

Understanding the Importance of Investor Relations

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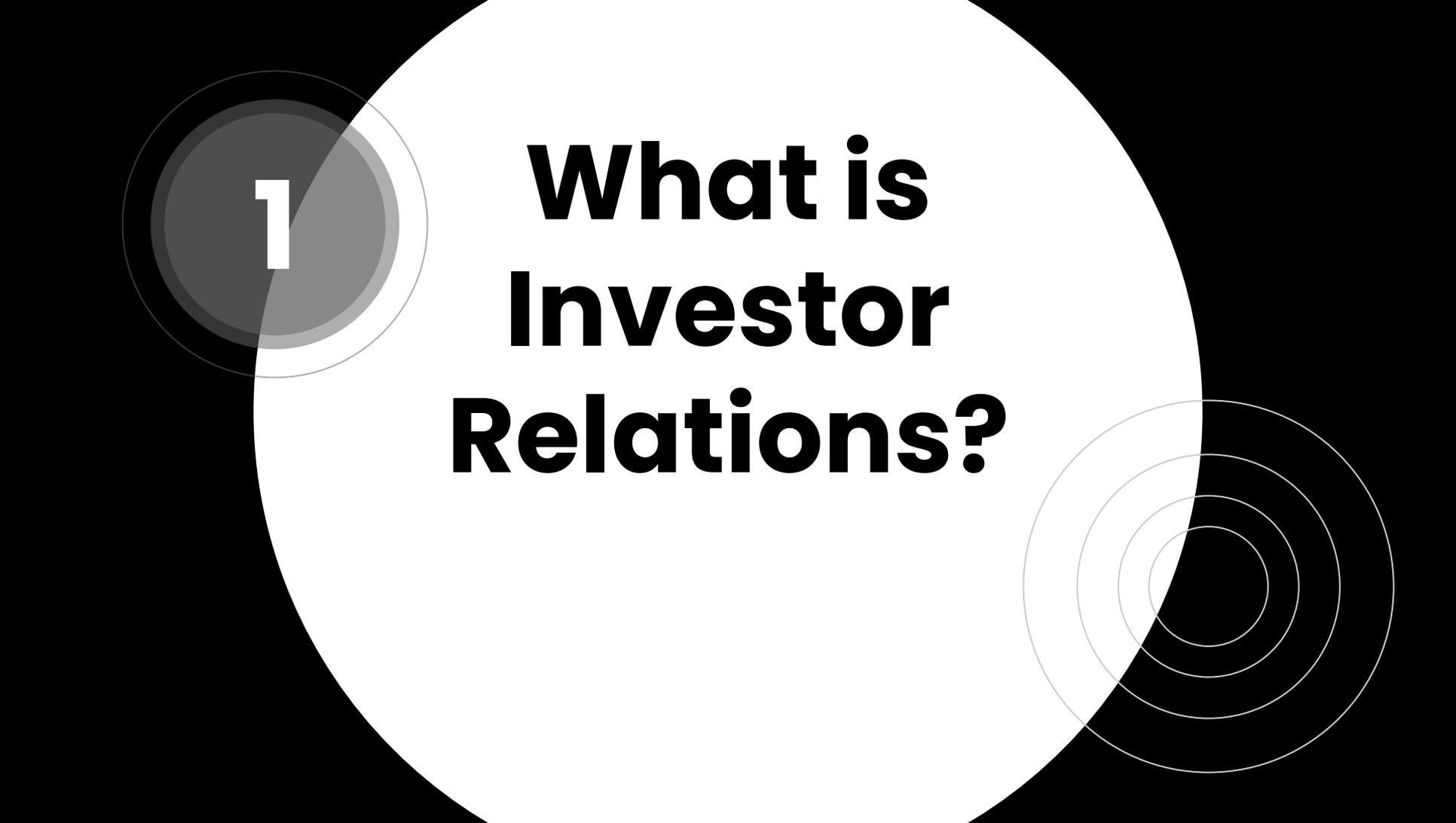
Investor Relations Manager

D&L Industries, Inc.

