

CRISPR Therapeutics (NYSE: CRSP)

Healthcare: Biopharmaceuticals

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Initiating Coverage of CRSP at Market Outperform and \$68.48 Target Price

Bottom Line

We are initiating coverage of CRISPR Therapeutics with a Market Outperform rating and a \$68.48 price target. This rating is based on the belief that the company's commercial validator CASGEVY will continue to grow beyond expectations while multiple pipeline drugs are approved, raising both the revenue floor and ceiling. We note significant risks associated with the company's current model and recognize the inherent risk associated with the Food and Drug Administration (FDA) approval process. However, despite these risks, we are confident in CRISPR's industry-leading ability to develop and market novel gene therapies.

Key Points

Specialists in Gene Therapy – CRISPR's gene therapy technology is robust, accounting for over \$100 million in revenues during 2025. The company demonstrated its ability to research and develop as well as manufacture cutting edge gene therapies effectively and formed partnerships with industry leaders to fortify its position as one of the leaders in the space. While revenues for this segment have increased exponentially, the company's guidance makes it clear that they expect this growth to continue. CRISPR continues to demonstrate the potential for its blossoming gene therapy technology by developing a hematology therapy, which is currently undergoing Phase II trials.

Impactful Partnerships – CRISPR has partnered with Vertex Pharmaceuticals to market and distribute their flagship gene therapy, CASGEVY. Additionally, the company has entered partnerships with other, smaller companies for partial ownership and co-development of other promising candidates. These partnerships provide CRISPR with the platform to research and distribute more efficiently with some of the top researchers worldwide. With the company beginning to bring more attention to its budding gene editing segment, partnerships will be invaluable to driving revenue growth for the future.

Established Industry Leader – CRISPR's position as an industry leader sets the company apart from newer competitors such as Beam Therapeutics, Caribou, and Legend BioTech. The company's prestige from being founded by the creator of the CRISPR technology makes it an attractive destination for many of the world's top pharmacologists, giving CRISPR a larger talent pool than its rivals. So far, the company has leveraged this to create CASGEVY, the world's first therapy to use the Cas9 gene editing technology. With a large pipeline, the company is in position to further extend its lead.

Anticipating Global Needs – As global populations change, so too do their needs. CRISPR's strategy of looking ahead always ensures that the company can adapt to these changes. One such example is the company's new focus on hematology. As the global population ages, sectors such as hematology will become increasingly important, and the company's pre-emptive focus on establishing a high-quality competitor shows impressive foresight.

Market Outperform Target Price \$68.48

Suitability High Risk/Income

MARKET DATA

Current Price	\$53.46
52-Week Range	\$30.74-\$78.48
Market Cap	\$5.13
Current Cash	\$1.76
Enterprise Value	\$3.29
Dividend Yield	0.00%
EPS	-\$6.47
Beta	1.64

KEY FINANCIAL METRICS (\$m)

	2024A	2025A	2026E
Revenue	\$37	\$3.5	\$49
% Growth	-90%	-91%	1394%
Net Income	\$31.3	\$2.1	\$13.5
% Growth	42.7%	-93.3%	643%
FCF	\$-145	\$-345	\$-348
% Growth	46.4%	-139%	-0.9%

KEY MULTIPLES

VALUATION

P/Sales	1343.5x
EV/EBITDA	-5.72x
P/BV	2.62x
P/CF	-13.67x

LIQUIDITY

Current Ratio	13.32x
Quick Ratio	13.32x
Cash from Ops. / Current Liabilities	-231.37x

LEVERAGE

LT Debt/Equity	0.00%
LT Debt/Capital	0.00%
Net Debt/EBITDA	0.0x

EFFICIENCY

Return on Assets	-25.81%
Return on Equity	-30.18%

Source(s): FactSet, CapIQ, CRSP Company Filings
 All figures in billions of \$USD except per share values.
 Data as of February 23rd, 2026.

Table of Contents

Company Overview.....pg. 2

Management Team & Executive Compensation.....pg. 2

Industry Outlook.....pg. 3

Executive Summary.....pg. 5

Key Projects, Partnerships and Strategy.....pg. 5

Performance and Risk Analysis.....pg. 9

Competitive Landscape Analysis.....pg. 11

Comparable Companies Analysis.....pg. 12

Discounted Cash Flow Analysis.....pg. 13

Important Disclosures.....pg. 14

Analyst Information.....pg. 15

Company Overview

CRISPR Therapeutics (NYSE: CRSP) is a biopharmaceutical company focused on developing gene-editing based therapies for rare or difficult to cure diseases. The company is headquartered in Switzerland but does business primarily in the United States through its office in Massachusetts. The company was founded by Nobel laureate Emmanuelle Charpentier in collaboration with Rodger Novak and Shaun Foy and aims to use the CRISPR gene-editing technology to produce therapies not possible with more traditional medicine.

The company operates on a traditional biopharmaceutical framework. In-house operations are primarily focused on developing pipeline drugs to market both to consumers and as licensing opportunities to other, larger companies. Currently, CRISPR markets one drug, CASGEVY, which aims to cure sickle cell disease (SCD). Further pipeline assets are in development, with the most advanced prospect currently undergoing Phase II trials that are expected to conclude in Q3 2026.

MANAGEMENT OVERVIEW

Samarth Kulkarni, Chief Executive Officer – Samarth Kulkarni (age 47) has served as the chief executive officer of CRISPR Therapeutics since 2017. In addition to his role at CRISPR, Dr. Kulkarni serves on the boards of numerous other biopharmaceutical companies and was previously the chairman of the board at Casebia Therapeutics, a joint subsidiary of CRISPR Therapeutics and Bayer. Prior to joining CRISPR, Dr. Kulkarni was a partner at McKinsey, where he co-led the biotech strategy section of the firm. Dr. Kulkarni received his Ph.D. in bioengineering and nanotechnology from the University of Washington and his B. Tech. from the Indian Institute of Technology. He has also written several notable publications in scientific journals.

Raju Prasad, Chief Financial Officer – Raju Prasad (age 42) has served as the chief financial officer of CRISPR since 2023. Prior to joining CRISPR, Mr. Prasad served in various roles at William Blair, where he was a senior biotechnology analyst. During his time, he led the firm's initiative on covering companies in the areas of cell therapy and gene editing. In addition to his role at CRISPR, Mr. Prasad serves on the Advisory Board of Portal Innovations. Mr. Prasad received his B.A. in cell biology and neuroscience from Rutgers University, and his Ph.D. in environmental sciences and engineering from the University of North Carolina at Chapel Hill.

