to 9% of the share capital (2013: 11%).

For exercised warrants in 2014 the weighted average share price at the exercise date amounted to DKK 244.52 (2013: DKK 171.06).

IV Section 4 – Capital Structure, Financial Risk and Related Items

4.6 – Share-Based Instruments – Continued

WEIGHTED AVERAGE EXERCISE OF OUTSTANDING WARRANTS AT DECEMBER 31, 2014

Exercise price	Warrants exercisable from	Number of warrants outstanding	Weighted average remaining contractual life (in years)	Number of warrants exercisable
DKK				
26.75	December 8, 2012	2,537	6.94	1,600
31.75	October 14, 2012	32,000	6.79	20,061
40.41	June 22, 2012	258,350	6.47	177,350
45.24	April 25, 2013	17,500	4.32	5,500
46.74	June 2, 2011	129,750	5.42	129,750
55.85	April 6, 2012	22,875	6.30	14,500
66.60	December 9, 2011	65,250	5.94	65,250
67.50	October 14, 2011	21,570	5.79	21,570
68.65	April 21, 2011	35,500	5.30	35,500
77.00	December 9, 2010	7,500	4.94	7,500
79.25	October 9, 2013	21,375	4.77	9,625
80.55	December 5, 2013	253,150	4.93	109,650
98.00	January 31, 2014	2,813	5.08	375
101.00	August 10, 2006	20,088	0.61	20,088
114.00	June 7, 2006	17,825	0.43	17,825
116.00	April 20, 2006	1,815	0.30	1,815
129.75	October 8, 2010	66,500	4.77	66,500
130.00	December 1, 2006	3,550	0.92	3,550
147.50	April 17, 2014	21,750	5.29	750
173.00	June 21, 2007	322,188	1.47	322,188
174.00	June 17, 2010	199,000	4.46	199,000
184.00	March 2, 2007	77,696	1.16	77,696
199.00	June 12, 2014	3,000	5.45	750
210.00	February 10, 2015	14,750	6.11	-
210.50	April 25, 2007	25,252	1.31	25,252
215.60	April 9, 2015	8,000	6.27	-
220.40	October 15, 2015	57,750	6.79	-
224.00	September 19, 2007	104,833	1.72	104,833
225.30	June 12, 2015	17,000	6.45	-
225.90	December 6, 2014	423,500	5.93	105,871
231.50	October 10, 2014	29,500	5.78	7,375
234.00	April 15, 2010	67,600	4.29	67,600
234.75	December 17, 2009	36,250	3.96	36,250
246.00	June 4, 2009	187,750	3.50	187,750
254.00	April 24, 2009	640,025	3.34	640,025
272.00	October 8, 2009	487,313	3.77	487,313
326.50	October 4, 2008	151,100	2.76	151,100
329.00	December 13, 2008	90,705	2.95	90,705
330.00	December 13, 2007	61,500	1.95	61,500
337.40	December 15, 2015	157,525	6.96	-
352.50	June 27, 2008	784,946	2.49	784,946
364.00	April 19, 2008	329,708	2.30	329,713
234.97		**5,278,589**	**3.80**	**4,388,626**

IV Section 4 – Capital Structure, Financial Risk and Related Items

4.6 – Share-Based Instruments – Continued

WEIGHTED AVERAGE EXERCISE OF OUTSTANDING WARRANTS AT DECEMBER 31, 2013

Exercise price	Warrants exercisable from	Number of warrants outstanding	Weighted average remaining contractual life (in years)	Number of warrants exercisable
DKK				
26.75	December 8, 2012	3,187	7.94	1,312
31.75	October 14, 2012	41,475	7.79	17,597
40.41	June 22, 2012	268,800	7.47	106,800
45.24	April 25, 2013	21,125	5.32	875
46.74	June 2, 2011	182,250	6.42	101,000
55.85	April 6, 2012	39,750	7.30	23,000
66.60	December 9, 2011	81,700	6.94	54,200
67.50	October 14, 2011	28,975	6.79	19,600
68.65	April 21, 2011	42,938	6.30	32,750
77.00	December 9, 2010	8,000	5.94	8,000
79.25	October 9, 2013	24,750	5.77	4,875
80.55	December 5, 2013	289,000	5.93	72,250
86.00	August 3, 2005	67,887	0.59	67,887
89.50	September 22, 2005	4,000	0.73	4,000
97.00	December 1, 2005	12,375	0.92	12,375
98.00	January 31, 2014	3,250	6.08	-
101.00	August 10, 2006	66,812	1.61	66,812
114.00	June 7, 2006	188,375	1.43	188,375
116.00	April 20, 2006	6,439	1.30	6,439
129.75	October 8, 2010	125,000	5.77	125,000
130.00	December 1, 2006	9,625	1.92	9,625
147.50	April 17, 2014	28,000	6.29	-
173.00	June 21, 2007	365,532	2.47	365,532
174.00	June 17, 2010	210,500	5.46	210,500
184.00	March 2, 2007	85,321	2.16	85,321
199.00	June 12, 2014	3,000	6.45	-
210.50	April 25, 2007	34,302	2.31	34,302
224.00	September 19, 2007	118,833	2.72	118,833
225.90	December 6, 2014	428,500	6.93	-
231.50	October 10, 2014	32,500	6.78	-
234.00	April 15, 2010	68,350	5.29	68,350
234.75	December 17, 2009	36,250	4.96	36,250
246.00	June 4, 2009	187,750	4.50	187,750
254.00	April 24, 2009	640,025	4.34	640,025
272.00	October 8, 2009	487,313	4.77	487,313
326.50	October 4, 2008	151,100	3.76	151,100
329.00	December 13, 2008	90,705	3.95	90,705
330.00	December 13, 2007	61,500	2.95	61,500
352.50	June 27, 2008	784,946	3.49	784,946
364.00	April 19, 2008	329,708	3.30	329,713
218.16		**5,659,848**	**4.51**	**4,574,912**

IV Section 4 – Capital Structure, Financial Risk and Related Items

4.7 – Share Capital

SHARE CAPITAL

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

On December 31, 2014, the share capital of Genmab A/S comprised 56,967,419 shares of DKK 1 each with one vote. There are no restrictions related to the transferability of the shares. All shares are regarded as negotiable instruments and do not confer any special rights upon the holder, and no shareholder shall be under an obligation to allow his/her shares to be redeemed.

