

August 22, 2022 04:01 AM GMT

## Biotechnology | North America

## Biotechnology: 2Q22 SMID Cap Earnings: Wave 3

We provide earnings updates from ADGI, CERE

WHAT'S CHANGED	Cerevel Therapeutics Holdings Inc	From	To
	(CERE.O)	Price Target	\$39.00

**ADGI (UW, \$3 PT):** Mgt. has engineered multiple antibodies with activity against all known COVID variants and plans to initiate clinical trials in 1Q23. Mgt. ended 2Q with cash of \$475M for runway into 2Q24 (vs. 2H24 as previously announced with 1Q).

**CERE (OW, \$50 PT):** CERE benefited from Karuna (not covered) reporting positive Ph3 (EMERGENT-2) data testing KarXT in schizophrenia. We note that KarXT is a M1/M4-preferring muscarinic agonist compared to Emraclidine, which selectively targets the M4 muscarinic receptor (PAM). KarXT achieved a 9.6-point reduction in PANSS Total Score which was at the high-end of investor expectations. Investors are now focused on the heart rate study for Cerevel with data expected by YE22. **Model changes:** We updated our model for the \$254M equity raise, \$300M convertible debt and increased our POS on emraclidine from 50% to 60% after the Karuna data. Our new PT is now \$50 (from \$39). **Key takeaways: (1) Emraclidine:** Both Ph2 (EMPOWER-1/EMPOWER-2) have been initiated and initial data is expected in 1H24. Trial design: Each trial will enroll 372 schizophrenia patients with an acute exacerbation of psychotic symptoms who exhibit baseline PANSS total scores from 85 to 120. Patients will be randomized 1:1:1 into one of two emraclidine dose arms (10/30mg and 15/30 mg) or placebo. The primary endpoint is change in the PANSS total score after six-week treatment. Data from the ongoing 8-wk ambulatory blood pressure monitoring trial are expected by YE22; **(2) Darigabat:** Ph2 REALIZE trial in focal epilepsy is ongoing with initial data expected in mid-2023; **(3) Tavapadon:** All three Ph3 trials in early- and late-stage PD patients (TEMPO-1, -2, and -3) are ongoing, along with the corresponding open-label extension trial (TEMPO-4). Data from late- and early-PD are expected in 1H23 and 2H23, respectively; **(4) CVL-871:** Mgt. is conducting a Ph2a exploratory trial in dementia-related apathy with multiple endpoints. Data for this trial are anticipated in 1H23; **(5) Financials:** Cash at the end of 2Q was \$531.2M.

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## Biotechnology

North America  
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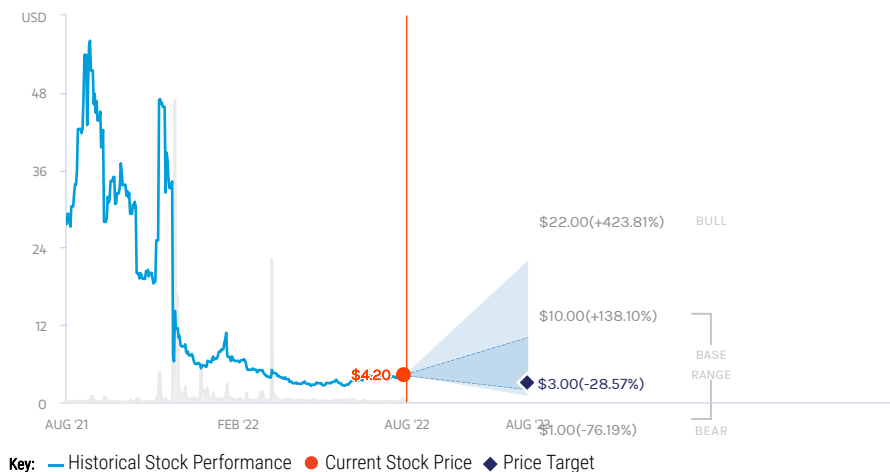
## Risk Reward – Adagio Therapeutics, Inc (ADGI.O)

Ability to neutralize Omicron drives risk/reward

### PRICE TARGET \$3.00

We derive our PT from a DCF methodology. We utilize a 12.5% discount rate and a 0.0% terminal growth rate for Adagio, as lead pipeline candidate is currently in Phase 3 trials.

### RISK REWARD CHART



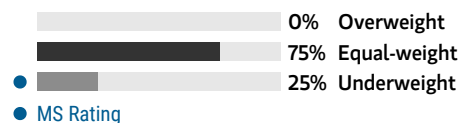
Key: — Historical Stock Performance ● Current Stock Price ◆ Price Target

Source: Refinitiv, Morgan Stanley Research

### UNDERWEIGHT THESIS

- We are Underweight Adagio because the the ADGI may have missed the "window" of COVID.
- While ADG-20 has a strong profile in terms of dosing and formulation, it may not work well against the dominant new variant Omicron.
- Omicron wave may pass prior to mgt. have definitive clinical data of ADG-20.

### Consensus Rating Distribution



Source: Refinitiv, Morgan Stanley Research

### Risk Reward Themes

Disruption: *Positive*  
 Secular Growth: *Positive*  
 Market Share: *Positive*

View descriptions of Risk Rewards Themes [here](#)

### BULL CASE

**\$22.00**

#### DCF

In our bull case, we apply 85% prob of success to ADG20. We project peak revenues of ~\$0.8B in 2023E.

### BASE CASE RANGE

**\$2.00 - \$10.00**

#### DCF

In our base case, we assume some revenues with a 2023 launch, but limited sales due to low omicron neutralization. We project peak sales of ~\$0.4B in 2023. We assume a 40% POS.

### BEAR CASE

**\$1.00**

#### Cash Value/Share

Assumes pipeline failure, and the company is valued at cash.

## Risk Reward – Adagio Therapeutics, Inc (ADGI.O)

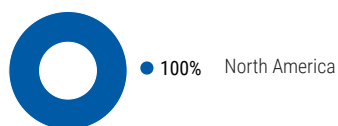
### KEY EARNINGS INPUTS

Drivers	2021	2022e	2023e	2024e
Total Revenue Growth (%)	NA	NA	NM	NM

### INVESTMENT DRIVERS

- STAMP trial interim efficacy analysis in 1H2022
- Anticipated EUA for COVID-19 treatment in 1H22, followed by full approval in late '22-early '23
- EVADE trial PEP results in 1H22 and PrEP results in 2H22
- Competitors' newsflow

### GLOBAL REVENUE EXPOSURE



Source: Morgan Stanley Research Estimate  
View explanation of regional hierarchies [here](#)

### SUSTAINABILITY & ESG



### RISKS TO PT/RATING

#### RISKS TO UPSIDE

- ADG 20 sales exceeds expectations due to pandemic persistence/outbreaks
- Variants of concern develop resistance to other mAbs
- Oral antivirals take less marketshare

#### RISKS TO DOWNSIDE

- Clinical trial failures or negative regulators feedback
- Smaller market or slower penetration due to easing of the COVID-19 pandemic
- Unexpected changes in COVID-19 competitive landscape

### OWNERSHIP POSITIONING

Inst. Owners, % Active	88.4%	
HF Sector Long/Short Ratio	2.1x	
HF Sector Net Exposure	20.1%	

Refinitiv; MSPB Content. Includes certain hedge fund exposures held with MSPB. Information may be inconsistent with or may not reflect broader market trends. Long/Short Ratio = Long Exposure / Short exposure. Sector % of Total Net Exposure = (For a particular sector: Long Exposure - Short Exposure) / (Across all sectors: Long Exposure – Short Exposure).

### MS ESTIMATES VS. CONSENSUS

FY Dec 2023e



◆ Mean ◆ Morgan Stanley Estimates

Source: Refinitiv, Morgan Stanley Research

## Risk Reward – Adagio Therapeutics, Inc (ADGI.O)

### SUSTAINABILITY AND ESG

#### INDICATOR OF CHANGE OVER TIME



Governance	Unit	Dec '19	Dec '20	Dec '21
<b>Avg tenure of the board</b>	Years	-	0.35	0.79
<b>Female board members</b>	Percentage	-	20.00%	22.22%
<b>Independent board members</b>	Percentage	-	60.00%	77.78%
<b>Shares owned by board members</b>	Percentage	-	-	19.92%

Indicator of change chart is plotted using the fiscal aligned methodology. View explanation of 'Indicator of Change' methodology [here](#)

Source: Company Data, Morgan Stanley Research

#### SUMMARY

##### ESG Data/ Indicator of Change

In 2021, Key ESG metrics that improved in 2021 were number of female board members (~22%) and number of independent directors (~78%) and shares owned by board (~20%).