Naimish Patel, Chief Medical Officer – Naimish Patel (age 54) is CRISPR's most recent appointment to the executive suite. Dr. Patel was appointed after coming from Sanofi in 2024. During his time at Sanofi, Doctor Patel led the development of their pipeline, while also overseeing business development and M&A activities for the company. Dr. Patel has a B.S. in mechanical engineering from MIT and an M.D. from McGill University. He also served as a member of the faculty at the Beth Israel Deaconess Medical Center, where he studied immunology on an NIH funded basis. In addition to his role at Sanofi, he also previously held positions at AstraZeneca and Vertex Pharmaceuticals.

Exhibit 1: CRSP Management Structure and Compensation

Name	Position	Insider Holdings (%)	Salary	Total Comp.
Samarth Kulkarni, PhD	Chairman & Chief Executive Officer	0.231%	\$724,500	\$12,322,196
Raju Prasad, PhD	Chief Financial Officer & Executive Vice President	0.007%	\$371,648	\$5,718,566
Naimish Patel, MD	Co-Chief Scientific Officer & President-Research	0.006%	NOT AVAILABLE	NOT AVAILABLE
Jim Kasinger	Executive Vice President & General Counsel	0.088%	\$465,800	\$3,510,398

Source(s): Factset, VIG Research

Company Outlook

We believe that overall, CRISPR Therapeutics has a positive outlook for 2026. While the market has likely priced in a large uptick in CASGEVY sales following strong Q1 results, we are unsure if the market has accurately priced in the size of the SCD market. Additionally, the company's promising pipeline represents significant future value for the company, even if several of the development candidates do not make it to market. While the stock price has decreased significantly in the last six months, the company has still outperformed the S&P 500 on a one-year basis. Current market conditions provide a notable headwind to CRISPR, as their business model depends on being able to license or sell their pipeline assets to larger pharma. However, with venture capital interest stepping up in the field and the overperformance of the industry at large in Q4 2025, there is potential for larger players to increase licensing activities.

Industry Outlook - Healthcare

Over the past five years, the healthcare sector has lagged the broader equity market. This has been due to several factors, with the two most notable being the COVID euphoria dying down and the AI boom sparking capital rotation out of the industry. However, in Q4 2025, this trend reversed. While many companies have struggled in the post-COVID era, breakthrough drug classes such as GLP-1 receptor agonists have reinforced confidence in the industry’s long-term growth prospects.

As a result of this renewed optimism, M&A activity has begun to accelerate. With many biotechnology firms facing discounted valuations following several years of capital market weakness, analysts expect further M&A activity throughout 2026. The increase is amplified by the fact that many large pharmaceutical companies are facing numerous patent cliffs totaling tens of billions of dollars in revenue. As a means of supplementing this lost income, these firms often look to acquire companies with new, high-potential platforms. Similar to Pfizer’s acquisition of SeaGen in 2023, small and mid-cap biotech firms are more attractive than ever to purchase.

This upside could be further enhanced by possible rate cuts from the new Federal Reserve leadership, which would make the cost of borrowing cheaper. Additionally, as the population shifts towards an older demographic in most Western countries, investment in technologies such as pharmaceuticals has begun to increase. Over the past five years, government spending on healthcare has significantly outpaced the GDP growth in the United States, illustrating the increased prevalence of healthcare and providing a significant tailwind to the industry.

The FDA approval of CASGEVY represents a validation of the gene-editing platform in therapeutic settings and was seen as one of the largest milestones in biotechnology in the past decade. With the drug also displaying impressive commercial viability, CRISPR Therapeutics has positioned itself as a pioneer in a revolutionary therapeutic area. As several more gene therapies are currently undergoing FDA trials, the healthcare industry may be entering the early stages of another therapeutic transformation. With a robust pipeline and over \$2 billion in cash, CRISPR is in an advantageous position to benefit from the shift in sentiment. When compared to its competitors in the gene editing therapies space, CRISPR is among the largest publicly traded companies by market cap. This, combined with the fact that the company has a strong revenue generating asset already in the portfolio, means that CRISPR could also represent an attractive strategic asset for pharmaceutical giants seeking an entry into the gene-editing market.

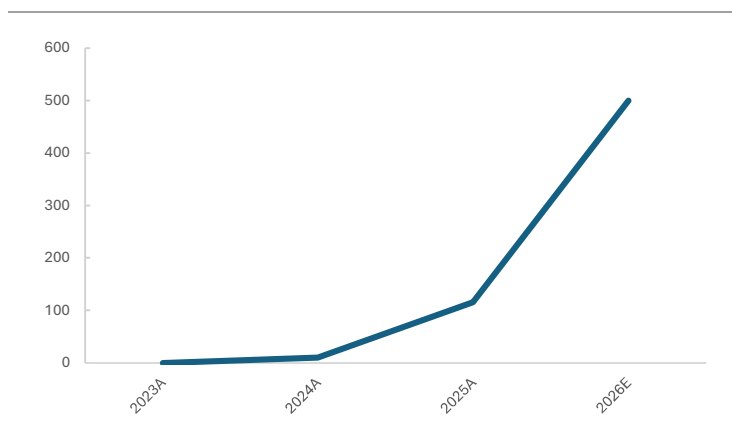
Despite these advantages, the company’s valuation remains mostly in line with other gene-editing peers. This is a striking fact given that unlike its competitors, CRISPR has both a revenue generating asset and a promising pipeline. With CASGEVY sales continuing to increase and analysts starting to consider the possibility that it could become a blockbuster drug, CRISPR is well placed within a burgeoning pharmaceutical industry.

Catalysts

STRONG CASGEVY GROWTH

CASGEVY impressed in 2025, generating \$115.8 million in sales and growing 1150% from 2024’s figure. With the company setting a \$500 million revenue goal for 2026, any continued overachievement would provide a significant boost to CRISPR and prove the potential blockbuster status of CASGEVY. The impressive growth comes from the drug’s high success rate combined with its long-term impact, which has led to greater clinical support. Further outperformance relies on CRISPR’s ability to reduce the cost of administering the therapy and increasing availability in smaller markets.