Key topics

1. What is investor Relations?
2. Importance of Investor Relations
3. Role of IR Head / Functions and Responsibilities of the IR Team
4. Importance of Corporate Governance for Business Sustainability



A large white circle is centered on a black background. To its left, there is a smaller grey circle with a white number '1' inside. To its right, there are several concentric white circles of varying sizes. The text 'What is Investor Relations?' is written in a bold, black, sans-serif font inside the large white circle.

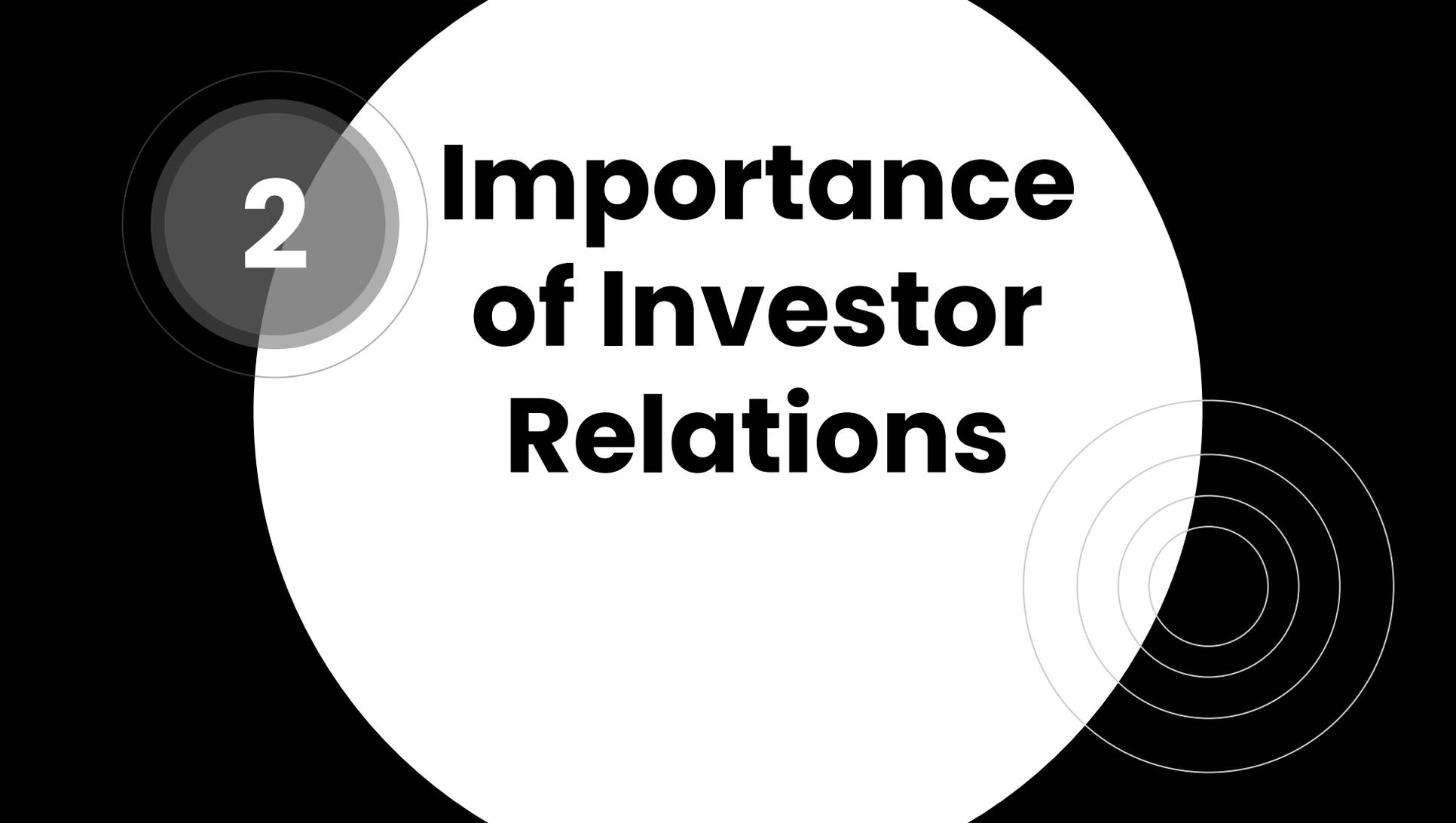
1

What is Investor Relations?

What is IR?