Until April 17, 2018, the Board of Directors is authorized to increase the nominal registered share capital on one or more occasions by up to nominally DKK 10,400,000 negotiable shares issued to the bearer, which shall have the same rights as the existing shares of Genmab. The capital increase can be made by cash or by non-cash payment and with or without pre-emption rights for the existing shareholders.

By decision of the general meeting on April 25, 2012, the Board of Directors was authorized to issue on one or more occasions warrants to subscribe Genmab A/S' shares up to a nominal value of DKK 250,000. This authorization shall remain in force for a period ending on April 25, 2017. Further, by decision of the general meeting on April 17, 2013, the Board of Directors was authorized to issue on one or more occasions warrants to subscribe Genmab A/S' shares up to a nominal value of DKK 600,000. This authorization shall remain in force for a period ending on April 17, 2018.

Moreover, by decision of the general meeting on April 9, 2014, the Board of Directors was authorized to issue on one or more occasions warrants to subscribe Genmab A/S' shares up to a nominal value of DKK 500,000. In addition, the Board of Directors was authorized to repurchase Genmab A/S' shares up to a nominal value of DKK 250,000. These authorizations shall remain in force for a period ending on April 9, 2019.

Subject to the rules in force at any time, the Board of Directors may reuse or reissue lapsed non-exercised warrants, if any, provided that the reuse or reissue occurs under the same terms and within the time limitations set out in the authorization to issue warrants.

As of December 31, 2014, a total of 250,000 warrants have been issued under the April 25, 2012 authorization, a total of 40,500 warrants have been reissued under the April 25, 2012 authorization, a total of 600,000 warrants have been issued under the April 17, 2013, a total of 5,000 warrants have been reissued under the April 17, 2013 authorization and a total of 95,125 warrants have been issued under the April 9, 2014 authorization. No warrants were available for reuse or reissue and a total of 404,875 warrants remain available for issue as of December 31, 2014.

SHARE PREMIUM

The share premium reserve is comprised of the amount received, attributable to shareholders' equity, in excess of the nominal amount of the shares issued at the parent company's offerings, reduced by any amount allocated to deferred income note 2.1 and external expenses directly attributable to the offerings. The share premium reserve can be distributed.

CHANGES IN SHARE CAPITAL DURING 2009 TO 2014

	Number of shares	Share capital
		DKK'000
December 31, 2009	**44,907,142**	**44,907**
Exercise of warrants	-	-
December 31, 2010	**44,907,142**	**44,907**
Exercise of warrants	-	-
December 31, 2011	**44,907,142**	**44,907**
Shares issued for cash	5,400,000	5,400
Exercise of warrants	750	1
December 31, 2012	**50,307,892**	**50,308**
Exercise of warrants	1,447,830	1,448
B/S **December 31, 2013**	**51,755,722**	**51,756**
Shares issued for cash	4,600,000	4,600
Exercise of warrants	611,697	612
B/S **December 31, 2014**	**56,967,419**	**56,968**

During 2014, 611,697 new shares were subscribed at a price of DKK 26.75 to DKK 234.00 in connection with the exercise of warrants under Genmab's warrant program.

On January 24, 2014 Genmab completed a private placement with the issuance of 4,600,000 new shares.

During 2013, 1,447,830 new shares were subscribed at a price of DKK 26.75 to DKK 184.00 in connection with the exercise of warrants under Genmab's warrant program.

In October 2012, Genmab issued 5,400,000 new shares in connection with the global license and development agreement for daratumumab. Johnson & Johnson Development Corporation (JJDC) invested DKK 475 million of which DKK 366 million was recognized in equity. The remaining part was allocated to deferred income cf. our accounting policies as outlined in note 2.1.

V Section 5 – Other Disclosures

This section is comprised of various statutory disclosures or notes that are of secondary importance for the understanding of the Genmab group's financials. This section also includes various notes with information only related to financial statements of the Parent Company.

5.1 – Remuneration of the Board of Directors and Executive Management

The total remuneration of the Board of Directors and Executive Management is as follows:

	GENMAB GROUP		PARENT COMPANY	
	2014	2013	2014	2013
	DKK'000	DKK'000	DKK'000	DKK'000
Wages and salaries	19,483	18,638	4,038	3,467
Share-based compensation expenses	15,823	8,352	5,490	2,818
Defined contribution plans	1,039	1,010	-	-
Total	**36,345**	**28,000**	**9,528**	**6,285**

The remuneration packages for the Board of Directors and Executive Management are described below in further detail. Overall the remuneration packages are designed with the view to be and are considered to be competitive compared with other similar international biotech companies. The remuneration packages are denominated in DKK, EUR or USD. The Compensation Committee performs an annual review of the remuneration packages. All incentive and variable remuneration shall be considered and adopted at the company's annual general meeting.