Exhibit 1: CASGEVY Revenues (\$m) Have Exponentially Increased



Source(s): VIG Research, Company Filings

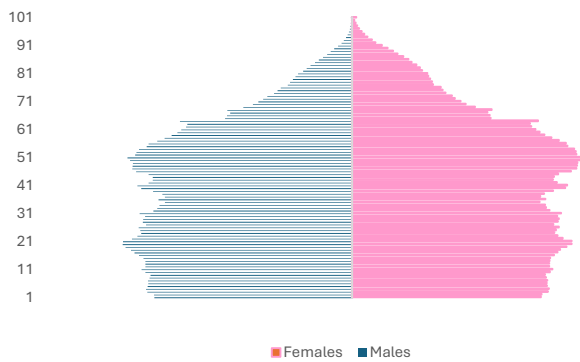
SRSD107 PHASE II RESULTS

CRISPR currently has only one revenue-generating asset in CASGEVY. With Phase II results for their farthest-along pipeline drug SRSD107 on the horizon, investors will be looking to the efficacy results to price CRISPR’s ceiling. Strong results would mean more than just another drug on the market; they would also validate CRISPR’s approach to licensing and development.

AGING POPULATION

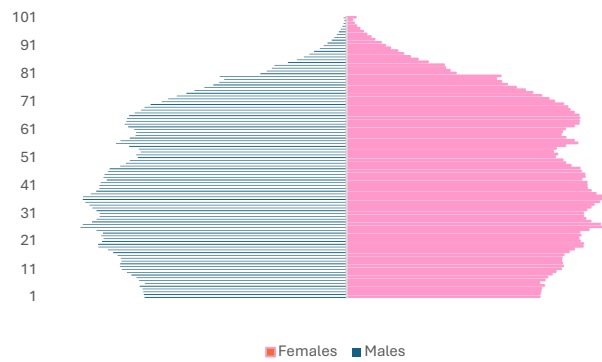
In many Western countries, the birthrate is declining and the average age is increasing. While the Baby Boomer generation continues to age, more young people are choosing not to have children, citing the high costs of raising children in the current economic climate. The effect of this has been an older population which relies heavily on prescriptions to manage symptoms common with old-age-related diseases. This has increased investment in healthcare overall, with CRISPR being no exception. Many of the company’s pipeline drugs are aimed at conditions which disproportionately affect older adults, positioning CRISPR well to take advantage of the shift.

Exhibit 2: Population Pyramid of the United States in 2010...



Source(s): VIG Research

Exhibit 3: ...Reveals An Aging Population in 2026



Source(s): VIG Research

MEDICARE INTRODUCTION

The Medicare system has proven troublesome in the past for certain companies with blockbuster drugs. Should the program decide to include CASGEVY to the list of regulated drugs, the cost would be steep. This is especially true given the nature of CRISPR’s current single revenue stream model. While CASGEVY is significantly different from the typical Medicare addition, any surprise inclusion would be harmful.

PIPELINE FAILURE

Given the structure of CRISPR currently, there is significant pressure on pipeline drugs to elevate the revenue ceiling and increase company value. However, the unpredictable nature of FDA trials and unorthodox mechanisms of action could present delays or failures in the approval process. Such failures would be difficult for the company to navigate without a substantial drop in price.

Executive Summary

INVESTMENT THESIS

CRISPR faces a broader market projected to reach \$43 billion by 2034 with a fundamentally strong position furthered by a \$5 billion market capitalization and a \$2 billion cash balance entering 2026. Having achieved a noteworthy technological milestone while facing the commercial realities of scaling a complex, high-cost cellular therapy, CRISPR is advancing a diversified pipeline spanning many disease areas, each with potential multibillion dollar market opportunities.

With CASGEVY now approved in 10 jurisdictions and generating revenue, the market’s focus is now shifting towards the scalability of the commercial launch and, crucially, the potential of the pipeline to address prevalent diseases through *in vivo* editing. The core investment thesis for CRISPR is founded on three pillars: (1) the successful ramp for CASGEVY commercialization for SCD and beta-thalassemia (TDT), which partner Vertex Pharmaceuticals expects to generate over \$100 million in revenue for FY2025 with significant upside in 2026 and beyond, (2) near-term clinical inflection points, particularly CTX310’s published Phase 1 data demonstrating up to 82% reduction in triglycerides through *in vivo* CRISPR editing, validating the company’s gene-editing platform beyond cell therapies, and (3) a richly stocked pipeline with multiple late-stage programs in high-potential therapeutic areas, de-risked through major partnerships with Vertex and Eli Lilly.

Key Projects, Partnerships and Strategy

MAJOR PRODUCTS AND SERVICES

CRISPR Therapeutics AG operates across four primary therapeutic modalities:

Ex Vivo Gene Editing

The company's flagship product, CASGEVY, is a non-viral, ex vivo therapy where patients' hematopoietic stem and progenitor cells are edited outside the body before being returned to the patient. The therapy edits the BCL11A gene to increase production of fetal hemoglobin, which facilitates oxygen delivery throughout the body.

CASGEVY is approved in the United States, United Kingdom, EU, Kingdom of Saudi Arabia, Kingdom of Bahrain, Qatar, Canada, Switzerland, United Arab Emirates, and Kuwait for:

- Sickle Cell Disease - for patients 12 years and older
- Transfusion-Dependent Beta Thalassemia - for patients 12 years and older

The total addressable market across approved regions exceeds 60,000 eligible patients, including approximately 37,000 in the U.S. and Europe and 23,000 in the Middle East.

In Vivo Gene Editing

CRISPR has developed a proprietary lipid nanoparticle (LNP) delivery platform enabling in vivo gene editing in the liver. The lead programs include:

- CTX310 (ANGPTL3 targeting) - Phase 1 for cardiovascular disease showing up to 82% triglyceride and 86% low-density lipoprotein (LDL) cholesterol reduction
- CTX320 (LPA targeting) - Phase 1 for elevated lipoprotein(a)
- CTX340 (AGT targeting) - Preclinical for refractory hypertension, trial initiation planned H1 2026
- CTX460 (AATD) - Preclinical using novel SyNTase editing platform showing more than 90% mRNA correction

Allogeneic Chimeric Antigen Receptor T Cell (CAR-T) Therapies

The company is developing next-generation allogeneic CAR-T therapies incorporating novel potency edits for enhanced expansion and cytotoxicity.

- CTX112 (CD19-targeting) - Phase 1/2 trials for B-cell malignancies and autoimmune diseases (Systemic lupus erythematosus (SLE), systemic sclerosis, inflammatory myositis). Received FDA RMAT designation for follicular lymphoma and marginal zone lymphoma
- CTX131 (CD70-targeting) - Previously in development for solid tumors and hematologic malignancies. CRISPR has decided to strategically redirect resources

Regenerative Medicine & siRNA Platform

The last arm of CRISPR's operations is regenerative medicine, incorporating stem cell therapies to treat the cause of disease rather than symptoms.