Its ESG disclosure rate was 24% in 2021.

##### Sustainable Solutions

Adagio generates 100% revenues/ EBITA from products that are exposed to the "Treating Illness" Sustainability theme.

#### SUSTAINABLE SOLUTIONS

Theme	Exposure
Treating Illness	100% (EBITA)

Exposure is presented for top four Sustainability themes  
View explanation of Theme/Exposure methodology [here](#)

**Exhibit 1: Adagio Income Statement**

Adagio Therapeutics Income Statement (\$M)	2019A	2020A	2021A	1Q22A	2Q22A	3Q22E	4Q22E	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E
<b>Total Revenue (\$M)</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$161	\$181	\$191	\$119	\$128	\$128	\$128
<b>Costs &amp; Expenses:</b>																
Cost of sales	-	-	-	-	-	-	-	-	-	25.8	27.2	28.6	47.9	49.2	49.2	49.2
Research & Development	-	21.9	176.3	88.9	33.7	28.0	24.4	175.0	150.0	127.5	114.8	103.3	92.9	88.3	83.9	79.7
SG&A	-	3.2	25.3	9.9	11.6	9.2	9.2	40.0	60.0	100.0	100.0	98.0	96.0	94.1	92.2	90.4
<b>Total Costs &amp; Expenses</b>	-	25.0	201.6	98.8	45.4	37.2	33.6	215.0	210.0	253.3	242.0	229.9	236.9	231.6	225.3	219.3
<b>Income (Loss) from Operations (\$M)</b>	\$0.0	(\$25.0)	(\$201.6)	(\$99)	(\$45)	(\$37)	(\$34)	(\$215.0)	(\$210.0)	(\$91.9)	(\$66.0)	(\$39.0)	\$82.5	\$96.1	\$102.6	\$109.0
Interest income and other, net	-	0.0	0.1	0.1	0.8	2.3	2.3	5.4	3.3	1.3	0.3	0.5	0.0	0.8	1.7	2.8
Other comprehensive income	-	-	(0.0)	0.0	-	-	-	-	-	-	-	-	-	-	-	-
Income (Loss) Before Provision for Income Taxes	-	(25.0)	(201.5)	(98.7)	(44.6)	(34.9)	(31.3)	(209.6)	(206.7)	(90.6)	(66.3)	(38.5)	82.5	96.9	104.4	111.7
Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Non-GAAP Net Income (Loss) (\$M)</b>	-	(\$25.0)	(\$201.5)	(\$98.7)	(\$44.6)	(\$34.9)	(\$31.3)	(\$209.6)	(\$206.7)	(\$90.6)	(\$66.3)	(\$38.5)	\$82.5	\$96.9	\$104.4	\$111.7
<b>Non-GAAP EPS</b>	NM	(\$0.48)	(\$4.73)	(\$0.91)	(\$0.41)	(\$0.31)	(\$0.28)	(\$1.86)	(\$1.82)	(\$0.73)	(\$0.44)	(\$0.25)	\$0.54	\$0.63	\$0.68	\$0.72
<b>GAAP Net Income (\$M)</b>	\$0.0	(\$65.3)	(\$226.8)	(\$100.7)	(\$50.990)	(\$43.9)	(\$40.2)	(\$235.7)	(\$233.8)	(\$118.7)	(\$89.4)	(\$68.7)	\$51.2	\$64.4	\$70.6	\$76.7
<b>GAAP EPS</b>	NM	(\$1.25)	(\$5.32)	(\$0.93)	(\$0.47)	(\$0.39)	(\$0.36)	(\$2.09)	(\$2.05)	(\$0.95)	(\$0.65)	(\$0.45)	\$0.34	\$0.42	\$0.46	\$0.49
Shares used in computing net income (loss) per share:																
Basic (GAAP)	ND	52.2	42.6	107.9	108.2	111.7	111.7	111.7	112.7	113.6	125.5	137.5	138.4	139.4	140.3	141.3
Diluted (GAAP)	ND	52.2	42.6	107.9	108.2	112.8	112.8	112.8	113.8	125.0	138.1	151.2	152.3	153.3	154.3	155.4

Source: Company Data and Morgan Stanley Research

**Exhibit 2: Adagio Balance Sheet**

Adagio Therapeutics Balance Sheet (\$M)	2020A	2021A	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E
<b>Current assets:</b>											
Cash and cash equivalents	115.0	542.2	331.7	125.8	28.4	45.1	4.2	76.5	171.6	275.1	386.4
Marketable securities	-	49.2	49.2	49.2	49.2	49.2	49.2	49.2	49.2	49.2	49.2
Restricted Cash	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivables	-	-	-	-	1.6	1.8	1.9	3.2	3.3	3.3	3.3
Inventory	-	-	2.2	2.1	2.3	2.1	2.0	1.9	1.8	1.8	1.7
Prepaid expenses and other current assets	2.4	25.3	-	-	8.1	9.1	9.5	16.0	16.4	16.4	16.4
<b>Total current assets</b>	117.4	616.7	383.0	177.1	89.5	107.3	66.9	146.8	242.3	345.7	457.0
Property and equipment, net	-	0.1	0.1	0.1	1.6	3.3	5.0	7.9	10.6	13.2	15.7
Other assets	-	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3
Operating lease right-of-use assets	-	-	-	-	-	-	-	-	-	-	-
<b>Total assets</b>	117.4	620.1	386.4	180.4	94.5	113.9	75.2	157.9	256.2	362.2	476.0
<b>Current Liabilities:</b>											
Accounts payable	8.2	5.8	15.1	14.7	15.9	15.0	14.1	13.2	12.8	12.3	11.9
Accrued expenses	4.9	56.3	21.5	21.0	22.8	21.5	20.1	18.9	18.2	17.6	17.0
Operating lease liabilities	-	-	-	-	-	-	-	-	-	-	-
<b>Total current liabilities</b>	13.1	62.1	36.6	35.7	38.7	36.5	34.2	32.1	31.0	29.9	28.9
Long-term debt	-	-	-	-	-	-	-	-	-	-	-
Operating lease liabilities, net of current portion	-	-	-	-	-	-	-	-	-	-	-
Other non-current liabilities	0.0	0.0	7.5	15.0	22.5	30.0	37.5	45.0	52.5	60.0	67.5
<b>Total liabilities</b>	13.1	62.1	44.1	50.7	61.2	66.5	71.7	77.1	83.5	90.0	96.4
Convertible preferred stock	169.5	-	-	-	-	-	-	-	-	-	-
<b>Stockholders' equity:</b>											
Common stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Additional paid-in capital	0.2	850.1	870.2	891.3	913.6	1,017.1	1,041.9	1,068.0	1,095.5	1,124.5	1,155.1
Treasury Stock	(0.1)	-	-	-	-	-	-	-	-	-	-
Accumulated deficit	(65.3)	(292.1)	(527.8)	(761.6)	(880.3)	(969.7)	(1,038.4)	(987.2)	(922.8)	(852.2)	(775.5)
<b>Total stockholders' equity</b>	(65.2)	558.0	342.4	129.7	33.3	47.4	3.5	80.8	172.7	272.3	379.5
<b>Total liabilities and stockholders' equity</b>	117.4	620.1	386.4	180.4	94.5	113.9	75.2	157.9	256.2	362.2	476.0