In accordance with Genmab's accounting policies, described in note 2.3, share-based compensation is included in the income statement and reported in the remuneration tables in this note. Such share-based compensation expense represents a calculated fair value of instruments granted and does not represent actual cash compensation received by the board members or executives. Please refer to note 4.6 for information about Genmab's share-based compensation programs.

V Section 5 – Other Disclosures

5.1 – Remuneration of the Board of Directors and Executive Management (Continued)

REMUNERATION TO THE BOARD OF DIRECTORS

	Purpose and link to strategy	Performance Metrics	Opportunity	Changes compared to 2013
Annual board base fee and fees for committee work	Ensure Genmab can attract qualified individuals to the Board of Directors	Any increase based on benchmarks for other similar international biotech companies	Basic board fee of DKK 260,000 – Deputy Chairman receives double and Chairman receives triple Committee membership basic fee of up to DKK 50,000 with Chairman receiving up to DKK 150,000 plus a fee per meeting of DKK 7,500	Fees denominated in DKK as opposed to USD. Deputy Chairman fee increased to two times basic fee Fees denominated in DKK as opposed to USD
Share-Based Compensation	Incentivize members of the Board of Directors over the longer term aligned to strategy and creation of shareholder value	Linked to Genmab's financial and strategic priorities as an incentive to increase the future value of the company but also in recognition of past contributions and accomplishments	A new member of the board of directors may be granted RSUs upon election corresponding to a value (at the time of grant) of up to four (4) times the fixed annual base fee, but in special circumstances (as determined by the Board of Directors) the value may be higher. In addition the members of the Board of Directors may be granted RSUs corresponding to a value (at the time of grant) of up to one point five (1.5) times the fixed annual base fee (for the Chairman the value shall be of up to three (3) times the fixed annual base fee, and for the Deputy Chairman the value shall be of up to two point twenty-five (2.25) times the fixed annual base fee) on an annual basis. Grants of RSUs may depend on the financial results of the year in question, the progress of the company's product pipeline as well as specific major important events. The share-based compensation expense for 2014 of DKK 4 million shown below includes the amortization of the non-cash share-based compensation expense relating to warrants and RSUs granted over several periods. Please refer to the "Number of RSUs held" and "Number of warrants held" overviews in note 4.6 for further details.	The Board of Directors is no longer granted warrants and only RSUs may be granted subject to the incentive guideline limitations.

	Base board fee	Fee committees	Shared-based compensation expenses	2014	Base board fee	Fee committees	Shared-based compensation expenses	2013
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Mats Pettersson**	780	220	1,436	2,436	561	117	613	1,291
Anders Gersel Pedersen	520	135	651	1,306	378	122	421	921
Burton G. Malkiel	260	187	564	1,011	251	162	273	686
Karsten Havkrog Pedersen***	-	-	-	-	64	29	120	213
Michael B. Widmer***	-	-	-	-	64	20	251	335
Hans Henrik Munch-Jensen	260	148	564	972	251	130	273	654
Toon Wilderbeek***	-	-	-	-	64	17	(165)	(84)
Daniel J. Bruno***	-	-	-	-	64	-	(79)	(15)
Tom Vink*	260	-	564	824	251	-	248	499
Nedjad Losic*	260	-	564	824	251	-	248	499
Total	**2,340**	**690**	**4,343**	**7,373**	**2,199**	**597**	**2,203**	**4,999**

* Employee elected board member.
** Elected by the Annual General Meeting in April 2013.
*** Stepped down from the Board of Directors on the Annual General Meeting in April 2013.

For further information about the Board of Directors please refer to the section "Board of Directors" in the Directors' Report.

V Section 5 – Other Disclosures

5.1 – Remuneration of the Board of Directors and Executive Management (Continued)

REMUNERATION TO THE EXECUTIVE MANAGEMENT

	Purpose and link to strategy	Performance Metrics	Opportunity	Changes compared to 2013
Base Salary	Reflect the individual's skills and experience, role and responsibilities	Any increase based both on individual and company performance as well as benchmark analysis	Fixed	Base salary increased by 2.5% in local currency (2013: 3%)
Pension and other benefits	Provide a framework to save for retirement Provide customary benefits including car and telephone allowance	None	Fixed amount or percentage of base salary	None
Annual Cash Bonus	Incentivize executives to achieve key objectives on an annual basis	Achievement of predetermined and well-defined annual milestones	Maximum 60% to 100% of annual gross salaries dependent on their position. Extraordinary bonus of a maximum up to 15% of their annual gross salaries, based on the occurrence of certain special events or achievements. The bonus programs may enable the Executive Management members to earn a bonus per calendar year of up to an aggregate amount of approximately DKK 7 million (annual) and DKK 1 million (extraordinary). In 2014, the current Executive Management team received a total cash bonus of DKK 8 million (2013: DKK 8 million).	None
Share-Based Compensation	Incentivize executives over the longer term aligned to strategy and creation of shareholder value	Linked to Genmab's financial and strategic priorities as an incentive to increase the future value of the company but also in recognition of past contributions and accomplishments	On an annual basis Executive Management may be granted RSUs and/or warrants corresponding to a value (at the time of grant) of up to two (2) times the executive's annual base salary, calculated before any pension contribution and bonus payment, in the year of grant, primarily as an incentive to increase the future value of the company but also in recognition of past contributions and accomplishments. Furthermore, a new member of Executive Management may be granted RSUs and/or warrants upon engagement or promotion. The share-based compensation expense for 2014 of DKK 11 million shown below includes the amortization of the non-cash share-based compensation expense relating to warrants & RSUs granted over several periods. In 2014 35,725 RSUs and 23,775 warrants were granted to the Executive Management, with a total fair value of DKK 15 million (2013: 192,000 warrants, with a fair value of DKK 18 million). **Please refer to the "Number of RSUs held" and "Number of warrants held" overviews in note 4.6 for further details.**	Limitation on value of share-based compensation and potential to be granted RSUs

