



## **Case Study A: Small-cap biotechnology company with an upcoming pivotal Phase 3 data announcement**

### IR Challenge/Opportunity

Company A went public two years after announcing negative Phase 3 results for their lead product candidate. Post-IPO, the company had a limited number of shareholders, a mixed reputation on Wall Street and pending Phase 3 data for the same product in a new indication. Stern IR was retained initially to enhance visibility and awareness in advance of the announcement.

### Strategy

- Build credibility and visibility on The Street
- Educate investors and research analysts about the use of the drug for the new indication and the direction of the company
- Lay the groundwork to create positive “buzz” around data announcement

### Tactics

- Conducted broad proactive outreach to all IR audiences; scheduled numerous roadshows and lobbied for presentation invitations at several conferences in the months leading up to the data announcement – secured 5 conference invitations in 7 months between IPO and data announcement
- Hosted a successful analyst and investor day two months before the data was announced to lay the groundwork for the pending news; attracted many potential investors that were new to the story
- Conducted extensive scenario planning and preparation for the announcement and managed all company communications so that they were clear and digestible to The Street

### Results

- Stock rose over 200% after the positive data announcement
- Visibility achieved from our efforts allowed for a successful post-data follow-on financing 2 weeks later, raising over \$30 million
- Investor base more than tripled the following quarter



## **Case Study B: Small-cap, early-stage public biotechnology company without a strong industry following**

### IR Challenge/Opportunity

Company B was in the process of rebuilding and refocusing its pipeline and had only a single research analyst whose coverage no longer fit with the company's portfolio. Stern IR was retained initially to help them build a new following of research analysts knowledgeable in the company's area of expertise to initiate coverage of the company.

### Strategy

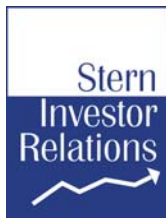
- Begin an active sell-side program designed to introduce the company to many of the industry's key research analysts
- Aim to obtain several coverage initiations, and over time, a mix of different tiers of coverage, thereby reaching a broader audience and increasing credibility

### Tactics

- Kicked off the program with a week's worth of meetings at the annual JPMorgan healthcare conference, one of the year's top industry events, where the company met with a number of key firms and contacts in the industry
- Revised the company's messaging in its corporate presentation, press releases, earnings conference calls and other key documents
- Created a distribution list to help promote company news to key industry contacts
- Scheduled roadshows in key areas to meet with relevant sell-side contacts
- Courted analysts and investors with an event to celebrate data and an upcoming clinical trial initiation at a major industry scientific conference
- Recommended and supported bank-sponsored roadshows

### Results

- Established relationships with a broad spectrum of analysts
- Three new sell-side analysts at boutique banks initiated coverage of the company within the first year of the IR program, and several additional analysts, some at top national banks, expressed serious interest in initiating
- The company presented at twice as many investor conferences as the year before and saw its stock rise about 50% vs. the BTK



## Case Study C: Early-stage IPO with a novel discovery platform

### IR Challenge/Opportunity

Company C had a novel discovery platform, premiere scientists, and a strong management team. Stern IR was retained initially to ensure they would have a successful IPO during a time when later-stage stories were favored over preclinical platform companies as IPO candidates.

### Strategy

- Identify a strong syndicate of risk-averse banks for the IPO, including a bulge-bracket lead bookrunner and 3-4 supporting banks
- Educate underwriter analysts on the science and technology to secure their coverage post-IPO
- Broaden visibility and create demand among investors in advance of the IPO
- Target high-profile investor conference opportunities to raise visibility among institutional investors

### Tactics

- Comprehensive introductions to financial community in truncated period in advance of IPO window
- Targeted blue-chip investors and known IPO-buyers for the financing
- Hosted an analyst teach-in for syndicate banks' analysts to educate them on the story and address any issues about the technology prior to the IPO
- Solicited speaking invitations at high-profile investor conferences to raise visibility pre-IPO

### Results

- Completed IPO in a challenging market, securing Fidelity as lead investor
- Efforts resulted in stock price strength even though the current market environment generally did not favor early stage companies
- Company continues an active IR program, presenting at an average of 20 conferences per year and maintaining an attractive market cap
- Stock currently trades at an over 200% premium to the IPO price