Source: Company Data and Morgan Stanley Research

**Exhibit 3: Adagio Cash Flow Statement**

Adagio Therapeutics Cash Flow Statement (\$M)	2020A	2021A	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E
<b>Cash Flows from Operating Activities:</b>											
Net income (loss)	(65.3)	(226.8)	(235.7)	(233.8)	(118.7)	(89.4)	(68.7)	51.2	64.4	70.6	76.7
Adjustments:											
Stock-based compensation expense	0.2	17.8	18.7	19.6	20.6	21.6	22.7	23.8	25.0	26.2	27.6
Depreciation & amortization expense	-	1,431	0.0	0.0	0.0	0.1	0.2	0.4	0.5	0.7	0.8
Non-cash payment	-	0.1	-	-	-	-	-	-	-	-	-
Non-cash acquired in-process R&D	39.9	-	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5
Changes in operating assets and liabilities:											
Accounts receivable	-	-	-	-	(1.6)	(0.2)	(0.1)	(1.3)	(0.1)	(0.0)	(0.0)
Inventory	-	-	(2.2)	0.0	(0.2)	0.1	0.1	0.1	0.1	0.1	0.1
Prepaid expenses and other current assets	(2.4)	(22.9)	25.3	-	(8.1)	(1.0)	(0.5)	(6.4)	(0.4)	(0.0)	(0.0)
Accounts payable	8.2	(2.4)	9.3	(0.4)	1.2	(0.9)	(0.9)	(0.9)	(0.5)	(0.4)	(0.4)
Accrued expenses and other current liabilities	4.9	51.4	(34.8)	(0.5)	1.8	(1.3)	(1.3)	(1.2)	(0.7)	(0.6)	(0.6)
Other non-current assets	-	(3.3)	-	-	-	-	-	-	-	-	-
Other non-current liabilities	-	0.0	-	-	-	-	-	-	-	-	-
Operating lease liabilities	-	-	-	-	-	-	-	-	-	-	-
<b>Net cash provided by (used in) operating activities</b>	<b>(14.6)</b>	<b>(184.7)</b>	<b>(211.9)</b>	<b>(207.5)</b>	<b>(97.5)</b>	<b>(63.4)</b>	<b>(41.0)</b>	<b>73.2</b>	<b>95.8</b>	<b>104.0</b>	<b>111.6</b>
<b>Cash flows from investing activities:</b>											
Purchases of property and equipment	-	(0.1)	-	-	(1.6)	(1.8)	(1.9)	(3.2)	(3.3)	(3.3)	(3.3)
Purchases of marketable securities	-	138.0	-	-	-	-	-	-	-	-	-
Maturities of marketable securities	-	(188.627)	-	-	-	-	-	-	-	-	-
<b>Net cash used in investing activities</b>	<b>-</b>	<b>(50.7)</b>	<b>-</b>	<b>-</b>	<b>(1.6)</b>	<b>(1.8)</b>	<b>(1.9)</b>	<b>(3.2)</b>	<b>(3.3)</b>	<b>(3.3)</b>	<b>(3.3)</b>
<b>Cash flows from financing activities:</b>											
Proceeds from the issuance of convertible preferred st	129.5	335.2	-	-	-	-	-	-	-	-	-
Proceeds from issuance of common stock and exercise	0.0	330.9	1.4	1.6	1.7	81.9	2.1	2.3	2.5	2.8	3.0
Proceeds from grant of restricted common stock award	(0.0)	-	-	-	-	-	-	-	-	-	-
Payments made for initial public offering costs	-	(3.4)	-	-	-	-	-	-	-	-	-
<b>Net cash provided by financing activities</b>	<b>129.6</b>	<b>662.7</b>	<b>1.4</b>	<b>1.6</b>	<b>1.7</b>	<b>81.9</b>	<b>2.1</b>	<b>2.3</b>	<b>2.5</b>	<b>2.8</b>	<b>3.0</b>
Net increase in cash, cash equivalents, restricted cash £	115.0	427.2	(210.5)	(205.9)	(97.4)	16.7	(40.9)	72.3	95.1	103.5	111.3
Cash restatement	-	-	-	-	-	-	-	-	-	-	-
Cash, cash equivalents, restricted cash & investments a	-	115.0	542.2	331.7	125.8	28.4	45.1	4.2	76.5	171.6	275.1
<b>Cash, cash equivalents, restricted cash &amp; investments a</b>	<b>115.0</b>	<b>542.2</b>	<b>331.7</b>	<b>125.8</b>	<b>28.4</b>	<b>45.1</b>	<b>4.2</b>	<b>76.5</b>	<b>171.6</b>	<b>275.1</b>	<b>386.4</b>

Source: Company Data and Morgan Stanley Research

## Risk Reward – Cerevel Therapeutics Holdings Inc (CERE.O)

Tavapadon, CVL-231 and darigabat Drive Risk/Reward

### PRICE TARGET \$50.00

Our PT is derived from a DCF through 2035E that uses a 12.5% discount rate. The revenue drivers in our model are Darigabat, CVL-231 and Tavapadon. We currently do not model CVL-871 and CVL-936 given their early stage of development.

#### Consensus Price Target Distribution

\$24.00  \$54.00

Source: Refinitiv, Morgan Stanley Research



### OVERWEIGHT THESIS

- Our Overweight thesis is based on tavapadon which is partially derisked by mid-stage data which provides valuation support.
- CVL-231 has clear properties supporting its competitiveness in schizophrenia and we expect the near-term update to be positive
- We also see a positive risk/reward skew in darigabat with key derisking data in 2022

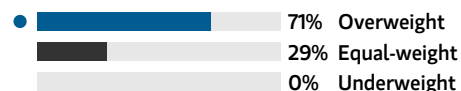
### RISK REWARD CHART



Key: — Historical Stock Performance ● Current Stock Price ◆ Price Target

Source: Refinitiv, Morgan Stanley Research

#### Consensus Rating Distribution



● MS Rating

Source: Refinitiv, Morgan Stanley Research

#### Risk Reward Themes

Disruption: *Positive*

View descriptions of Risk Rewards Themes [here](#)

#### BULL CASE

**\$68.00**

##### DCF

Cerevel is successful in commercializing Darigabat, CVL-231 and Tavapadon with strong update. Our bull case values Darigabat, CVL-231 and Tavapadon launching in 2025, and capture a significant market share.

#### BASE CASE

**\$50.00**

##### DCF

Cerevel is successful in commercializing Darigabat, Emraclidine and Tavapadon. Our base case values Darigabat (PoS 35%), Emraclidine (PoS60%) and Tavapadon (PoS 55%). Product launches for all three therapies begin in 2025.

#### BEAR CASE

**\$3.00**

##### Cash Value/Share

Darigabat and Tavapadon fail. Cerevel is unable to commercialize Darigabat and Tavapadon. CERE trades at cash value/share.

## Risk Reward – Cerevel Therapeutics Holdings Inc (CERE.O)

### KEY EARNINGS INPUTS

Drivers	2021	2022e	2023e	2024e
Peak Sales (\$, mm)	3,405	3,405	3,405	3,405

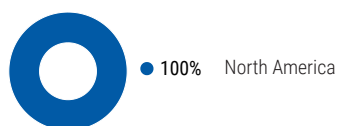
### CATALYST CALENDAR

Date	Event	Source: Refinitiv, Morgan Stanley
Q3 2022	Emraclidine (M4, CVL-231): Initiate EMPOWER-3 52-wk open-label safety extension trial in 3Q22.	
01 Nov 2022 - 31 Dec 2022	Emraclidine (M4, CVL-231): 8-wk ambulatory blood pressure monitoring trial data expected by YE22.	
01 Nov 2022 - 31 Dec 2022	Emraclidine (M4, CVL-231): Plan to initiate Ph1 MAD in Alzheimer's disease psychosis by YE22.	
H1 2023	CVL-871 (D1): PhIIa data in dementia-related apathy expected in 1H23.	
H1 2023	Tavapadon (D1): PhIII (TEMPO-3) data in late stage Parkinson's disease expected in 1H23.	

### INVESTMENT DRIVERS

- CVL-231 data in patients with schizophrenia
- Darigabat PhI data for the treatment of anxiety, expected in 4Q21
- Initial PhII data testing Darigabat in patients with epilepsy, expected in 2H22

### GLOBAL REVENUE EXPOSURE



Source: Morgan Stanley Research Estimate  
View explanation of regional hierarchies [here](#)

### MS ALPHA MODELS

5/5 BEST	24 Month Horizon	5/5 MOST	3 Month Horizon
-------------	---------------------	-------------	--------------------

Source: Refinitiv, FactSet, Morgan Stanley Research; 1 is the highest favored Quintile and 5 is the least favored Quintile

### SUSTAINABILITY & ESG

Indicator of Change	1.00	+1.0	-1.0
Disclosure Rate	24%		

### RISKS TO PT/RATING

#### RISKS TO UPSIDE

- Darigabat demonstrates better-than-expected efficacy for the treatment of epilepsy
- Pipeline success beyond late-stage assets

#### RISKS TO DOWNSIDE

- Tavapadon demonstrates inferior efficacy and/or a safety signal causing investors to question the overall value
- CVL-231 demonstrates minimal efficacy for the treatment of schizophrenia
- Delayed timelines or positive data from competitors

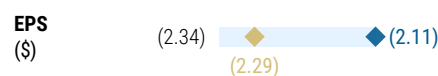
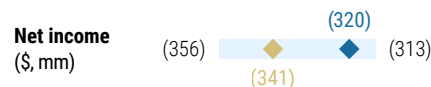
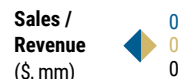
### OWNERSHIP POSITIONING

Inst. Owners, % Active	90.7%	
HF Sector Long/Short Ratio	2.1x	
HF Sector Net Exposure	20.1%	

Refinitiv; MSPB Content. Includes certain hedge fund exposures held with MSPB. Information may be inconsistent with or may not reflect broader market trends. Long/Short Ratio = Long Exposure / Short exposure. Sector % of Total Net Exposure = (For a particular sector: Long Exposure - Short Exposure) / (Across all sectors: Long Exposure - Short Exposure).