V Section 5 – Other Disclosures

5.1 – Remuneration of the Board of Directors and Executive Management (Continued)

	Base salary	Defined contribution plans	Other Benefits	Cash bonus	Share-based compensation expenses	Total Genmab Group	Parent Company*
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
2014							
Jan van de Winkel	5,202	887	243	5,793	7,018	19,143	1,401
David A. Eatwell	3,064	152	-	2,151	4,462	9,829	755
Total	**8,266**	**1,039**	**243**	**7,944**	**11,480**	**28,972**	**2,156**
2013							
Jan van de Winkel	5,065	866	243	5,653	3,482	15,309	855
David A. Eatwell	2,854	144	-	2,027	2,667	7,692	431
Total	**7,919**	**1,010**	**243**	**7,680**	**6,149**	**23,001**	**1,286**

* Included base salary and other remuneration of DKK 1.0 million (2013: DKK 0.7 million) and share-based compensation expenses of DKK 1.1 million (2013: DKK 0.6 million).

For further information about the Executive Management, please refer to the section "Senior Leadership" in the Directors' Report.

Severance Payments:
In the event Genmab terminates the service agreements with each member of the Executive Management team without cause, Genmab is obliged to pay the Executive Officer his existing salary for one or two years after the end of the one year notice period. In case of the termination of the service agreements of the Executive Management without cause, the total impact on our financial position is estimated to approximately DKK 30 million as of December 31, 2014 (2013: DKK 29 million).

The severance payments follow the Recommendations which provide that termination payments should not amount to more than two years' annual remuneration.

Please refer to note 5.6 regarding the potential impact in the event of change of control of Genmab.

NUMBER OF ORDINARY SHARES OWNED AND SHARE-BASED INSTRUMENTS HELD

Number of ordinary shares owned	December 31, 2013	Acquired	Sold	Transfers	December 31, 2014	Market value*
						DKK'000
Board of Directors						
Mats Pettersson	-	10,000	-	-	10,000	3,603
Anders Gersel Pedersen	-	-	-	-	-	-
Burton G. Malkiel	5,000	6,625	-	-	11,625	4,188
Hans Henrik Munch-Jensen	300	-	-	-	300	108
Tom Vink	-	-	-	-	-	-
Nedjad Losic	800	200	-	-	1,000	360
	6,100	**16,825**	**-**	**-**	**22,925**	**8,259**
Executive Management						
Jan van de Winkel	495,000	95,000	-	-	590,000	212,577
David A. Eatwell	-	-	-	-	-	-
	495,000	**95,000**	**-**	**-**	**590,000**	**212,577**
Total	**501,100**	**111,825**	**-**	**-**	**612,925**	**220,836**

* Market value is based on the closing price of the parent company's shares on the Nasdaq Copenhagen at the balance sheet date or the last trading day prior to the balance sheet date.

V Section 5 – Other Disclosures

5.1 – Remuneration of the Board of Directors and Executive Management (Continued)

Number of warrants held	December 31, 2013	Granted	Exercised	Expired	December 31, 2014	Black - Scholes value warrants granted in 2014	Weighted average exercise price outstanding warrants
						DKK	DKK
Board of Directors							
Mats Pettersson	45,000	-	(6,250)	-	38,750	-	187.96
Anders Gersel Pedersen	117,500	-	(10,000)	-	107,500	-	172.00
Burton G. Malkiel	93,500	-	(22,250)	-	71,250	-	288.49
Hans Henrik Munch-Jensen	98,500	-	-	-	98,500	-	234.82
Tom Vink	39,425	-	(4,875)	-	34,550	-	114.45
Nedjad Losic	51,750	-	(5,200)	(50)	46,500	-	114.02
	445,675	**-**	**(48,575)**	**(50)**	**397,050**	**-**	**198.25**
Executive Management							
Jan van de Winkel	785,000	14,900	(95,000)	-	704,900	1,889,022	201.80
David A. Eatwell	522,000	8,875	-	-	530,875	1,125,173	137.50
	1,307,000	**23,775**	**(95,000)**	**-**	**1,235,775**	**3,014,195**	**174.18**
Total	**1,752,675**	**23,775**	**(143,575)**	**(50)**	**1,632,825**	**3,014,195**	**180.03**

Number of RSUs held	December 31, 2013	Granted	Settled	Cancelled	December 31, 2014	Fair value RSUs granted in 2014
						DKK
Board of Directors						
Mats Pettersson	-	2,300	-	-	2,300	776,020
Anders Gersel Pedersen	-	1,725	-	-	1,725	582,015
Burton G. Malkiel	-	1,150	-	-	1,150	388,010
Hans Henrik Munch-Jensen	-	1,150	-	-	1,150	388,010
Tom Vink	-	1,150	-	-	1,150	388,010
Nedjad Losic	-	1,150	-	-	1,150	388,010
	-	**8,625**	**-**	**-**	**8,625**	**2,910,075**
Executive Management						
Jan van de Winkel	-	22,400	-	-	22,400	7,557,760
David A. Eatwell	-	13,325	-	-	13,325	4,495,855
	-	**35,725**	**-**	**-**	**35,725**	**12,053,615**
Total	**-**	**44,350**	**-**	**-**	**44,350**	**14,963,690**

Following Genmab A/S' Annual General Meeting on April 9, 2014, the Board of Directors is comprised of four independent directors and two employee-elected directors. Dr. Anders Gersel Pedersen, Dr. Burton G. Malkiel, Mats Pettersson, and Hans Henrik Munch-Jensen were re-elected to the Board of Directors for a one year period. The employee-elected board members Tom Vink and Nedjad Losic were re-elected to the Board of Directors for a three year period in 2013. The Board of Directors convened and constituted itself with Mr. Pettersson as Chairman and Dr. Pedersen as Deputy Chairman.

