Q&A GENMAB

10TH OF AUGUST 2017

WITH JAN VAN DE WINKEL

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Transcript Live Q and A Genmab with Jan Van de Winkel, the 10th of August 2017

Helge Larsen/PI-redaktør	Jan and David. Are you online?
Jan Van de Winkel	Yes, we are here. Looking forward to talking to you.
Helge Larsen/PI-redaktør	:-)
Helge Larsen/PI-redaktør	Jan van de Winkel and David Eatwell. Welcome to Q & A here on ProInvestor.com. We are very happy to have you back here and ready to answer questions from our investors.
Jan Van de Winkel	Looking forward. Thank you for hosting us.
Helge Larsen/PI-redaktør	First of all let me congratulate on the great results for Q2 . Can you give us a short-term update on key figures and important events?
Jan Van de Winkel	Key figures: revenue for H1 1024 mn kr 95% vs 2016...
Jan Van de Winkel	expenses at 21% operating income at 582 mn which I s268% up since last year...
Jan Van de Winkel	cash is at 5.2 bn DKK.....
Jan Van de Winkel	Janssen DARZALEX sales 554 mn USD vs 209 last year, and royalty of DKK 454...
Jan Van de Winkel	Key business highlights. US approval for dara + Pomalyst....
Jan Van de Winkel	EU approval for dara in secondline combination with certain standard treatments in April....
Jan Van de Winkel	tisotumab vedotin, encouraging prelim. data in cervical cancer....
Jan Van de Winkel	and many more highlights detailed in the report.
Sibelius	Question: How is the large cash position managed? Is there a hedging policy in place to adress currency and interest movements?
Jan Van de Winkel	in terms of the FX the hedging - its probably easier to read the annual report note 4.2...42mn USD of royalties is hedged at a rate locked in. Marketable securities are all high quality assets with short term durations.
bibob	Mr Winkel. In your first half you have higher financial costs. What did the more costs been used for. ?
Jan Van de Winkel	The 171 mn DKK net financial item expense was impacted by FX movements

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	impacting the USD portfolio and cash holdings
Budweis	In a couple of interviews have you indicated that your (J&J / Genmabs) internal sales estimates for Darzalex were higher than the bank analysts. How do you see that indications after the market introduction and what are you internal sales expectations for 2020 (compared with the bankers)?
Jan Van de Winkel	The launch of DARZALEX is going extremely well. We are confident about the peak sales model, with analysts average peak sales at 8.5 bn USD in MM.
Joakim Von And	Are production of darzalex able to follow the growing market or happens restorders ?? Productionlines must / may extend rapidly over the last years. I think the last month sale was a slight disapointing and that could be because of restorders/ productionsproblems
Jan Van de Winkel	We don't look at sales on a month by month basis, but concentrate on Q by Q sales. Also the June sales were not disappointing. DARZALEX sales in Q2 were actually 17% higher than in Q1.
transalp	Thanks for you spend time with us here at proinvestor.. Means a lot to us.. Jan i understand why you give your co workers, warrents.. Genmab is if any firm, the result of people with fantasic knowledge and workeffort. How do you devide warrents between you? It is both to keep important research inside and to reconice a secretarys effort?
Jan Van de Winkel	Genmab is about teamwork, and everybody contributes to building a success. Therefore, we want recognize everyone's contribution by giving them warrants....
Jan Van de Winkel	Biotech is a global industry and this is quite a normal practice.
Raffles	What is the next step in relation to the patent case (Morphosys AG) and what is the timing?
Jan Van de Winkel	We cannot comment on an active cases.
E L	What do you see as the biggest competitor for Dara? Do you see CAR-T therapy as a serious threat?
Jan Van de Winkel	There are not many active competitors for dara...
Jan Van de Winkel	perhaps some of the 'new' checkpoint blockers could turn out to be active in the same therapeutic area, but we really view dara as a backbone treatment ie a drug that can be an ideal combination partner for other drugs...
Jan Van de Winkel	as it relates to CAR-T, this is more of a procedure than a traditional medicine. Potentially more suited to end stage patients in limited numbers of clinical centres.