### MS ESTIMATES VS. CONSENSUS

FY Dec 2022e



◆ Mean ◆ Morgan Stanley Estimates

Source: Refinitiv, Morgan Stanley Research



## Risk Reward – Cerevel Therapeutics Holdings Inc (CERE.O)

### SUSTAINABILITY AND ESG

#### INDICATOR OF CHANGE OVER TIME



Governance	Unit	Dec '19	Dec '20	Dec '21
<b>Avg tenure of the board</b>	Years	-	1.86	2.52
<b>Female board members</b>	Percentage	-	22.22%	27.27%
<b>Independent board members</b>	Percentage	-	88.89%	90.91%
<b>Shares owned by board members</b>	Percentage	-	2.52%	3.16%

Indicator of change chart is plotted using the fiscal aligned methodology. View explanation of 'Indicator of Change' methodology [here](#)

Source: Company Data, Morgan Stanley Research

#### SUMMARY

##### ESG Data/ Indicator of Change

In 2021, Key ESG metrics that improved in 2021 were number of female board members and number of independent directors.

Its ESG disclosure rate was 24% in 2021.

##### HERS

For gender diversity, Cerevel is ranked in the middle tertile relative to sector and regional peers.

#### SUSTAINABLE SOLUTIONS

Theme	Exposure
Treating Illness	100% (EBITA)

Exposure is presented for top four Sustainability themes  
View explanation of Theme/Exposure methodology [here](#)

#### HERS VS. SECTOR PEERS



Middle Tertile for workforce gender diversity relative to regional sector peers

View explanation of HERS methodology [here](#)



## Risk Reward – Genmab A/S (GMAB.O)

Risk-reward skewed to the downside

### PRICE TARGET \$31.00

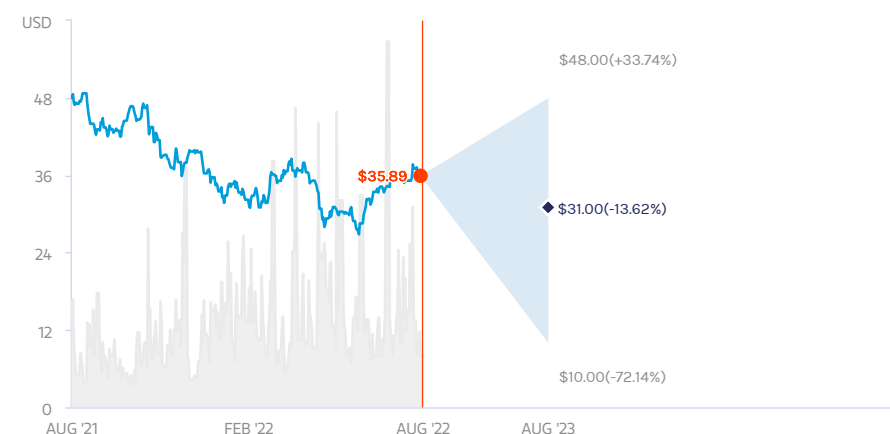
Our PT is derived from a DCF through 2035E that uses a 10% discount rate and 2% terminal growth rate. The revenue drivers in our model are Darzalex, next gen CD38 GEN3014, epcoritamab, Kesimpta, Tepezza, and other early-stage, proprietary products.

#### Consensus Price Target Distribution



Source: Refinitiv, Morgan Stanley Research

### RISK REWARD CHART



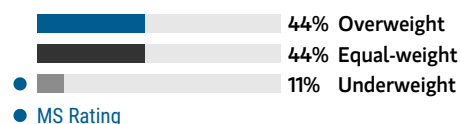
Key: — Historical Stock Performance ● Current Stock Price ◆ Price Target

Source: Refinitiv, Morgan Stanley Research

### UNDERWEIGHT THESIS

- Our Underweight thesis is based on Genmab's current valuation, which we believe is reflecting bull case outcomes for three key stock drivers - HexaBody-CD38 (GEN3014), GEN1046 (DuoBody PD-L1x4-1BB) and GEN1042 (DuoBody-CD40x4-1BB3).
- We expect additional data presentations for GEN1046 (DuoBody-PD-L1x4-1BB3), GEN1042 (DuoBody-CD40x4-1BB3), and GEN3014 (CD38) data in 2H22 will be encouraging, but in-line with Street expectations.

#### Consensus Rating Distribution



Source: Refinitiv, Morgan Stanley Research

#### Risk Reward Themes

Self-help: *Negative*

View descriptions of Risk Rewards Themes [here](#)

### BULL CASE

**\$48.00**

#### DCF

**Upside Darzalex uptake, greater success of partnered products, and higher risk-adjusted value for the pipeline:** We assume 2030E peak sales of Darzalex of DKK ~18.8B. For partnered pipeline assets, we model peak revenue attributable to Genmab at DKK ~17B for epcoritamab, and DKK ~7B for tisotumab. We estimate PD-L1x4-1BB has the potential to be a DKK ~2.5B asset risk-adjusted. We project next gen CD38 asset GEN3014 to reach peak sales of DKK ~5B in 2035 with 65% POS.

### BASE CASE

**\$31.00**

#### DCF

**Continued robust Darzalex uptake, success of partnered products, and risk-adjusted value for the proprietary pipeline:** We assume 2030E peak sales of Darzalex of DKK ~18B. For partnered pipeline assets, we model peak revenue attributable to Genmab at DKK ~11B for epcoritamab, and DKK ~3.3B for tisotumab. We estimate PD-L1x4-1BB has the potential to be a risk-adjusted DKK ~2B asset. We project next gen CD38 asset GEN3014 to reach peak sales of DKK ~4B in 2035 with 65% POS.

### BEAR CASE

**\$10.00**

#### DCF

**Limited royalties from epcoritamab and tisotumab. CD38 GEN3014 failed to commercialize:** In our bear case we model peak revenue attributable to Genmab at DKK ~4.6B for epcoritamab, and DKK ~953M for tisotumab. Pipeline assets failure. We further assume greater competition in the out-years from biosimilars and cell therapies for MM than our base case.

## Risk Reward – Genmab A/S (GMAB.O)

### KEY EARNINGS INPUTS

Drivers	2021	2022e	2023e	2024e
Topline 3-Yr CAGR (%)	31.9	24.5	17.9	15.8
Bottom Line 3-Yr CAGR (%)	34.1	29.6	24.9	22.8

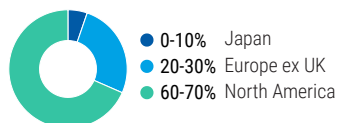
### CATALYST CALENDAR

Date	Event	Source: Refinitiv, Morgan Stanley
H2 2022	GEN1046/BNT311 (DuoBody-PD-L1x4-1BB): Data update of PhII study in R/R NSCLC	
H2 2022	Epcoritamab (CD3xCD20) - Data update of PhII trial in DLBCL, R/R FL and R/R CLL; filing expected in 2H	
H2 2022	GEN3014 (CD38) dose-escalation data	
H2 2022	GEN1042/BNT312 (DuoBody-CD40x4-1BB): Initial data readout of PhII study in NSCLC, HNSCC, Melanoma and	
H2 2022	DuoHexaBody-CD37 initial Phase 1 data in B-cell lymphoma	

### INVESTMENT DRIVERS

- Uptake of tisotumab vedotin in cervical cancer
- Approval and uptake of epcoritamab in DLBCL/FL
- Uptake of Tepezza and Kesimpta in TED and MS
- Continued growth of Darzalex royalties
- CD38 (GEN3014), GEN1046 (PD-L1x4-1BB) and GEN1042 (CD40x4-1BB3) readout.