V Section 5 – Other Disclosures

5.2 – Related Party Disclosures

Genmab's related parties are:

- the parent company's subsidiaries
- companies in which members of the parent company's Board of Directors, Executive Management, and close members of the family of these persons exercise significant influence
- the parent company's Board of Directors, Executive Management, and close members of the family of these persons.

THE PARENT COMPANY'S TRANSACTIONS WITH SUBSIDIARIES

Genmab B.V. and Genmab US, Inc. are 100% owned subsidiaries of Genmab A/S and are included in the consolidated financial statements. They perform research & development, general & administrative, and management activities on behalf of the parent company. All intercompany transactions have been eliminated in the consolidated financial statements of the Genmab group.

	PARENT COMPANY	
	2014	2013
	DKK'000	DKK'000
Transactions with subsidiaries:		
Income statement:		
Service fee income	2,681	1,601
Service fee costs	(177,257)	(162,489)
Financial income	945	11,930
Balances with subsidiaries:		
Current receivables	-	1,892
Current payables	(101,156)	(48,138)

Genmab A/S has placed at each subsidiary's disposal a credit facility (denominated in local currency) that the subsidiary may use to draw from in order to secure the necessary funding of its activities.

COMPANIES IN WHICH MEMBERS OF THE PARENT COMPANY'S BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT, AND CLOSE MEMBERS OF THE FAMILY OF THESE PERSONS EXERCISE SIGNIFICANT INFLUENCE

In 2010 we entered into a collaboration with Lundbeck under which Genmab will create novel human antibodies to three targets identified by Lundbeck. As Deputy Chairman Anders Gersel Pedersen is a member of Lundbeck's executive management, Lundbeck is considered a related party.

Under the terms of the agreement, Genmab received an upfront payment of EUR 7.5 million (DKK 56 million at the date of the agreement) in 2010. The upfront payment was deferred and recognized in the income statement as revenue on a straight line basis over a three year period.

Lundbeck is funding the development of the antibodies and during 2014 and 2013, the income (reimbursement of costs and milestone payments) from the collaboration was DKK 6 million and DKK 18 million, respectively. The amount is included in revenue.

As of December 31, 2014, there was no outstanding receivable with Lundbeck compared to DKK 15 million in 2013, which is included in receivables.

THE GROUP'S TRANSACTIONS WITH THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

Genmab has not granted any loans, guarantees, or other commitments to or on behalf of any of the members in the Board of Directors or Executive Management.

Other than the remuneration and other transactions relating to the Board of Directors and Executive Management described in note 5.1, no other significant transactions have taken place with the Board of Directors or the Executive Management during 2013 and 2014.

V Section 5 – Other Disclosures

5.3 – Equity Interests in Subsidiaries

Genmab A/S (parent company) holds investments in the following subsidiaries:

Name	Domicile	Ownership and votes 2014	Ownership and votes 2013
Genmab B.V.	Utrecht, the Netherlands	100%	100%
Genmab US, Inc.	New Jersey, USA	100%	100%

Investments in subsidiaries are subject to a yearly assessment by the group's management for impairment indications and, if necessary, an impairment test is carried out. In 2013, the loans granted to Genmab MN, Inc. (now Genmab US, Inc.) were contributed to capital. The previous impairments related to the loans have been transferred to the equity investment. The total net impact in 2013 was DKK 26 million (income) following the sale of the facility. The impairment and income are included in discontinued operation in the financial statements of the parent company.

	PARENT COMPANY	
	2014	2013
	DKK'000	DKK'000
Cost per January 1	2,068,564	506,856
Additions for the year	88,099	1,561,708
Cost per December 31	**2,156,663**	**2,068,564**
Impairment per January 1	(1,928,768)	(426,285)
Impairment for the year	-	(1,502,483)
Impairment per December 31	**(1,928,768)**	**(1,928,768)**
B/S **Carrying amount per December 31**	**227,895**	**139,796**

§ ACCOUNTING POLICIES

In the separate financial statements of the parent company Genmab A/S, equity interests in subsidiaries are recognized and measured at cost. Equity interests in foreign currencies are translated to the reporting currency by use of historical exchange rates prevailing at the time of investment. The cost is written down to the recoverable amount if this is lower.

Distributions from the investment are recognized as income when declared, if any. An impairment test is performed if a distribution exceeds the current period's comprehensive income or the subsidiary exceeds the carrying amount of the net assets of the subsidiary in the consolidated financial statements. ■

V Section 5 – Other Disclosures

5.4 –Discontinued Operation

In November 2009, we announced a reorganization plan which included the intention to sell Genmab's manufacturing facility located in Brooklyn Park, Minnesota, USA. The facility was sold in 2013.

	2014	2013
	DKK'000	DKK'000
Net result of discontinued operation		
Expenses	-	(10,260)
	-	**(10,260)**
Gain on disposal of asset held for sale	-	52,489
Operating result	**-**	**42,229**
Financial income, net	-	7
Net result before tax	**-**	**42,236**
Corporate tax	-	(29)
I/S **Net result**	**-**	**42,207**
Basic net result per share discontinued operation	-	0.82
Diluted net result per share discontinued operation	-	0.81
Net cash flows from discontinued operation		
Net cash flows from operating activities	-	(18,887)
Net cash flows from investing activities	-	52,489
Net cash flows from discontinued operation	**-**	**33,602**

The facility was sold in February 2013 to Baxter for USD 10 million (approximately DKK 57 million) in cash less sales related costs, resulting in a gain of DKK 52 million, which was recognized in 2013.