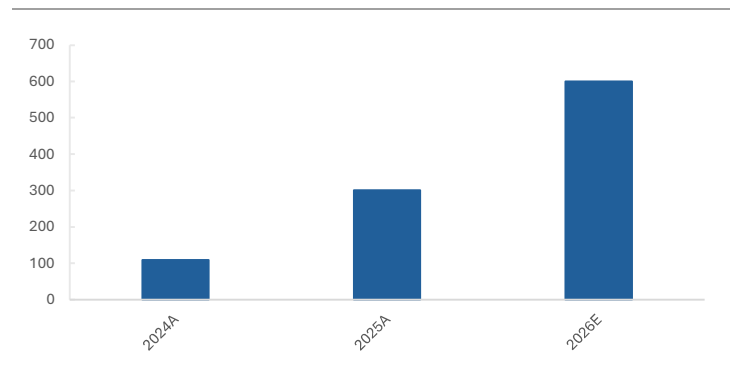
- CTX211 - Allogeneic, gene-edited stem cell-derived therapy for Type 1 Diabetes
- CTX611 (SRSD107) - Partnership with Sirius Therapeutics targeting Factor XI (FXI) for thromboembolic disorders, Phase 2 topline data expected H2 2026

MAJOR INITIATIVES AND PARTNERSHIPS

CASGEVY: The Commercial Anchor:

CASGEVY is the commercial validator for the CRISPR/Cas9 platform. Its economics are anchored by the Vertex Pharmaceuticals partnership, under which Vertex leads global development, manufacturing, and commercialization, while net profits and losses are split 60% to Vertex and 40% to CRSP. This structure provides CRSP with access to Vertex's commercial infrastructure and expertise, reduced commercialization risk and capital requirements, and shared development costs while maintaining significant profit participation.

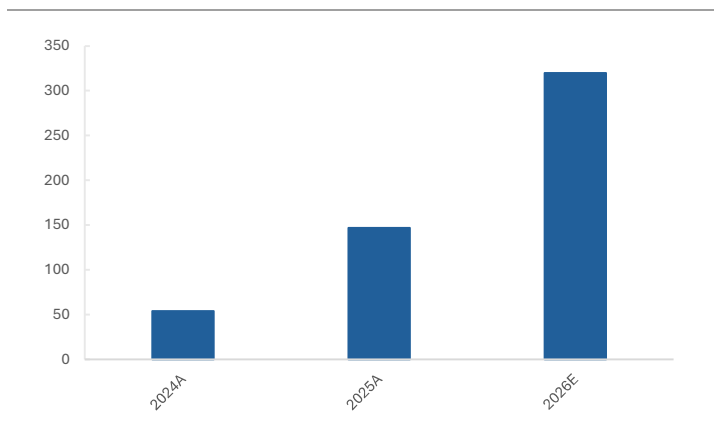
Exhibit 4: CASGEVY Projected to Continue Expanding Patient Numbers



Source(s): VIG Research, Company Filings

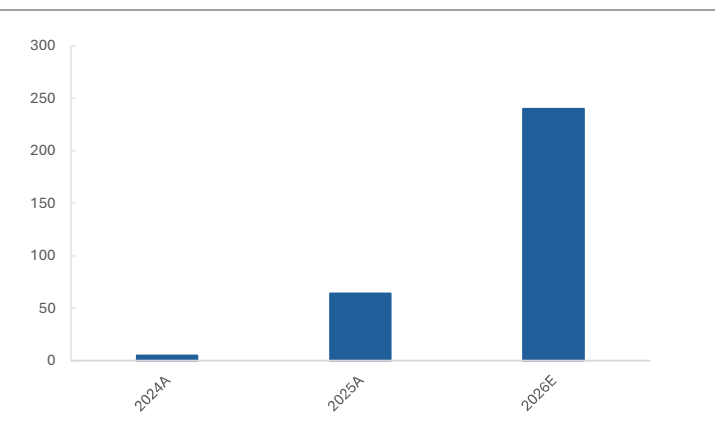
At the product level, CASGEVY is an ex vivo CRISPR/Cas9 gene-edited autologous hematopoietic stem and progenitor cell therapy designed to increase fetal hemoglobin by editing the erythroid enhancer region of BCL11A. It has been framed as the first FDA-approved CRISPR-based therapy globally for both SCD and TDT. Commercially, CASGEVY has now reached broad regulatory approvals across major geographies, including the U.S., U.K., EU, Canada, Switzerland, and several Gulf countries. CRSP has also disclosed that CASGEVY exceeded \$100m in 2025 revenue with more than 60 patients infused, alongside a nearly 3x year-over-year growth in patient initiations and first cell collections. The partnership builds a global operational stack with over 75 authorized treatment centers (ATCs) globally, end-to-end logistics for collection, editing, conditioning, and infusion, and multidisciplinary care teams, all serving as assets that can be leveraged for future cell therapies.

Exhibit 6: Strong CASGEVY Growth Shown in Cell Collections



Source(s): VIG Research, Company Filings

Exhibit 6: ...And Greater Growth in Cell Infusions



Source(s): VIG Research, Company Filings

Looking ahead, CRSP is aggressively moving into pediatric markets, with planned global submissions in early 2026. Pediatric expansion is a tangible upside driver because SCD and TDT are lifelong diseases where earlier “one-time” intervention could reduce cumulative organ damage and long-term cost. At the American Society of Hematology conference in 2025, Vertex presented data in children ages 5-11 showing 100% of evaluable SCD patients achieving more than 12 months free of vaso-occlusive crises, and 100% of evaluable TDT patients achieving transfusion independence in excess of 12 months.

CTX611 & Sirius Therapeutics Partnership:

In 2025, CRSP entered a strategic collaboration with Sirius Therapeutics to add a distinct “RNA medicines” pillar, with the lead program CTX611 targeting FXI to prevent thromboembolic disorders. The siRNA therapy is intended to provide anticoagulation with a lower bleeding risk than current anticoagulants by selectively modulating the intrinsic coagulation pathway. Phase 2 data in total knee arthroplasty (TKA) is expected by late 2026, formally marking CRSP’s entry into the high-volume anticoagulant market.