### GLOBAL REVENUE EXPOSURE



Source: Morgan Stanley Research Estimate  
View explanation of regional hierarchies [here](#)

### SUSTAINABILITY & ESG



### RISKS TO PT/RATING

#### RISKS TO UPSIDE

- Pipeline assets exceed current projections
- DuoBody-PD-1x4-1BB and epcoritamab data could exceed expectations

#### RISKS TO DOWNSIDE

- Darzalex could face greater competition and not meet consensus expectations
- Epcoritamab could show unexpected safety signals, or inferiority to competitive assets in PhIII investigations
- Early-stage assets (e.g., next gen. CD38 GEN3014) could fail

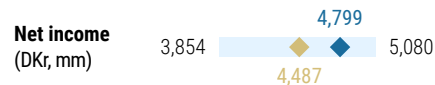
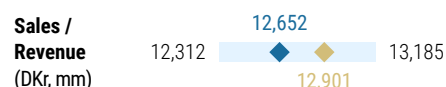
### OWNERSHIP POSITIONING

Inst. Owners, % Active	76.2%
HF Sector Long/Short Ratio	2.1x
HF Sector Net Exposure	20.1%

Refinitiv; MSPB Content. Includes certain hedge fund exposures held with MSPB. Information may be inconsistent with or may not reflect broader market trends. Long/Short Ratio = Long Exposure / Short exposure. Sector % of Total Net Exposure = (For a particular sector: Long Exposure - Short Exposure) / (Across all sectors: Long Exposure - Short Exposure).

### MS ESTIMATES VS. CONSENSUS

FY Dec 2022e

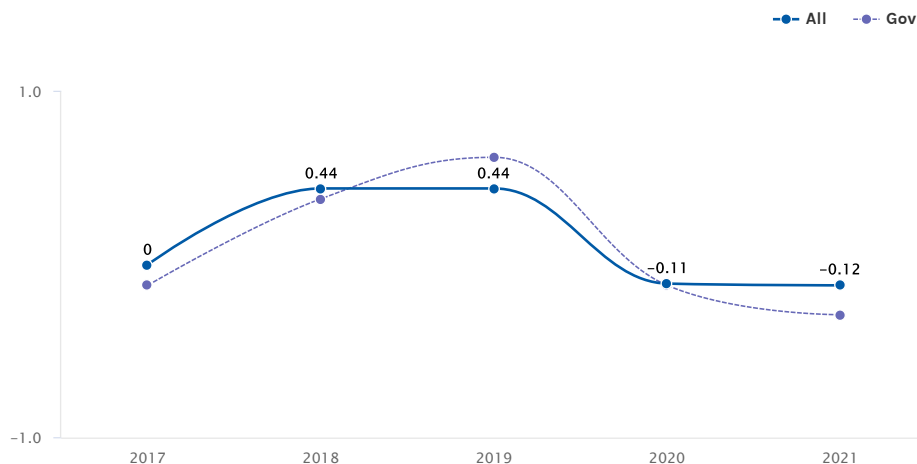


Source: Refinitiv, Morgan Stanley Research

## Risk Reward – Genmab A/S (GMAB.O)

### SUSTAINABILITY AND ESG

#### INDICATOR OF CHANGE OVER TIME



Social	Unit	Dec '19	Dec '20	Dec '21
<b>Employee turnover</b>	Percentage	8%	8%	6%
<b>Governance</b>				
<b>Avg tenure of the board</b>	Years	4.94	4.75	6.24
<b>Female board members</b>	Percentage	33.33%	44.44%	50.00%
<b>Independent board members</b>	Percentage	55.56%	55.56%	50.00%
<b>Shares owned by board members</b>	Percentage	0.08%	0.03%	-

Indicator of change chart is plotted using the fiscal aligned methodology. View explanation of 'Indicator of Change' methodology [here](#)

Source: Company Data, Morgan Stanley Research

#### SUMMARY

Genmab is in the top tertile for workforce gender diversity relative to regional sector peers. Female representation on the board has been increasing since 2015. The company is in the first (most favored) quartile in indicators of change versus peers.

The Morgan Stanley Indicator of Change metric which was -0.12 (deteriorating) is designed to provide a quick snapshot of whether a company's ESG data is improving or deteriorating year on year.

Its ESG disclosure rate was 29% in 2021.

#### SUSTAINABLE SOLUTIONS

Theme	Exposure
Treating illness	100% (EBITA)

Exposure is presented for top four Sustainability themes  
View explanation of Theme/Exposure methodology [here](#)

#### HERS VS. SECTOR PEERS



Top Tertile for workforce gender diversity relative to regional sector peers

View explanation of HERS methodology [here](#)



# Global Blood Therapeutics (GBT)

## Exhibit 10: GBT Income Statement

Global Blood Therapeutics, Inc.	2018A	2019A	2020A	2021A	2022A	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E				
Product sales	0.0	2.1	122.8	194.7	55.2	71.6	77.0	86.0	289.7	434.7	541.1	628.8	657.3	694.5	722.4	764.8	797.0	804.6	786.9	810.4
Revenue	0.0	2.1	122.8	194.7	55.2	71.6	77.0	86.0	289.7	434.7	541.1	628.8	657.3	694.5	722.4	764.8	797.0	804.6	786.9	810.4
Costs and expenses																				
Cost of sales		0.0	2.0	3.3	1.1	1.4	3.1	3.1	8.7	28.6	50.4	53.3	60.5	64.0	65.5	70.5	73.4	73.9	73.2	74.4
Research and development	131.3	174.6	155.1	212.1	52.8	64.8	63.2	63.2	244.0	256.2	289.0	282.4	296.5	296.9	240.2	216.2	194.6	175.1	179.5	194.0
SG&A	51.4	117.1	209.9	267.0	74.5	81.1	78.4	78.4	312.4	328.0	344.4	361.6	355.2	368.9	372.6	376.3	381.1	383.9	387.7	391.6
Legal expenses																				
Related Party Expenses		(8.3)																		
Total operating expenses	182.7	293.3	365.0	479.1	127.4	145.9	141.6	141.6	556.3	584.1	613.4	644.0	651.8	658.8	612.8	592.5	574.6	559.0	567.2	575.5
Operating Income (Loss)	(182.7)	(291.3)	(242.2)	(287.7)	(73.3)	(75.7)	(67.7)	(66.6)	(276.3)	(178.1)	(122.7)	(73.8)	(65.0)	(5.3)	43.1	191.8	149.1	171.8	188.9	166.4
Changes in fair value of Series A redeemable convertible preferred stock liability																				
Interest Income	8.6	14.7	2.9	(3.7)	0.5	1.7	(2.9)	(2.9)	(3.7)	(3.7)	(3.7)	(3.7)	(3.7)	(3.7)	(3.7)	(3.7)	(3.7)	(3.7)	(3.7)	(3.7)
Other income (expense)	(0.1)	(0.2)	(7.3)	(11.9)	(8.5)	(8.2)	(3.0)	7.8	(11.9)	(11.9)	(11.9)	(11.9)	(11.9)	(11.9)	(11.9)	(11.9)	(11.9)	(11.9)	(11.9)	(11.9)
Net Income (Loss) and comprehensive loss	(174.2)	(266.8)	(247.6)	(303.3)	(81.3)	(82.3)	(73.6)	(63.8)	(290.9)	(193.7)	(138.3)	(89.2)	(80.6)	(20.9)	27.5	86.2	133.5	156.2	142.9	144.8
Income Taxes (expense) benefit					(0.2)	(0.2)														
Net Income (Loss) and comprehensive loss	(174.2)	(266.8)	(247.6)	(303.3)	(81.5)	(82.5)	(73.6)	(63.8)	(290.9)	(193.7)	(138.3)	(89.2)	(80.6)	(20.9)	27.5	86.2	133.5	156.2	142.9	144.8
GAAP EPS	(33.4)	(44.9)	(44.0)	(44.8)	(15.2)	(15.2)	(15.2)	(15.2)	(44.9)	(29.7)	(20.7)	(13.4)	(12.1)	(4.1)	5.3	16.4	24.5	27.6	25.5	25.5
Basic Shares Outstanding	51.2	58.3	61.3	63.0	64.8	65.6	64.6	64.6	64.6	65.3	65.8	66.3	66.8	67.2	67.9	67.1	67.1	67.1	67.1	67.1
Diluted Shares Outstanding	51.2	58.3	61.3	63.0	64.8	65.6	64.6	64.6	64.6	65.3	65.8	66.3	66.8	67.2	67.9	67.1	67.1	67.1	67.1	67.1