After a short transition period, following the sale of the manufacturing facility, Baxter offered employment to the 23 employees who had supported the facility. The transition period was completed at the end of March 2013, and all transition costs were paid by Baxter.

The remaining cash position within the discontinued operations has been included in continuing operations since the second quarter of 2013.

§ ACCOUNTING POLICIES

DISCONTINUED OPERATION

A discontinued operation is a component of the group's business that represents a separate major line of business that has been disposed of or is held for sale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

When an operation is classified as a discontinued operation, the results of the discontinued operation are presented separately from continuing operations in the income statement. The comparative income statement information is re-classified for discontinued operations in a separate line item as if the operation had been discontinued from the start of the comparative period.

Additional information regarding discontinued operations is disclosed in the notes and includes among other items a split into revenue, expenses and pre-tax profit or loss of discontinued operations, the impairment, and the gain or loss recognized on the measurement to fair value less cost to sell or on the disposal. In addition, related cash flow information is disclosed. ■

V Section 5 – Other Disclosures

5.5 – Commitments

GUARANTEES AND COLLATERALS

The group has, through a bank deposit, established a bank guarantee of DKK 3 million (2013: DKK 3 million) relating to the lease of an office building. In the separate financial statements of the parent company, no such guarantees have been established.

OPERATING LEASES

The group has entered into operating lease agreements with respect to office space and office equipment. The leases are non-cancelable for various periods up to 2018.

Future minimum payments under our operating leases as of December 31, 2014, are as follows:

	GENMAB GROUP		PARENT COMPANY	
	2014	2013	2014	2013
	DKK'000	DKK'000	DKK'000	DKK'000
Payment due				
Within 1 year	11,891	11,864	2,339	2,578
From 1 to 5 years	36,735	24,820	4,252	6,407
After 5 years	-	-	-	-
Total	**48,626**	**36,684**	**6,591**	**8,985**
Expenses recognized in the income statement	14,643	12,459	2,510	2,402

FINANCE LEASES

The parent company and the group have entered into finance lease contracts, primarily with respect to laboratory equipment. A part of the finance lease contracts in the Dutch subsidiary (lessee) have been entered into by Genmab A/S (lessor).

This arrangement is neutral to the parent company, as all terms and conditions of the lease agreement are passed on to the subsidiary on the same terms as from the external lessor. This arrangement ended in 2014 and as a result Genmab A/S has no lease receivables from the subsidiary as of December 31, 2014 (2013: DKK 2 million). All finance lease commitments recorded in the separate financial statements of the parent company are fully reflected in subleases entered into with the subsidiary Genmab B.V.

The average effective interest rate in the parent company's and the group's lease arrangements is approximately 4% in both 2014 and 2013.

Future minimum lease payments under such finance leases and the net present value are as follows:

	GENMAB GROUP		PARENT COMPANY	
	2014	2013	2014	2013
	DKK'000	DKK'000	DKK'000	DKK'000
Minimum lease payments				
Within 1 year	237	2,148	-	1,911
From 1 to 5 years	118	356	-	-
	355	**2,504**	**-**	**1,911**
Future finance charges	-	(19)	-	(19)
Total	**355**	**2,485**	**-**	**1,892**
Net present value of future payments				
B/S Within 1 year	237	2,129	-	1,892
B/S From 1 to 5 years	118	356	-	-
Total	**355**	**2,485**	**-**	**1,892**

V Section 5 – Other Disclosures

5.5 – Commitments – Continued

FINANCIAL OBLIGATIONS UNDER COLLABORATION AGREEMENTS

Subsequent to year end, the ofatumumab collaboration with GSK was transferred to Novartis. As a result of the transfer, Genmab is not required to pay its existing funding liability of DKK 176 million or to fund research and development costs for ofatumumab beyond December 31, 2014.

OTHER PURCHASE OBLIGATIONS

The parent company and the group have entered into a number of agreements primarily related to research and development activities carried out by Genmab. Under the current development plans, the contractual obligations amounted to DKK 78 million (2013: DKK 103 million). In the parent company, the contractual obligations amounted to DKK 78 million (2013: DKK 103 million).

§ ACCOUNTING POLICIES

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 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 over the lease term. The total lease commitment under operating leases is disclosed in the notes to the financial statements. ■

5.6 – Contingent Assets, Contingent Liabilities and Subsequent Events

CONTINGENT ASSETS AND LIABILITIES

License and Collaboration Agreements

We are entitled to potential milestone payments and royalties on successful commercialization of products developed under license and collaboration agreements with our partners. Since the size and timing of such payments are uncertain until the milestones are reached, the agreements may qualify as contingent assets. However, it is impossible to measure the value of such contingent assets, and, accordingly, no such assets have been recognized.

As part of the license and collaboration agreements that Genmab has entered into, once a product is developed and commercialized, Genmab may be required to make milestone and royalty payments e.g. to Medarex/Bristol-Myers Squibb. It is impossible to measure the value of such future payments, but Genmab expects to generate future income from such products which will exceed any milestone and royalty payments due, and accordingly no such liabilities have been recognized.

Derivative Financial Instruments

Genmab has entered into various derivative financial instruments – see note 4.2 – under an International Swaps and Derivatives Association master agreement. The master agreement with Genmab's financial institution counterparty also includes a credit support annex which contains provisions that require Genmab to post collateral should the value of the derivative liabilities exceed DKK 50 million (2013: DKK 50 million). As of December 31, 2014 and 2013, Genmab has not been required to post any collateral.