- Division of a business, usually for public companies, whose job is to **effectively control the flow of information** between public company, its investors, and its stakeholders.
- Combines **finance, communication,** and **marketing** to effectively tell the company's story to investors



A large white circle is centered on a black background. To its left, there are several overlapping circles of varying shades of gray, with the number '2' in white. To its right, there are several concentric white circles of varying sizes.

2

Importance of Investor Relations

Importance of IR

Investors play a major and vital role
in the success and growth of a
company



IR comes in

Strong & transparent relationship with
investors



Better company valuation and
long-term share price appreciation





3

Function & Responsibilities of IR

Function & Responsibilities of IR

- Generate interest in the company's stock by meeting investors and pitching the company's story to them
- Keep close communication with current investors
- Bridge between the investment community and the management of the company



Ways to reach out and meet investors

- One-on-one meetings with investors
- Participating in investor conferences
- Roadshows (IPO or capital raising roadshows, or non-deal roadshows)
- Phone calls, emails
- Facility tour



How do we keep investors up to date?

- Periodic reports
 - Annual Report /FS (SEC 17A)
 - Quarterly Report /FS (SEC 17Q)
 - Sustainability Report
- Quarterly analyst
- Quarterly press briefing
- Annual Shareholders' Meeting
- Press releases for major corporate developments



Benefits of a good IR team

- Maintain a loyal shareholder base
- Enhance long-term shareholder value
- Receptive capital markets for future financing at favorable terms
- Lower cost of capital
- Build long-term credibility with the investment community



How do we measure IR team's effectiveness

- Long term share price appreciation
- Diverse mix of investors
- Positive perception of the investment community on the company (both sell side & buy side)
- Recognition from various award-giving bodies
- Full compliance with all regulatory requirements



Awards D&L received over the years

We have been awarded and recognized both locally and internationally

Institutional Investor

2020 – ASEAN Honored Company; Alvin D. Lao as Best CEO in Phils; Crissa Bondad as 2nd Best Investor Relations Professional in the Philippines; 3rd Best IR Team, 3rd Best ESG

2019 – ASEAN Honored Company; Alvin D. Lao as Best CEO in Phils, ranked 2nd in ASEAN; Best Investor Relations Program in Phils; Crissa Bondad as 3rd Best Investor Relations Professional in the Philippines; 2nd Best ESG and Corporate Governance initiatives

2017 – Most Honored Company; Alvin D. Lao as Best CEO; 3rd Best Investor Relations Program

campden 

2017 – Top 50 Global Challengers (2nd place)

ASIAMONEY

2014- Best Managed Company– Small Cap Category (Philippines) candidate

2021 – Most Outstanding Company in the Philippines (Industrial Sector)



2013 - Global Small Cap Index



2014 - Top 10 Corporate Governance and Sustainability Report

FTSE

2015 - Global Equity Index Asia Pacific ex Japan All Cap & Small Cap

Finance Asia

2019 – Best Mid-Cap Company, 7th Best Investor Relations

2018 – 2nd Best Mid-Cap Company

2015 & 2016 – Best Mid-Cap Company

2015 –Alvin D. Lao as Best CFO – 2nd Place; Best Investor Relations – 9th place

2014 – 3rd Best Mid-Cap



2013- Islamic Market ASEAN Index



2016 & 2015 - Asia's 200 Best Under a Billion



2015 – Alvin D. Lao, CFO Best IR by a senior management team Small & mid-cap – South East Asia



ASIAN DEVELOPMENT BANK

2014 & 2015 - Top 50 Best Performing Philippine-listed Companies - ASEAN Corporate Governance Scorecard



4

Importance of Corporate Governance in Business Sustainability

What is corporate governance?

- **System of rules , practices, and processes** by which a firm is directed and controlled
- **Framework** for attaining the company's objective



Why is good corporate governance important?

- Aligns interest of all stakeholders
- Leads to ethical business practices, which leads to financial viability and long-term sustainability of the business
- Builds public trust in the company
 - = higher investor interest
 - = potentially higher valuation



Areas of corporate governance that investors tend to focus on

- Disclosure practices
- Executive compensation structure
- Risk management
- Composition of the board of directors
- Contractual and social obligations
- Complaints received from shareholders
- Audits





Thank you!