Source: Company Data, Morgan Stanley Research

## Exhibit 11: GBT Balance Sheet

Global Blood Therapeutics, Inc.	2018	2019	2020	2021	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
Cash and ST Investments:	477.5	610.0	569.9	684.7	710.9	614.3	580.1	600.5	638.0	724.7	858.6	1,038.2	1,259.4	1,503.7	1,745.9	1,985.9
Cash	275.4	302.2	494.8	694.7	710.9	614.3	580.1	600.5	638.0	724.7	858.6	1,038.2	1,259.4	1,503.7	1,745.9	1,985.9
Marketable securities	202.2	307.7	75.1													
Accounts receivable, net	-	2.5	17.5	28.8	29.0	43.5	54.1	62.9	65.7	69.4	72.2	75.5	79.7	80.5	79.9	81.0
Inventories	-	1.3	40.2	58.2	2.2	7.2	12.6	14.6	15.1	16.0	16.6	17.6	18.3	18.5	18.3	18.6
Prepaid expenses and other current assets	8.2	14.1	13.5	30.3	14.5	21.7	27.1	31.4	32.9	34.7	36.1	38.2	39.9	40.2	39.9	40.5
Total current assets	485.6	628.0	632.2	802.0	796.6	686.6	673.8	709.4	751.8	844.9	963.5	1,170.5	1,397.3	1,642.8	1,894.0	2,126.1
Property and equipment, net	15.0	27.1	37.9	34.9	28.4	23.0	18.6	17.9	15.7	19.5	20.4	21.5	22.6	26.0	21.9	40.2
Restricted Cash	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Long-term marketable securities	114.3	85.0	-	30	50.1	50.1	50.1	50.1	50.1	50.1	50.1	50.1	50.1	50.1	50.1	50.1
Fair value of convertible preferred stock option	0.2	53.6	51.5	49.8	5.8	8.7	10.8	12.6	13.1	13.9	14.4	15.3	15.9	16.1	16.0	16.2
Total Assets	617.6	796.1	724.0	939.2	843.3	770.8	786.0	792.4	836.1	900.8	1,070.9	1,258.8	1,488.4	1,737.4	1,984.4	2,230.0
Current liabilities:																
Accounts payable	6.0	10.6	19.1	15.1	55.6	58.4	61.3	64.4	65.2	63.6	61.3	59.2	57.5	55.9	56.7	57.6
Payable due to related party																
Accrued liabilities	26.8	58.9	31.1	39.3	83.4	87.6	92.0	96.6	99.3	95.4	91.9	88.9	86.2	83.8	85.1	85.3
Series A Redeemable convertible preferred stock liability	0.9	1.9	28.8	30.6	33.6	33.6	33.6	33.6	33.6	33.6	33.6	33.6	33.6	33.6	33.6	33.6
Other current liabilities	33.9	71.5	79.0	88.0	172.7	179.6	188.9	194.6	189.0	182.5	188.8	181.7	177.3	173.3	175.4	177.5
Total current liabilities	67.6	142.9	158.0	173.0	245.3	259.6	273.8	293.9	297.7	292.5	283.6	281.6	279.6	278.6	278.6	278.6
Other long-term liabilities	11.1	146.0	228.8	654.8	654.8	654.8	654.8	654.8	654.8	654.8	654.8	654.8	654.8	654.8	654.8	654.8
Total liabilities	44.8	217.4	397.8	742.8	827.5	834.4	841.7	849.4	836.1	836.1	836.1	836.1	836.1	836.1	836.1	836.1
Stockholders' equity:																
Convertible preferred stock	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Common stock	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Additional paid-in capital	1,044.9	1,316.8	1,402.3	1,468.8	1,596.1	1,710.3	1,826.5	1,944.4	2,064.2	2,186.3	2,310.8	2,437.4	2,566.4	2,697.6	2,831.0	2,966.6
Accumulated other comprehensive income/(loss)	(0.0)	0.0	0.3	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Accumulated deficit	(472.2)	(758.9)	(986.5)	(1,298.6)	(1,580.4)	(1,774.1)	(1,912.4)	(2,007.6)	(2,082.2)	(2,103.1)	(2,081.6)	(2,014.4)	(1,910.3)	(1,788.4)	(1,677.0)	(1,564.0)
Total stockholders' equity	572.8	578.7	416.2	196.4	15.8	(63.6)	(65.7)	(65.7)	(65.7)	(65.7)	(65.7)	(65.7)	(65.7)	(65.7)	(65.7)	(65.7)
Total Liabilities and Stockholders' Equity	617.6	796.1	724.0	939.2	843.3	770.8	786.0	792.4	836.1	900.8	1,070.9	1,258.8	1,488.4	1,737.4	1,984.4	2,230.0

Source: Company Data, Morgan Stanley Research

## Exhibit 12: GBT Cash Flow Statement

Global Blood Therapeutics, Inc.	2018	2019	2020	2021	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
<b>Cash Flows From Operating Activities</b>																
Net loss	(174.2)	(266.8)	(247.6)	(303.3)	(81.3)	(82.3)	(73.6)	(63.8)	(290.9)	(193.7)	(138.3)	(89.2)	(80.6)	(20.9)	21.5	67.2
Adjustments to reconcile net loss to net cash used in operating activities:																
Depreciation and amortization	7.9	10.9	8.8	12.7	12.7	12.7	11.3	8.6	7.5	7.9	8.5	9.0	9.2	9.6	8.1	6.5
Loss of disposal of fixed assets	0.0															
Share-based compensation	30.1	45.7	71.5	78.7	81.0	83.5	86.0	88.5	91.2	93.9	96.8	99.7	102.6	105.7	108.9	112.2
Non-cash expenses in connection with equity issuances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reassessment of Series A Redeemable convertible pref	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fair value of stock issued for license	(8.3)	(1.0)														
Changes in operating assets and liabilities:																
Accounts receivable, net	-	(2.6)	(14.9)	(11.3)	(0.2)	(14.5)	(10.6)	(8.8)	(2.8)	(3.7)	(2.8)	(4.2)	(3.2)	(0.8)	0.6	(1.1)
Inventories	-	(1.3)	(36.8)	(16.1)	56.0	(5.0)	(0.5)	(2.0)	(0.5)	(0.9)	(0.6)	(1.0)	(0.7)	(0.1)	0.2	(0.3)
Prepaid expenses and other assets	(3.8)	(5.2)	(0.7)	(17.7)	59.8	(10.1)	(7.4)	(8.1)	(2.0)	(2.6)	(2.0)	(3.0)	(2.3)	(0.5)	0.4	(0.8)
Accounts payable	(1.3)	4.5	8.4	(3.7)	40.5	2.8	2.9	3.1	1.8	(2.6)	(2.3)	(2.0)	(1.8)	(1.6)	0.8	0.8
Payable due to related party																
Accrued expenses	8.0	24.7	(10.1)	7.6	44.2	4.2	4.4	4.6	2.7	(3.9)	(3.4)	(3.0)	(2.7)	(2.3)	1.2	1.3
Accrued compensation	1.5	7.5	6.4	3.7												
Other current liabilities	0.7	(1.5)	(0.6)	(0.0)												
Other noncurrent liabilities	(0.4)	0.9	1.0	(4.8)												
Net cash used in operating activities	(135.4)	(194.4)	(211.9)	(256.9)	3.3											

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(as of July 31, 2022)

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STOCK RATING CATEGORY	COVERAGE UNIVERSE		INVESTMENT BANKING CLIENTS (IBC)			OTHER MATERIAL INVESTMENT SERVICES CLIENTS (MISC)	
	COUNT	% OF TOTAL	COUNT	% OF TOTAL IBC	% OF RATING CATEGORY	COUNT	% OF TOTAL OTHER MSC
<b>Overweight/Buy</b>	<b>1366</b>	<b>39%</b>	<b>318</b>	<b>42%</b>	<b>23%</b>	<b>593</b>	<b>39%</b>
<b>Equal-weight/Hold</b>	<b>1559</b>	<b>44%</b>	<b>357</b>	<b>47%</b>	<b>23%</b>	<b>708</b>	<b>46%</b>
<b>Not-Rated/Hold</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
<b>Underweight/Sell</b>	<b>613</b>	<b>17%</b>	<b>91</b>	<b>12%</b>	<b>15%</b>	<b>226</b>	<b>15%</b>
<b>TOTAL</b>	<b>3,538</b>		<b>766</b>			<b>1527</b>	

Data include common stock and ADRs currently assigned ratings. Investment Banking Clients are companies from whom Morgan Stanley received investment banking compensation in the last 12 months. Due to rounding off of decimals, the percentages provided in the "% of total" column may not add up to exactly 100 percent.

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Overweight (O). The stock's total return is expected to exceed the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Equal-weight (E). The stock's total return is expected to be in line with the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Not-Rated (NR). Currently the analyst does not have adequate conviction about the stock's total return relative to the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

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Unless otherwise specified, the time frame for price targets included in Morgan Stanley Research is 12 to 18 months.