The partnership terms are structured as co-development and equal cost and profit sharing, with CRSP leading U.S. commercialization and Sirius leading Greater China. CRSP also has rights to exclusively license up to two additional siRNA programs. As a whole, this collaboration expands CRISPR’s therapeutic modalities beyond gene editing into RNA-based medicines, providing diversification, complementary technology, and

entrance into a modality better understood by regulators and payers. It broadens the addressable market footprint into large cardiovascular and thromboembolic populations and gives the company a second late-stage value lever in 2026 beyond the CASGEVY ramp.

In September 2025, CRSP and Sirius announced the first patient dosed in Europe for the Phase 2 trial and point to Phase 1 data showing strong, sustained pharmacodynamic effects, including more than 93% reduction in FXI levels and durable effects lasting up to 6 months, supporting a potential semi-annual dosing profile.

Allogeneic CAR-T & Autoimmune Strategy:

Zugo-cel, formerly CTX112, is CRISPR's independently-owned allogeneic CAR-T program targeting CD19 and is being developed in both autoimmune diseases and hematologic malignancies. It is positioned as an off-the-shelf CAR-T designed to incorporate targeted gene edits supporting immune evasion and T-cell potency. This 2nd-generation therapy includes novel edits that lead to ten-fold higher functional persistence compared to 1st-gen therapies. In its latest update, CRISPR reported four autoimmune patients treated at 100M cells with rapid and deep B-cell depletion and "significant clinical improvement" at Day 28, including one SLE patient maintaining drug-free DORIS clinical remission through Month 6.

Being developed across autoimmune diseases and oncology, strong clinical data supports the push into the space by demonstrating feasibility and efficacy while expanding the autoimmune thesis. CRISPR has also announced a collaboration and clinical supply agreement with Eli Lilly to evaluate the viability of their platform across other use cases. The autoimmune CAR-T trend has attracted intense investor interest because deep B-cell depletion has the potential to reset disease biology in refractory patients. This further serves the multiple expansion catalyst that is zugo-cel, as it targets vast, chronic markets where even modest penetration supports blockbuster revenue. Additionally, being allogeneic with projected COGS under 10,000 dollars per patient, zugo-cel could undercut autologous CAR-Ts on both price and scalability, enabling broader access and better margins.

Exhibit 7: CRSP Catalyst Map for 2026

Franchise	Candidate	Modality	Status Entering 2026	What Matters	Partner/ Economics
Hemoglobinopathies	CASGEVY	Ex vivo CRISPR/Cas9 HSC therapy	Early commercial	<ul style="list-style-type: none"> * Quarterly commercial updates * Pediatric (5–11) regulatory submissions expected H1 2026 	<ul style="list-style-type: none"> * Vertex leads global distribution * 60/40 (Vertex/CRSP) profit share for CASGEVY
Autoimmune/ Oncology	Zugo-cel (formerly CTX112)	Allogeneic CD19 CAR-T	Phase 1 autoimmune + Phase 1/2 oncology	<ul style="list-style-type: none"> * Additional autoimmune + oncology updates expected H2 2026 	<ul style="list-style-type: none"> * Wholly owned * Collaboration to evaluate combination with Eli Lilly
Thrombosis	CTX611 (SRSD107)	Long-acting FXI siRNA	Phase 2 ongoing (TKA)	<ul style="list-style-type: none"> * Top-line Phase 2 data expected H2 2026 	<ul style="list-style-type: none"> * 50/50 cost & profit split with Sirius * CRSP U.S. commercial, Sirius Greater China
Cardiovascular	CTX310	In vivo liver editing (LNP, CRISPR/Cas9)	Phase 1 → Phase 1b	<ul style="list-style-type: none"> * Updates expected H2 2026 * Confirm durability/safety in targeted high-risk dyslipidemia segments 	<ul style="list-style-type: none"> * Wholly owned
Cardiovascular	CTX320/ CTX321	In vivo liver editing (Lp(a))	CTX320 dose escalation CTX321 IND/CTA enabling	<ul style="list-style-type: none"> * Lp(a) program update expected 2026 	<ul style="list-style-type: none"> * Wholly owned
Hypertension/ Rare Liver Disease	CTX340/ CTX460	In vivo/ SyNTase (CTX460)	IND/CTA enabling	<ul style="list-style-type: none"> * CTX340 trial start H1 2026 * CTX460 trial start mid-2026 	<ul style="list-style-type: none"> * Wholly owned
Regenerative Medicine	CTX211/ CTX213	iPSC-derived hypimmune beta cell approach	CTX211 clinical learnings CTX213 preclinical/ transition	<ul style="list-style-type: none"> * Further updates as development progresses * Less defined near-term catalyst vs other pillars 	<ul style="list-style-type: none"> * Wholly owned

Source(s): VIG Research

Performance and Risk Analysis

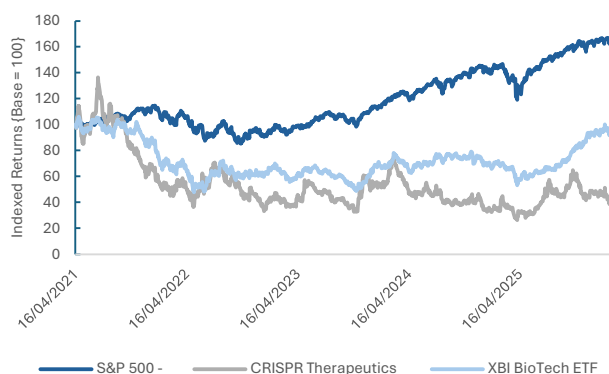
The performance and risk profile of CRISPR Therapeutics has undergone a structural shift in the trailing twelve-month period, characterized by a decoupling from sector-standard volatility and an increased sensitivity to broad macroeconomic factors. The following analysis isolates the specific technical drivers of this transition, segmented into: **(1) MARKET PERFORMANCE ANALYSIS**; and **(2) RISK FACTORS & SENSITIVITY ANALYSIS**

MARKET PERFORMANCE ANALYSIS

CRSP’s trading behavior reveals a subtle change beginning in late 2025, where the stock begins to show a relative increase in market beta, while comparative Bio-tech beta remains consistent. This section details the risk relationship between systematic risk (Beta) and execution (Alpha).