In addition, the agreement requires Genmab to maintain a cash position of DKK 258.5 million at all times or the counterparty has the right to terminate the agreement. Upon termination, the DKK 50 million (2013: DKK 50 million) threshold amount is no longer applicable and the value of the derivative liability, if any, could be due to the counterparty upon request.

Change of Control

In the event of a change of control, change of control clauses are included in some of our collaboration, development and license agreements as well as in service agreements for certain employees.

COLLABORATION, DEVELOPMENT AND LICENSE AGREEMENTS

We have entered into collaboration, development and license agreements with external parties, which may be subject to renegotiation in case of a change of control event in Genmab A/S. However, any changes in the agreements are not expected to have significant influence on our financial position.

SERVICE AGREEMENTS WITH EXECUTIVE MANAGEMENT AND EMPLOYEES

The service agreements with each member of the Executive Management may be terminated by Genmab with no less than 12 months' notice and by the member of the Executive Management with no less than six months' notice. In the event of a change of control of Genmab, the termination notice due to the member of the Executive Management is extended to 24 months. In the event of termination by

V Section 5 – Other Disclosures

5.6 – Contingent Assets, Contingent Liabilities and Subsequent Events – Continued

Genmab (unless for cause) or by a member of Executive Management as a result of a change of control of Genmab, Genmab is obliged to pay a member of Executive Management a compensation equal to his existing total salary (including benefits) for up to two years in addition to the notice period. In case of a change of control event and the termination of service agreements of the Executive Management, the total impact on our financial position is estimated to approximately DKK 71 million as of December 31, 2014 (2013: DKK 67 million).

In addition, Genmab has entered into service agreements with 25 (2013: 26) current employees according to which Genmab may become obliged to compensate the employees in connection with a change of control of Genmab. If Genmab as a result of a change of control terminates the service agreement without cause, or changes the working conditions to the detriment of the employee, the employee shall be entitled to terminate the employment relationship without further cause with one month's notice in which case Genmab shall pay the employee a compensation equal to one or two times the employee's existing annual salary (including benefits).

In case of the change of control event and the termination of all 25 service agreements the total impact on our financial position is estimated to approximately DKK 67 million as of December 31, 2014 (2013: DKK 64 million).

With respect to change of control clauses related to share-based instruments granted to the Executive Management and employees, please refer to note 4.6. As of December 31, 2014, a change of control event and the termination of all impacted service agreements are, in relation to share-based instruments, not expected to have a significant impact on our financial position.

SUBSEQUENT EVENTS

Subsequent to the balance sheet date, in February 2015, Genmab announced preliminary results from the Phase II study of daratumumab in double refractory multiple myeloma. The ORR in the study was 29.2% in the 16 mg/kg dosing group and the median duration of response was 7.4 months as determined by an IRC. Daratumumab showed a manageable safety profile. The data will be discussed with health authorities at upcoming meetings, pending their agreement.

Furthermore, in February, GSK, holding shares through Glaxo Group Limited, disposed of its 4,471,202 Genmab shares and no longer have ownership in Genmab A/S.

On March 2, 2015, the ofatumumab collaboration with GSK was transferred to Novartis. As a result of the transfer, Genmab is not required to pay its existing funding liability of DKK 176 million or to fund research and development costs for ofatumumab beyond December 31, 2014. During the first quarter of 2015, the existing funding liability will be reversed into income on a separate line in Genmab's income statement.

No other events that could significantly affect the financial statements as of December 31, 2014 have occurred.

§ ACCOUNTING POLICIES

CONTINGENT ASSETS AND LIABILITIES

Contingent assets and liabilities are assets and liabilities that arose from past events but whose existence will only be confirmed by the occurrence or non-occurrence of future events that are beyond Genmab's control.

Contingent assets and liabilities are not to be recognized in the financial statements, but are disclosed in the notes. ■

V Section 5 – Other Disclosures

5.7 – Fees to Auditors Appointed at the Annual General Meeting

	GENMAB GROUP		PARENT COMPANY	
	2014	2013	2014	2013
	DKK'000	DKK'000	DKK'000	DKK'000
PricewaterhouseCoopers				
Audit services	1,095	1,230	778	833
Audit-related services	157	162	157	162
Tax and VAT services	1,054	1,209	962	1,072
Other services	9	32	9	32
Total	**2,315**	**2,633**	**1,906**	**2,099**

5.8 – Adjustments to Cash Flow Statement

		GENMAB GROUP		PARENT COMPANY	
	Note	2014	2013	2014	2013
		DKK'000	DKK'000	DKK'000	DKK'000
Adjustments for non-cash transactions:					
Depreciation and amortization	3.1, 3.2	12,331	11,664	4,495	2,126
Impairment of Genmab MN, Inc. (Now Genmab US, Inc.)	5.3	-	-	-	(26,173)
Net loss (gain) on sale of equipment		(11)	(52,367)	-	-
Share-based compensation expenses	2.3, 4.6	27,719	11,566	10,334	4,580
Provisions		-	(350)	-	(350)
Total		**40,039**	**(29,487)**	**14,829**	**(19,817)**
Changes in working capital:					
Receivables		41,802	(917)	42,113	(1,814)
Provisions paid		(861)	(861)	(861)	(861)
Deferred income		(267,249)	(272,873)	(267,249)	(272,873)
Other payables		4,551	34,494	8,476	37,974
Total		**(221,757)**	**(240,157)**	**(217,521)**	**(237,574)**

Directors' and Management's Statement on the Annual Report

Today the Board of Directors and Executive Management have discussed and approved the annual report of Genmab A/S for the financial year 1 January to 31 December 2014.