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Attractive (A): The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be attractive vs. the relevant broad market benchmark, as indicated below.

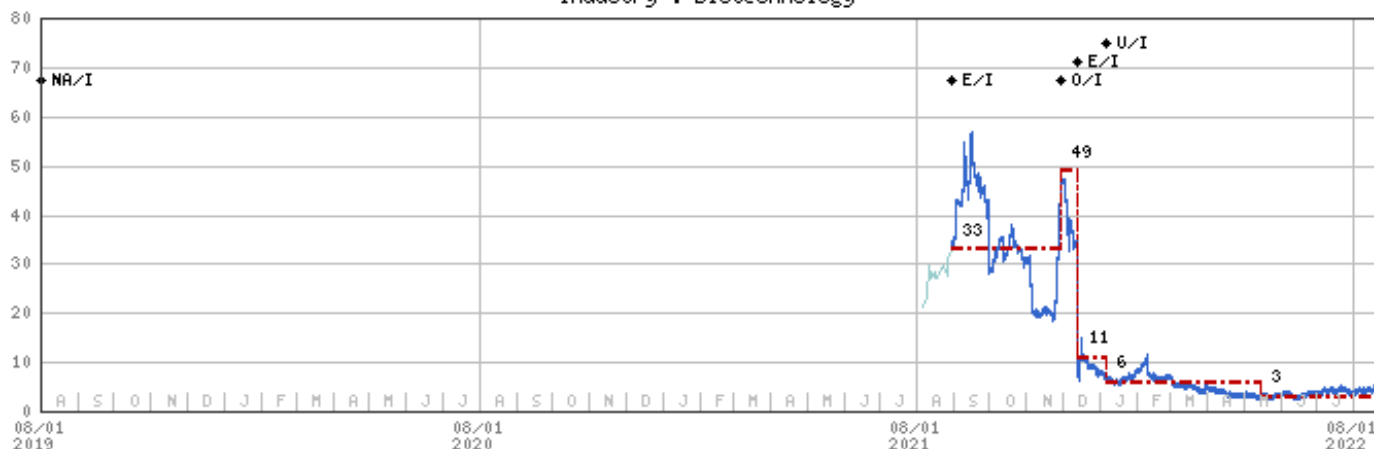
In-Line (I): The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be in line with the relevant broad market benchmark, as indicated below.

Cautious (C): The analyst views the performance of his or her industry coverage universe over the next 12-18 months with caution vs. the relevant broad market benchmark, as indicated below.

Benchmarks for each region are as follows: North America - S&P 500; Latin America - relevant MSCI country index or MSCI Latin America Index; Europe - MSCI Europe; Japan - TOPIX; Asia - relevant MSCI country index or MSCI sub-regional index or MSCI AC Asia Pacific ex Japan Index.

**Stock Price, Price Target and Rating History (See Rating Definitions)**

Adagio Therapeutics, Inc (ADGI.0) - As of 8/21/22 in USD  
Industry : Biotechnology



Stock Rating History: 8/1/17 : NA/I; 8/31/21 : E/I; 11/29/21 : O/I; 12/14/21 : E/I; 1/6/22 : U/I

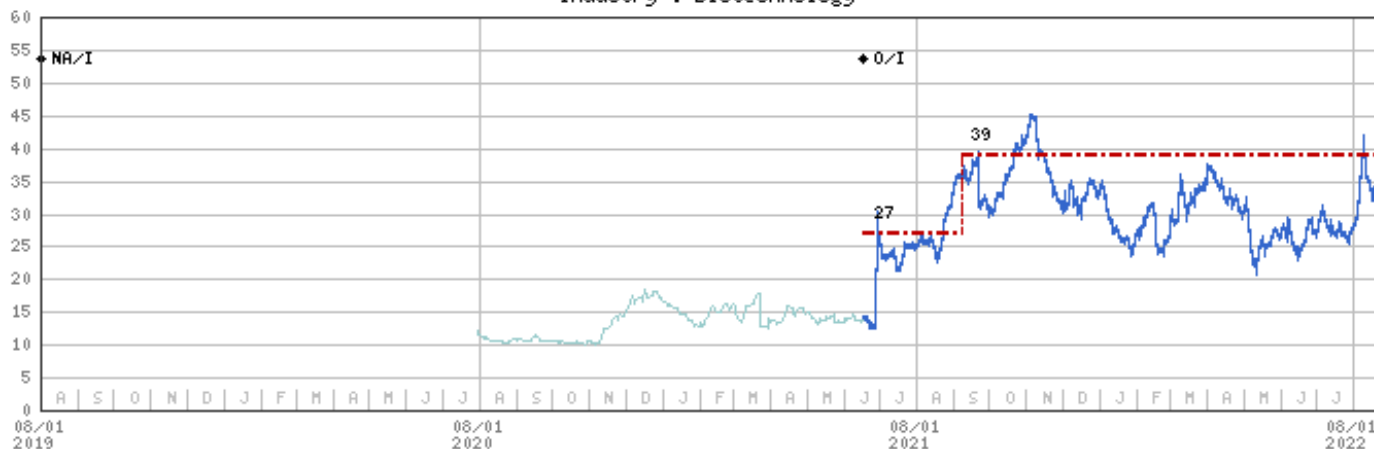
Price Target History: 8/31/21 : 33; 11/29/21 : 49; 12/14/21 : 11; 1/6/22 : 6; 5/16/22 : 3

Source: Morgan Stanley Research Date Format : MM/DD/YY Price Target --- No Price Target Assigned (NA)  
 Stock Price (Not Covered by Current Analyst) --- Stock Price (Covered by Current Analyst) ■  
 Stock and Industry Ratings (abbreviations below) appear as ♦ Stock Rating/Industry View  
 Stock Ratings: Overweight (O) Equal-weight (E) Underweight (U) Not-Rated (NR) No Rating Available (NA)  
 Industry View: Attractive (A) In-line (I) Cautious (C) No Rating (NR)

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Cerevel Therapeutics Holdings Inc (CERE.0) - As of 8/21/22 in USD  
Industry : Biotechnology



Stock Rating History: 8/1/17 : NA/I; 6/18/21 : O/I

Price Target History: 6/18/21 : 27; 9/7/21 : 39

Source: Morgan Stanley Research Date Format : MM/DD/YY Price Target --- No Price Target Assigned (NA)  
 Stock Price (Not Covered by Current Analyst) --- Stock Price (Covered by Current Analyst) ■  
 Stock and Industry Ratings (abbreviations below) appear as ♦ Stock Rating/Industry View  
 Stock Ratings: Overweight (O) Equal-weight (E) Underweight (U) Not-Rated (NR) No Rating Available (NA)  
 Industry View: Attractive (A) In-line (I) Cautious (C) No Rating (NR)

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Genmab A/S (GMAB.O) - As of 8/21/22 in USD  
Industry : Biotechnology

Stock Rating History: 8/1/17 : NA/I; 8/12/19 : O/I; 1/19/21 : E/I; 9/7/21 : U/I

Price Target History: 8/12/19 : 30; 2/20/20 : 31; 4/15/20 : 30; 8/12/20 : 32; 10/12/20 : 35; 11/4/20 : 37; 12/16/20 : 41; 4/16/21 : 37; 1/31/22 : 33; 4/12/22 : 30; 5/16/22 : 29; 8/14/22 : 31

Source: Morgan Stanley Research Date Format : MM/DD/YY Price Target --- No Price Target Assigned (NA)

Stock Price (Not Covered by Current Analyst) — Stock Price (Covered by Current Analyst) —

Stock and Industry Ratings (abbreviations below) appear as ♦ Stock Rating/Industry View

Stock Ratings: Overweight (O) Equal-weight (E) Underweight (U) Not-Rated (NR) No Rating Available (NA)

Industry View: Attractive (A) In-line (I) Cautious (C) No Rating (NR)

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**INDUSTRY COVERAGE: Biotechnology**