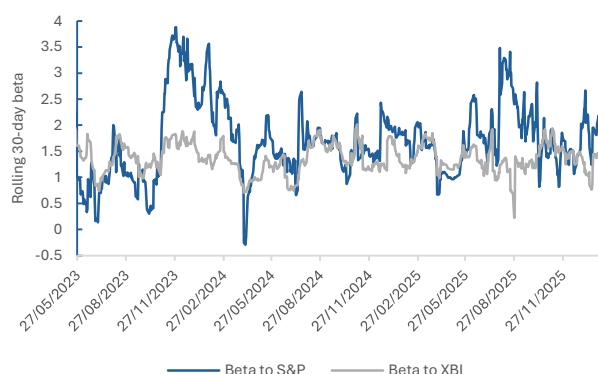
Systematic Risk & Beta Decoupling – Historically, CRSP has exhibited a high correlation with the broader biotechnology sector (XBI). However, recent rolling 30-day beta analysis indicates a divergence in risk correlations. While the stock’s beta relative to the XBI index remains anchored at approximately 1.5, its beta relative to the S&P 500 has surged to 2.5x more. This expansion implies that the stock’s variance is currently influenced more by broad market factors than sector-specific information.

Exhibit 8: CRSP Returns Compared to the S&P 500 and XBI ETF



Source(s): Factset, VIG Research

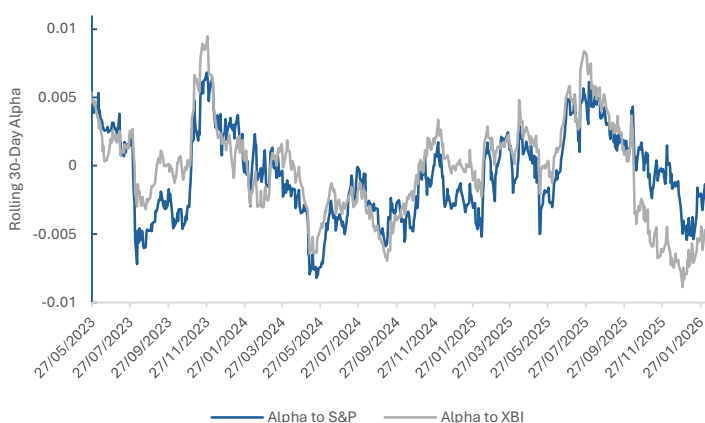
Exhibit 9: CRSP Beta Relative to the S&P 500 and XBI ETF



Source(s): Factset, VIG Research

Sector Comparative Alpha Adjustments – Despite the elevated systematic risk, CRSP has generated negative alpha over the LTM period. Notably, the sector-relative alpha (against XBI) has fallen below the market-relative alpha (against SPY), signaling that the company is actively underperforming its gene-editing peers. This negative spread indicates that the market is now applying a specific discount to CRSP’s valuation due to commercial execution delays, stripping out the speculative premium observed in previous quarters.

Exhibit 10: CRSP Alpha Relative to the S&P 500 and XBI ETF



Source(s): Factset, VIG Research

RISK FACTOR & SENSITIVITY ANALYSIS

The valuation of CRISPR Therapeutics is currently constrained by three primary factors: macro-duration sensitivity, commercial friction in the CASGEVY launch, and risk within the in vivo pipeline.

Macro-Sensitivity & Duration Risk – The observed expansion of the S&P 500 Beta to 2.8 identifies CRSP as a Long-Duration asset. As the majority of the company's enterprise value is derived from cash flows projected 5–7 years in the future, the valuation is hypersensitive to the discount rate. Consequentially, the stock faces downside risk from inflationary data or rising 10-Year Treasury yields; a 1% drawdown in the broader S&P 500 is statistically likely to trigger a 2.5% contraction in CRSP share price, independent of clinical news flow.

Commercial Execution Friction – The negative alpha persistence is fundamentally driven by the lag between patient referral and revenue recognition for CASGEVY. While over 300 patients were referred for treatment in 2025, only 64 patients were successfully infused and recognized as revenue in the same period. This bottleneck creates quarter-to-quarter revenue variability that institutional models punish heavily. The risk is that continued friction will deflate cash flows, thus compressing the DCF terminal value.

Pipeline Valuation & Event Risk – Approximately 10-20% of the current valuation is attributed to the research pipeline, with a large contributor being the CTX310 (ANGPTL3) program. The market is currently adopting a bearish approach regarding the durability of LNP delivery. A failure to demonstrate sustained lipid reduction without safety signals in the upcoming Phase 1b expansion would likely result in a repricing event, reducing the pipeline premium and potentially resulting in a ~10% drop in stock price.

Upcoming Catalysts – The following binary events are critical for reversing the current alpha decay and validating the pipeline premium: **(1)** Submission for CASGEVY label expansion to patients aged 5–11 in H1 2026; **(2)** Phase 1b durability data readout for the CTX310 cardiovascular program in 2H 2026; and **(3)** Quarterly updates on Authorized Treatment Center activations and confirmed patient infusions.

Comparable Companies Analysis

Exhibit 11: CRSP Comparable Companies Analysis

Company	Ticker	Price	Market Cap	Price / Sales		Price/Book Value		EV/Rev	
				2025E	2026E	2025E	2026E	2025E	2026E
CASEGEVY									
Legend Biotech Corp	LGEN-US	\$ 16.65	\$ 3,074.95	3.91x	2.08x	5.36x	2.99x	2.33x	1.62x
Krystal Biotech, Inc.	KRYS-US	\$ 269.13	\$ 8,106.84	18.44x	14.78x	6.49x	5.43x	20.36x	14.38x
Sarepta Therapeutics, Inc.	SRPT-US	\$ 19.73	\$ 2,125.08	1.21x	1.34x	1.98x	1.55x	1.33x	1.56x
BioMarin Pharmaceutical Inc.	BMRN-US	\$ 57.62	\$ 11,067.71	3.59x	3.10x	--	--	3.30x	2.94x
Ionis Pharmaceuticals, Inc.	IONS-US	\$ 84.99	\$ 13,701.41	14.25x	15.01x	--	--	16.27x	16.04x
CASEGEVY mean	-	-	-	8.28x	7.26x	4.61x	3.32x	8.72x	7.31x
CASEGEVY median	-	-	-	3.91x	3.10x	5.36x	2.99x	3.30x	2.94x

CRISPR	CRSP-US	\$ 60.14	\$ 5,772.56	\$ 21,269.10	\$ 23,352.29	10.75x	9.79x	\$ 2.36	\$ 2.72
Unweighted Mean	-	-	-	6.10x	5.18x	-	-	-	-
VIG Estimates	-	-	-	4.67x	3.83x	-	-	-	-

Company	Ticker	Price	Market Cap	Enterprise Value	% of EV Capture	CRSP Implied Segmented EV
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IN-VIVO PIPELINE