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Sukkeralf	Will Janssen still present data from the Carina study this year ?
Jan Van de Winkel	We don't control when data will be published, but we have learned from Janssen that they intend to publish the Carina data.
bongobob	Since Daratumumab has shown effect in CLL by ADCC do you think we will see combination studies with Ofatumumab
Jan Van de Winkel	The top priorities for dara are multiple myeloma and solid cancers. We expect to see an increasing number of ISS studies in other cancers. These could include CLL.
Bulder	Is the combination of panobinostat and dara ready for use, since both pano and dara are approved? Or does it need a specifical approval from the authorities?
Jan Van de Winkel	Both drugs are on the market and could in theory be used for combination treatment but it is not an approved indication for dara.
Raffles	OFA - Regarding Complement A+B study. Patient enrollment was completed in May 2017. What is the expected next step and what is the timing ?
Jan Van de Winkel	We still expect data to become available in the second half of this year.
Bulder	If it is decided to go further with JNJ...957, will that include a sc-version of it?
Jan Van de Winkel	This is a Janssen product, where we get royalties and milestones but Janssen is responsible for positioning and development.
Raffles	AMG714 had primary completion date in june-17. What is the expected next step and what is the timing ?
Jan Van de Winkel	This is a product that is out-licensed to Celimmune by Amgen, so they are responsible for positioning and further development.
Raffles	What is the expected next step for HuMax IL8 (Solid tumors / BMS) and what is the timing?
Jan Van de Winkel	This product is now developed and positioned by BMS so they control further development and timing.
Raffles	TisotumabVedotin. It is expected that data will be presented at ESMO in Madrid in Sept. When can we expect to get a decision from Seattle Genetics regarding their future involvement? If SG decide to opt-in, will there be a payment to Genmab (Cost covering)?
Jan Van de Winkel	Seattle Genetics has an option where they can exercise the option at the end of the Phase I/II study. But of course there is always a possibility for an opt in before that but that would be up to Seattle Genetics.

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Sukkeralf	How many DuoBody programs have Janssen activated and do Janssen expect more IND´s this year ?
Jan Van de Winkel	The analysts covering Genmab have overall a very similar view of the DARZALEX/dara case, the JNJ analysts might have a more mixed view because the JNJ business is more than just pharma.
Jan Van de Winkel	12 activated programs with 8 clinical candidates and three active clinical programs under the Janssen DuoBody collaboration
Sukkeralf	Have BMS decided not to progress BMS-968253 (Humax-Inflam) any further ?
Jan Van de Winkel	HuMax-IL8 is in active clinical development by BMS - it is BMS that are responsible for positioning and development.
Helge Larsen/PI-redaktør	Bikube: Are there plans for making tests to select patients after gene sequencing?
Jan Van de Winkel	Janssen has a very active biomarker team for daratumumab and Genmab has invested in clinical biomarkers and translational medicine programs.
The Jokers	Can you specify the Royalty-deal with Janssen on Dara? You can recieve up to 20% if the sales crosses a certain point a year. Will the 20% be given for the whole yearly sale if you cross that line or only for the part of the sale that crosses this point?
Jan Van de Winkel	The royalty is tiered double digit 12-20% and for sales above 3 bn USD in a year, the royalty % is 20%. The royalty rate resets each year so it starts at 12% and moves up as sales increase.
Helge Larsen/PI-redaktør	Jan and David. This was all we had for you this time. Thank you for joining us and thank you for the many fulfilling answers to the broad range of interested questions from our investors here at ProInvestor. com. We look very much forward to having you back again here for a Q&A in the near future after Q3.
Jan Van de Winkel	Thank you very much. It has been enjoyable as always. Look forward to speaking with you all at the next quarter.
Helge Larsen/PI-redaktør	This session is ended.