COMPANY (TICKER)	RATING (AS OF)	PRICE* (08/19/2022)
<b>Jeffrey Hung</b>		
Acadia Pharmaceuticals Inc (ACAD.O)	E (10/14/2021)	\$16.91
Bicycle Therapeutics Plc (BCYC.O)	E (02/14/2022)	\$26.67
Biohaven Pharmaceutical Holding Company (BHAVN.N)	E (10/19/2021)	\$148.05
Celularity Inc. (CELU.O)	E (11/24/2021)	\$2.82
Cincor Pharma Inc (CINC.O)	O (02/01/2022)	\$33.16
Cullinan Oncology Inc (CGEMO)	O (04/27/2021)	\$13.16
Cyteir Therapeutics, Inc. (CYT.O)	O (07/13/2021)	\$2.31
Cytokinetics Inc (CYTK.O)	O (04/09/2020)	\$50.68
Erasca, Inc. (ERAS.O)	E (08/10/2021)	\$8.50
Esperion Therapeutics Inc (ESPR.O)	U (10/14/2021)	\$7.39
Evoform Biosciences Inc (EVFMPK)	U (10/14/2021)	\$0.42
Exelixis Inc. (EXEL.O)	E (03/18/2019)	\$19.33
Graphite Bio, Inc. (GRPH.O)	E (03/21/2022)	\$3.57
Immuneering Corporation (IMRX.O)	E (08/24/2021)	\$6.69
Insmed Inc (INSM.O)	O (10/19/2021)	\$25.13
Neurocrine Biosciences Inc (NBIX.O)	E (10/14/2021)	\$107.00
Prelude Therapeutics Inc (PRLD.O)	O (10/08/2021)	\$8.45
Repare Therapeutics Inc (RPTX.O)	O (07/14/2020)	\$12.40
Rhythm Pharmaceuticals Inc (RYTM.O)	E (11/19/2021)	\$24.90
Rubius Therapeutics Inc. (RUBY.O)	E (10/19/2021)	\$0.70
Ultragenyx Pharmaceutical Inc (RARE.O)	O (03/27/2019)	\$49.03

**Matthew Harrison**

2seventyBio Inc (TSVT.O)	O (11/08/2021)	\$14.77
Adagene Inc. (ADAG.O)	O (03/07/2021)	\$1.29
Adagio Therapeutics, Inc (ADGI.O)	U (01/06/2022)	\$4.20
ADC Therapeutics SA (ADCT.N)	O (06/09/2020)	\$8.42
Alector Inc (ALEC.O)	O (03/04/2019)	\$11.61
Alynam Pharmaceuticals Inc (ALNY.O)	E (04/25/2022)	\$215.97
Amgen Inc. (AMGN.O)	E (09/07/2021)	\$250.86
argenx SE (ARGX.O)	O (05/03/2022)	\$383.25
Alea Pharmaceuticals Inc (AMR.O)	U (01/06/2022)	\$8.24
BeiGene Ltd (BGNE.O)	O (01/17/2020)	\$174.84
Biogen Inc (BIIB.O)	O (07/27/2020)	\$214.09
Biomarin Pharmaceutical Inc (BMRN.O)	O (04/25/2022)	\$92.84
BioNTech SE (BNTX.O)	E (12/16/2021)	\$147.92
Bluebird Bio Inc (BLUE.O)	U (11/08/2021)	\$5.97
Bolt Biotherapeutics, Inc. (BOLT.O)	E (01/06/2022)	\$1.96
Centessa Pharmaceuticals, Inc (CNTA.O)	U (08/12/2022)	\$3.84
Cerevel Therapeutics Holdings Inc (CERE.O)	O (06/18/2021)	\$32.70
Denali Therapeutics Inc (DNLI.O)	O (01/02/2018)	\$33.15
Editas Medicine (EDIT.O)	U (01/19/2021)	\$14.72
Fulcrum Therapeutics Inc (FULC.O)	O (08/11/2021)	\$7.90
Galapagos NV (GLPG.O)	O (01/19/2021)	\$52.14
Genmab A/S (GMAB.O)	U (09/07/2021)	\$35.89
Gilead Sciences Inc. (GILD.O)	E (01/06/2022)	\$65.34
Global Blood Therapeutics Inc (GBT.O)	++	\$67.02
Innoviva Inc (INVA.O)	U (08/14/2014)	\$14.12
IO Biotech (IOBT.O)	O (11/30/2021)	\$3.55
Ionis Pharmaceuticals Inc (IONS.O)	U (11/07/2019)	\$44.00
Kodiak Sciences Inc (KOD.O)	E (11/16/2020)	\$10.46
Legend Biotech Corp (LEGN.O)	O (01/31/2022)	\$45.43
Lyell Immunopharma, Inc. (LYEL.O)	O (07/12/2021)	\$7.04
Moderna Inc (MRNA.O)	E (12/16/2020)	\$146.10
Pharvaris N.V. (PHVS.O)	O (03/02/2021)	\$18.49
Regeneron Pharmaceuticals Inc. (REGN.O)	E (10/01/2015)	\$618.36
Sana Biotechnology, Inc (SANA.O)	O (03/01/2021)	\$6.72
Sarepta Therapeutics Inc (SRPT.O)	E (01/08/2021)	\$107.86
Seagen Inc (SGEN.O)	O (01/31/2022)	\$171.67
Tenaya Therapeutics Inc (TNYA.O)	O (08/24/2021)	\$4.50
Vaccitech Plc (VACC.O)	O (05/25/2021)	\$4.55
Vertex Pharmaceuticals (VRTX.O)	E (05/03/2022)	\$299.04
Vigil Neuroscience Inc (VGL.O)	E (02/01/2022)	\$7.20

**Michael E Ulz**

Akero Therapeutics Inc (AKRO.O)	E (10/19/2021)	\$12.04
Allakos Inc (ALLK.O)	E (08/26/2021)	\$4.00
AlloVir Inc (ALVR.O)	O (08/24/2020)	\$7.74
AVROBIO Inc (AVRO.O)	E (11/19/2021)	\$1.04
Blueprint Medicines Corporation (BPMC.O)	E (10/30/2020)	\$69.66
Cabaletta Bio Inc (CABA.O)	O (11/19/2019)	\$1.33
Fate Therapeutics Inc (FATE.O)	E (08/26/2021)	\$29.03
Freeline Therapeutics Holdings plc (FRLN.O)	E (01/31/2022)	\$0.95
Fusion Pharmaceuticals Inc (FUSN.O)	O (07/21/2020)	\$2.13
Horizon Therapeutics Plc (HZNP.O)	O (03/22/2021)	\$60.40
IGM Biosciences Inc (IGMS.O)	E (12/13/2021)	\$21.94
Iveric Bio Inc (ISEE.O)	O (02/07/2022)	\$12.65
Karyopharm Therapeutics Inc (KPTI.O)	E (11/19/2021)	\$5.47
Mirati Therapeutics (MRTX.O)	E (08/26/2021)	\$77.40
Sigilon Therapeutics Inc (SGTX.O)	E (12/29/2020)	\$0.67
Taysha Gene Therapies Inc. (TSHA.O)	O (10/19/2020)	\$3.74
Xilio Therapeutics Inc (XLO.O)	O (11/16/2021)	\$2.37
Y-mAbs Therapeutics Inc. (YMAB.O)	E (04/29/2020)	\$17.66
Zentalis Pharmaceuticals Inc (ZNTL.O)	O (10/19/2021)	\$26.22

**Vikram Purohit**

Arcutis Biotherapeutics, Inc. (ARQT.O)	O (11/19/2021)	\$25.68
Ascendis Pharma A/S (ASND.O)	O (11/19/2021)	\$92.59
Avsome Therapeutics (AXSMO)	E (08/10/2021)	\$59.55
Certara Inc (CERT.O)	E (01/05/2021)	\$16.56
Evelo Biosciences Inc (EVLO.O)	E (10/19/2021)	\$2.59
Exscientia PLC (EXAI.O)	E (10/26/2021)	\$10.29
Foghorn Therapeutics (FHTX.O)	O (11/17/2020)	\$15.76
Hookipa Pharma Inc (HOOK.O)	E (11/11/2021)	\$1.56
Incyte Corp (INCY.O)	E (04/29/2020)	\$74.54
Instil Bio (TIL.O)	E (04/13/2021)	\$5.70
Kymera Therapeutics Inc (KYMR.O)	E (09/15/2020)	\$32.00
Regenxbio Inc (RGNX.O)	O (10/19/2021)	\$31.29
SAGE Therapeutics Inc (SAGE.O)	E (11/16/2020)	\$42.77
Schrodinger Inc. (SDGR.O)	E (11/19/2021)	\$27.88
Talaris Therapeutics (TALS.O)	E (07/05/2022)	\$4.08
Theravance Biopharma Inc (TBPH.O)	U (08/24/2021)	\$9.34
Tscan Therapeutics Inc (TCRX.O)	O (08/10/2021)	\$3.05

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\* Historical prices are not split adjusted.