Intellia Therapeutics, Inc.	NTLA-US	\$ 12.36	\$ 1,511.58	\$ 1,068.97	30%	\$ 320.69
Verve Group SE Class A	VER-SE	\$ 1.59	\$ 306.70	\$ 752.55	100%	\$ 752.55
Implied IN-Vivo Pipeline EV	-	-	-	-	-	\$ 567.47

Autoimmune Pipeline

Kyverna Therapeutics, Inc.	KYTX-US	\$ 7.62	\$ 475.89	\$ 348.73	75%	\$ 261.55
Cabaletta Bio, Inc.	CABA-US	\$ 2.51	\$ 249.33	\$ 109.44	100%	\$ 109.44
Implied Autoimmune Pipeline EV	-	-	-	-	-	\$ 185.49

Diabetes Pipeline (Precedent Transaction)	Acquisition \$	Ownership %	Discount	% EV Capture	CRSP Imp EV
Semma Therapeutics	\$ 950.00	50%	50%	--	\$ 237.50
Implied Autoimmune Pipeline EV	-	-	-	-	\$ 237.50

CRSP Implied EV of Research Pipeline	\$ 990.46
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Source(s): CapIQ, FactSet, Company Filings, VIG Research

COMPETITIVE LANDSCAPE

CRISPR Therapeutics operates across multiple biotechnology sectors, requiring segmented peer benchmarking to isolate valuations across its commercial and clinical-stage pipelines.

CASEGEVY Commercial Execution Benchmarking – For its single revenue-generating asset, CASEGEVY, CRSP's competitive environment is evaluated against established rare disease operators: Legend Biotech, Krystal Biotech, Sarepta, BioMarin, and Ionis. These peers reflect the structural realities and commercial friction of scaling specialized, high-cost cellular therapies. While CRSP faces pressure from newer competitors such as Beam Therapeutics, Caribou, and Legend BioTech, its prestige as a first-mover provides a distinct commercial moat. We apply median multiples from this cohort to capture a realistic commercial-stage valuation, actively stripping out speculative pipeline premiums.

In-Vivo Event Risk – The in-vivo segment competes in a concentrated niche against pure-play gene-editing pioneers Intellia Therapeutics and Verve Therapeutics. Verve represents the most direct cardiovascular competitor, while Intellia serves as a proxy for broad platform validation. CRSP's valuation in this segment is sensitive to binary clinical readouts from these peers, which heavily dictate the market's assigned premium for in-vivo genetic medicines.

Autoimmune Disruption – CRSP's allogeneic CAR-T program aims to disrupt specialized autologous competitors Kyverna Therapeutics and Cabaletta Bio. While peers face the commercial bottleneck and extended durations of individualized cell manufacturing, CRSP offers a more

scalable solution. We capture a percentage of these peers' Enterprise Value to quantify CRSP's potential in the rapidly expanding B-cell depletion market.

Regenerative Medicine Precedents – Due to a lack of publicly traded pure-play peers in this segment, valuation is anchored to precedent M&A transactions, specifically Vertex's acquisition of Semma Therapeutics for \$950 million. CRSP's competitive differentiator lies in utilizing gene editing to engineer immune-evasive cells, theoretically eliminating the chronic immunosuppressant requirements that burden legacy approaches.

Exhibit 12: CRSP Comparable Valuation

Comparable Company Sector	CRSP Equivalent	Raw Weighting	Pure Plays Adjusted	Price/Sales		Implied EV	
				2024E	2025E		
Single Revenue Stream Drug	Casegevvy	-	-	4.67x	3.83x	-	-
In-vivo pipeline		-	-	-	-	\$	567.47
Autoimmune pipeline		-	-	-	-	\$	185.49
Diabetes pipeline		-	-	-	-	\$	237.50
Final Valuation Metrics				4.67x	3.83x	\$	990.46

Estimated Company Financials

Key Metrics (\$ millions)	2024A	2025A	2026E	2027E	2028E	2029E
Casgevvy Revenue	37.31	114.00	314.00	478.00	768.20	1,247.30
Conservative case	-	-	270.00	399.60	591.41	875.28
Base case	-	-	314.00	478.00	768.20	1,247.30
Optimistic case	-	-	364.00	575.12	908.69	1,435.73
Net Debt			(1,312.80)	(1,108.60)		
Diluted Shares Outstanding	79.22	84.36	91.31	98.03		
Shares Outstanding						98.03
P/S Imp. Price conservative						\$55.59
P/S Imp. Price Base						\$70.12
P/S Imp. Price Optimistic						\$77.48
Final Target Price						\$67.73