The annual report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

In our opinion the consolidated financial statements and the parent company financial statements give a true and fair view of the group's and the parent company's financial position at 31 December 2014 and of the results of the group's and the parent company's operations and cash flows for the financial year 1 January to 31 December 2014.

In our opinion the Directors' Report includes a true and fair review about the development in the group's and the parent company's operations and financial matters, the results for the year and the parent company's financial position, and the position as a whole for the entities included in the consolidated financial statements, as well as a review of the more significant risks and uncertainties faced by the group and the parent company.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, March 2, 2015

EXECUTIVE MANAGEMENT

Jan van de Winkel
(President & CEO)

David A. Eatwell
(Executive Vice President & CFO)

BOARD OF DIRECTORS

Mats Pettersson
(Chairman)

Anders Gersel Pedersen
(Deputy Chairman)

Burton G. Malkiel

Hans Henrik Munch-Jensen

Tom Vink
(Employee elected)

Nedjad Losic
(Employee elected)

Independent Auditor's Report

TO THE SHAREHOLDERS OF GENMAB A/S

REPORT ON CONSOLIDATED FINANCIAL STATEMENTS AND PARENT COMPANY FINANCIAL STATEMENTS

We have audited the consolidated financial statements and the parent company financial statements of Genmab A/S for the financial year 1 January to 31 December 2014 pages 46-97, which comprise Statement of Comprehensive Income, Balance Sheet, Statement of Cash Flows, Statement of Changes in Equity and Notes, including summary of significant accounting policies, for the group as well as for the parent company. The consolidated financial statements and the parent company financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

Management's Responsibility for the Consolidated Financial Statements and the Parent Company Financial Statements

Management is responsible for the preparation of the consolidated financial statements and parent company financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated financial statements and the parent company financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements and the parent company financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and the parent company financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements and the parent company financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the consolidated financial statements and the parent company financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements and the parent company financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The audit has not resulted in any qualification.

Opinion

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the group and the parent company's financial position at 31 December 2014 and of the results of the group's and parent company's operations and cash flows for the financial year 1 January to 31 December 2014 in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

Statement on Directors' Report

We have read the Directors' Report pages 1-45 in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit performed of the consolidated financial statements and the parent company financial statements. On this basis, in our opinion, the information provided in the Directors' Report is consistent with the consolidated financial statements and the parent company financial statements.

Copenhagen, March 2, 2015

PRICEWATERHOUSECOOPERS
Statsautoriseret Revisionspartnerselskab

Torben Jensen
State Authorized Public Accountant

Allan Knudsen
State Authorized Public Accountant

Glossary

ADC
Antibody-drug conjugate. Monoclonal antibodies with potent cytoxic agents (toxins) coupled to them.

Antigen
Immunogen. Any substance that is specifically bound by an antibody.

B-cell
White blood cell type also known as a B-Lymphocyte.

Bispecific antibody
An antibody in which the two binding regions are not identical, with each region directed against a different molecule or different site on the same molecule.

BLA
Biologic License Application. A submission to apply for marketing approval from the FDA, which contains specific information on the manufacturing processes, chemistry, pharmacology, clinical pharmacology and the medical effects of a biologic product.

Breakthrough Therapy Designation
FDA program intended to expedite development of drugs to treat serious and life-threatening medical conditions when preliminary clinical evidence demonstrates that a drug may have substantial improvement over available therapies.

Cytotoxicity
The ability to kill cells.

Epitope
The surface portion of an antigen capable of eliciting an immune response and of combining with an antibody produced to counter that response.

Lymphoma
Cancer of the white blood cells.

Monoclonal
Derived from a single cell.

Monotherapy
Treatment of a medical condition by use of a single drug.

PFS
Progression free survival. The length of time a patient lives without their disease worsening.

Refractory
Resistant to treatment.

Relapsed
Recurrence of disease symptoms after a period of improvement.

Priority Review
FDA designation is used for drugs that, if approved, would be significant improvements in the safety or effectiveness of the treatment, diagnosis, or prevention of serious conditions when compared to standard applications.

Target
A substance identified as potentially of interest for use in the creation of an antibody.

Transgenic mouse
A mouse carrying a transgene, a gene introduced into replicating cells, so that it is transmitted across future generations of replicating cells.

Forward Looking Statement

This annual 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 this annual report. Genmab does not undertake any obligation to update or revise forward looking statements in this annual report nor to confirm such statements in relation to actual results, unless required by law.

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PHOTO CREDITS
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Board of Directors and Senior Leadership photos: **Jeroen Bouman**
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About Genmab A/S

Genmab is a publicly traded, international biotechnology company specializing in the creation and development of differentiated human antibody therapeutics for the treatment of cancer. Founded in 1999, the company currently has one marketed antibody, Arzerra® (ofatumumab) for the treatment of certain chronic lymphocytic leukemia indications and daratumumab in late stage clinical development for multiple myeloma. Additionally Genmab has a clinical pipeline with both late and early stage programs, and an innovative pre-clinical pipeline. Genmab's technology base consists of validated and proprietary next generation antibody technologies – the DuoBody® platform for generation of bispecific antibodies, and the HexaBody™ platform which creates effector function enhanced antibodies. Genmab's deep antibody expertise is expected to provide a stream of future product candidates. Partnering of selected innovative product candidates and technologies is a key focus of Genmab's strategy and the company has alliances with top tier pharmaceutical and biotechnology companies. For more information visit **www.genmab.com**.