

11th August 2016

Healthcare

Genmab

Price DKK1,167

An ex-oncology deal with Gilead further validating the bispecific platform

Fair Value DKK1600 (+37%)

BUY

Bloomberg	GEN DC
Reuters	GEN.CO
12-month High / Low (DKK)	1,266 / 548.0
Market Cap (DKKm)	69,826
Avg. 6m daily volume (000)	466.2

	1 M	3 M	6 M	31/12/15
Absolute perf.	-2.9%	16.9%	73.1%	27.2%
Healthcare	-0.7%	6.0%	10.9%	-5.5%
DJ Stoxx 600	5.1%	2.3%	9.1%	-6.0%

	2015	2016e	2017e	2018e
P/E	NS	NS	NS	56.5x
Div yield (%)	NM	NM	NM	NM

ANALYSIS

- **Genmab has inked a collaboration agreement with Gilead to create a DuoBody (bispecific antibody) to treat HIV.** Under the terms of the agreement, 1/ GEN will receive an upfront payment of USD5m, as well as up to USD277m milestones payments and single-digit royalties; 2/ Gilead has an option to obtain a second exclusive option (and we believe this might involve another therapeutic field, e.g. NASH, inflammation).
- **The potential targeted antigens were not disclosed**, but we note that gp120, gp41 and CD4 are targets for which the industry has paid a particular attention recently.
- **We see this as another strong validation of the attractiveness of GEN's bispecific platform...** Knowing that several other collaborations have been concluded over the past few years, in oncology and potentially other fields (e.g. inflammation, and perchanca haemophilia).

VALUATION

- **BUY rating reiterated with a FV of DKK1,600.**

NEXT CATALYSTS

- November, 10: Capital market day
- Q4: ASH meeting + Daratumumab's label expansion to the second-line of myeloma as part of a combination regimen.

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Distribution of stock ratings

BUY ratings 72%

NEUTRAL ratings 0%

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