Source(s): CapIQ, FactSet, Company Filings, VIG Research

Discounted Cash Flow Analysis

Exhibit 14: CRSP DCF Valuation

CRISPR Discounted Cash Flow Valuation																
DCF	2016A	2017A	2018A	2019A	2020A	2021A	2022A	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E	2031E
Revenue	\$ 5.16	\$ 41.00	\$ 3.12	\$ 289.59	\$ 0.72	\$ 914.96	\$ 1.20	\$ 371.21	\$ 37.31	\$ 24.00	\$168.00	\$ 285.60	\$ 475.52	\$ 775.94	\$ 1,241.62	\$ 1,949.54
% Growth		694.57%	-92.39%	9181.73%	-99.75%	126977.78%	-99.87%	30834.17%	-89.95%	-35.67%	600.00%	70.00%	66.50%	63.18%	60.02%	57.02%
COGS	\$ 42.14	\$ 69.85	\$ 113.83	\$ 179.43	\$ 266.88	\$ 438.33	\$ 462.19	\$ 389.02	\$ 464.18	\$ 498.29	\$499.68	\$501.08	\$502.48	\$503.89	\$505.30	\$506.71
% Growth		39.67%	38.64%	36.56%	32.77%	39.11%	5.16%	-18.81%	16.19%	6.85%	0.28%	0.28%	0.28%	0.28%	0.28%	0.28%
SG&A	\$ 28.05	\$ 32.82	\$ 48.29	\$ 63.48	\$ 88.21	\$ 102.80	\$ 102.46	\$ 76.16	\$ 72.98	\$ 73.54	\$ 77.11	\$ 80.85	\$ 84.78	\$ 88.89	\$ 93.20	\$ 97.73
% Growth		14.53%	32.04%	23.93%	28.04%	14.19%	-0.33%	-34.53%	-4.36%	0.76%	4.85%	4.85%	4.85%	4.85%	4.85%	4.85%
EBIT	\$ (65.03)	\$ (61.67)	\$ (159.00)	\$ 46.68	\$ (354.37)	\$ 373.83	\$ (563.45)	\$ (93.97)	\$ (499.85)	\$ (547.83)	\$ (408.79)	\$ (296.33)	\$ (111.73)	\$ 183.16	\$ 643.12	\$ 1,345.10
Taxes	\$ 0.48	\$ 1.75	\$ 0.55	\$ 0.45	\$ 0.81	\$ 1.87	\$ (0.33)	\$ 2.88	\$ 3.59	\$ 3.63	\$ (1.93)	\$ (1.40)	\$ (0.53)	\$ 0.87	\$ 3.04	\$ 6.37
% of EBIT	-0.74%	-2.84%	-0.35%	0.96%	-0.23%	0.50%	0.06%	-3.06%	-0.72%	-0.66%	0.47%	0.47%	0.47%	0.47%	0.47%	0.47%
EBIAT	\$ (65.51)	\$ (63.42)	\$ (159.55)	\$ 46.23	\$ (355.18)	\$ 371.96	\$ (563.12)	\$ (96.85)	\$ (503.44)	\$ (551.46)	\$ (406.86)	\$ (294.93)	\$ (111.20)	\$ 182.29	\$ 640.08	\$ 1,338.74
D&A	\$ 0.93	\$ 3.02	\$ 3.52	\$ 4.72	\$ 9.18	\$ 17.95	\$ 24.17	\$ 19.83	\$ 19.25	\$ 19.47	\$ (11.57)	\$ (8.38)	\$ (3.16)	\$ 5.18	\$ 18.19	\$ 38.05
% of EBIT	-1.43%	-4.90%	-2.21%	10.11%	-2.59%	4.80%	-4.29%	-21.10%	-3.85%	-3.55%	2.83%	2.83%	2.83%	2.83%	2.83%	2.83%
CapEx	\$ 3.02	\$ 7.81	\$ 2.77	\$ 6.68	\$ 18.36	\$ 81.70	\$ 37.19	\$ 9.47	\$ 1.90	\$ 0.91	\$ (49.05)	\$ (35.56)	\$ (13.41)	\$ 21.98	\$ 77.17	\$ 161.40
% of EBIT	-4.64%	-12.66%	-1.74%	14.31%	-5.18%	21.85%	-6.60%	-10.08%	-0.38%	-0.17%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Change in NWC	\$ 1.78	\$ (25.39)	\$ 10.50	\$ (48.43)	\$ 33.44	\$ 26.86	\$ 19.85	\$ (193.59)	\$ 156.27	\$ 71.88	\$ 77.42	\$ 56.12	\$ 21.16	\$ (34.69)	\$ (121.80)	\$ (254.74)
% of EBIT	-2.74%	-41.17%	-6.60%	-103.75%	-9.44%	7.19%	-3.52%	206.01%	-31.26%	-13.12%	-18.94%	-18.94%	-18.94%	-18.94%	-18.94%	-18.94%
UFCF	\$ (42.82)	\$ (169.30)	\$ 92.70	\$ (397.80)	\$ 281.35	\$ (595.99)	\$ 107.10	\$ (642.36)	\$ (604.78)	\$ (446.79)	\$ (323.88)	\$ (122.12)	\$ 200.18	\$ 702.90	\$ 1,470.13	
PV UFCF											\$ (402.51)	\$ (262.87)	\$ (89.29)	\$ 131.87	\$ 417.14	\$ 785.99
Sum PV UFCF																\$ 580.33
Gordon Growth																
Terminal Value	\$ 8,907.93															
PVTV	\$ 4,762.54															
Enterprise Value	\$ 5,342.87															
Imp. Market Cap	\$ 7,122.87															
Imp. Share Price	\$ 72.39															
Exit Multiple																
Projected EV/Revenue	4.20x															
Terminal Value	\$ 8,188.07															
PVTV	\$ 4,377.68															
Enterprise Value	\$ 4,958.01															
Imp. Market Cap	\$ 6,738.01															
Imp. Share Price	\$ 68.48															

Assuming a WACC of 11% and a TGR of 2%
 Revenue estimates based on CASGEVY forecasted sales and probabilistically distributed SRSD107 sales

Source(s): CapIQ, FactSet, Company Filings, VIG Research

Sensitivities Analysis

Exhibit 15: CRSP Sensitivities Analysis

Sensitivities											
	\$	70.83	WACC							13.00%	
			9.00%	9.50%	10.00%	10.50%	11.00%	11.50%	12.00%		12.50%
TGR	1.00%	85.27989522	80.03600636	75.41736593	71.32212459	67.6690516	64.39260618	61.43935454	58.76532302	56.334014	
	1.50%	88.17513398	82.46520421	77.47110914	73.0702635	69.16615136	65.68178829	62.55505312	59.73529422	57.18082238	
	2.00%	91.48397828	85.21829511	79.78157025	75.02406581	70.82959554	67.10667379	63.78232155	60.79764363	58.10461334	
	2.50%	95.30187555	88.36468471	82.40009284	77.22209341	72.68873903	68.68987989	65.13877614	61.96622798	59.11638439	
	3.00%	99.75608903	91.99513425	85.39269008	79.71319135	74.78027545	70.45934554	66.6459479	63.25782122	60.22933255	
2031 Sales	\$	70.83	2034 EV/Revenue								
	\$ 1,200.00		3.00x	3.25x	3.50x	3.75x	4.00x	4.25x	4.50x	4.75x	5.00x
	\$ 1,400.00	40.221905	40.87397229	41.52603958	42.17810686	42.83017415	43.48224144	44.13430872	44.78637601	45.4384433	
	\$ 1,600.00	47.03213721	47.79288238	48.55362754	49.31437271	50.07511788	50.83586305	51.59660822	52.35735338	53.11809855	
	\$ 1,800.00	53.84236941	54.71179246	55.58121551	56.45063856	57.32006161	58.18948466	59.05890771	59.92833076	60.7977538	
	\$ 2,000.00	60.65260162	61.63070255	62.60880348	63.58690441	64.56500534	65.54310627	66.5212072	67.49930813	68.47740906	
	\$ 2,200.00	67.46283382	68.54961263	69.63639144	70.72317026	71.80994907	72.89672788	73.98350669	75.0702855	76.15706431	
\$ 2,400.00	74.27306603	75.46852272	76.66397941	77.8594361	79.0548928	80.25034949	81.44580618	82.64126287	83.83671956		
\$	81.08329823	82.3874328	83.69156738	84.99570195	86.29983652	87.6039711	88.90810567	90.21224024	91.51637482		

Source(s): CapIQ, FactSet, Company Filings, VIG Research

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