

## Genmab

Price DKK1,161

Daratumumab caught everyone's eye once again

Fair Value Under Review

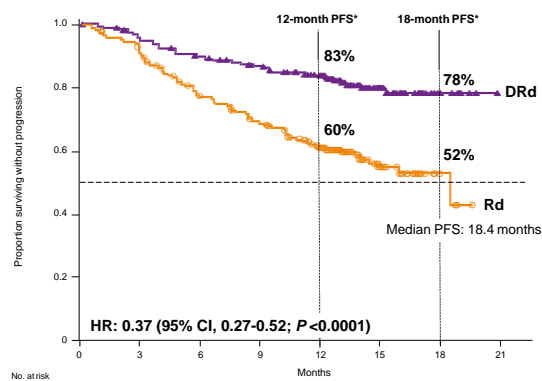
BUY

Bloomberg	GEN DC
Reuters	GEN.CO
12-month High / Low (DKK)	1,266 / 548.0
Market Cap (DKKm)	69,467
Ev (BG Estimates) (DKKm)	65,852
Avg. 6m daily volume (000)	454.2
3y EPS CAGR	17.5%

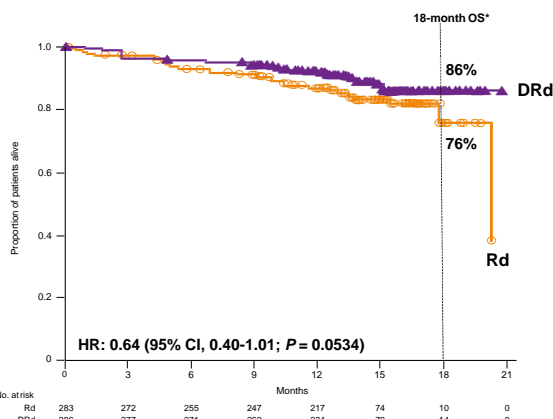
Details from the POLLUX study (which evaluated daratumumab in combination with Celgene's Revlidmid (lenalidomide) and dexamethasone in relapsed/refractory patients with multiple myeloma) were presented yesterday at the EHA meeting; and let's say the data were simply outstanding... And we will update our sales estimates accordingly. For the time being, we put our FV under (positive) review while reiterating our BUY recommendation.

## ANALYSIS

- Firstly, and looking at the PFS (which was the primary endpoint of the study), we note that nearly 80% of the patients who received dara/len/dex were progression-free at 21 months vs 40-45% for those with len/dex, when taking into account all patients independently of the number of previous therapies, etc. But strikingly, the active arm's curve has remained completely flat between months 15 and 21, while the control group's has been constantly degrading.



- We'll see whether such trends will persist, but clearly the potential financial implications could be significant, as this means 1/ second and third-line patients might be treated for more than 2 years (and so far we made the very conservative assumption that they would be for only 1 year); 2/ our market shares for these more advanced lines could be revised upward (especially in third-line patients for whom the HR amounted to 0.29 vs 0.37 for all-comers).
- We would also note that preliminary OS data were simply exceptional (86% of patients alive within the active arm after 21 months vs less than 40% for those in the control group – See Fig. below), and given how the PFS rate has evolved, we believe such spread might be quite sustainable.



- Unsurprisingly, the addition of daratumumab to len/dex had quite a limited impact on the overall safety profile of the combination regimen, and particularly regarding the incidence Grade 3-4 of neutropenia (52% vs 37%).



#### VALUATION

- We put our FV under (positive) review while reiterating our BUY recommendation.

#### NEXT CATALYSTS

- Q3 16: Filling of a sBLA to get daratumumab's label expansion.
- Q4 16: Read-across from the approval of Roche's ocrelizumab (anti-CD20) in multiple sclerosis.

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BUY ratings 55.5%

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