

IR Fundamentals

June 2025

About Prosek

IR vs. PA

Fundamentals of IR

Case study

#1 US
#2 Globally

Mergermarket
2024 M&A Rankings
(by deal count)

\$70_{T+}

Client assets under
management

9 Locations

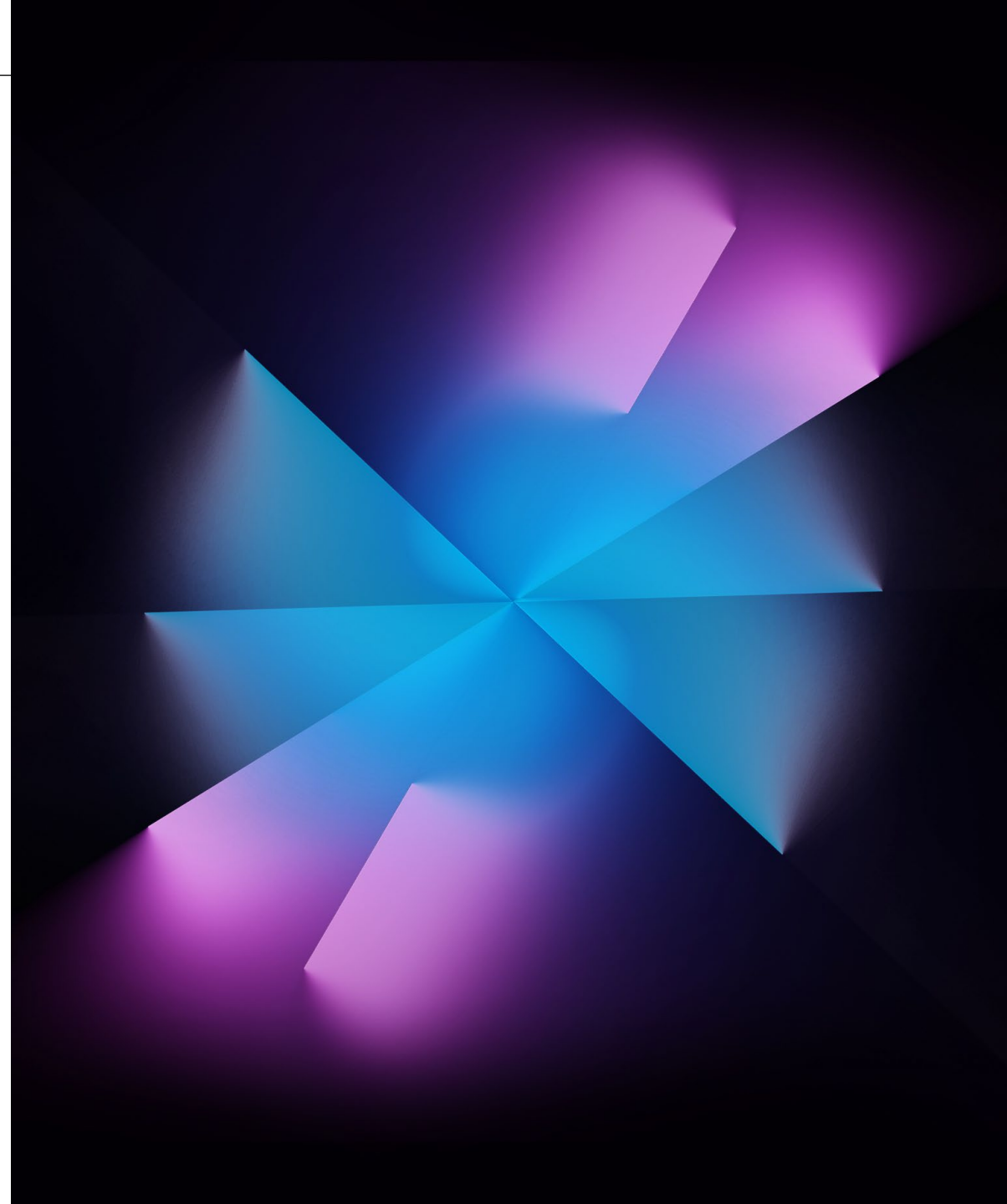
**Certified as a
women-owned
business**

400₊
employees

New York
London
Los Angeles
Boston
Fairfield
Palm Beach
Washington, DC
Cape Town
Abu Dhabi

Investor Relations advisory services summary

- + Positioning, narrative & messaging
- + Mergers & positioning
- + Pre-and-post IPO support
- + Crisis counsel & issues management
- + Activism defense preparedness
- + Board presentations
- + Annual reports, investor presentations & collateral
- + Tailored, informed counsel
- + Perception audits
- + Investor days & IR presentation coaching
- + Corporate governance
- + Analyst & investor engagement programs
- + Quarterly earnings support
- + Investment thesis & narrative development



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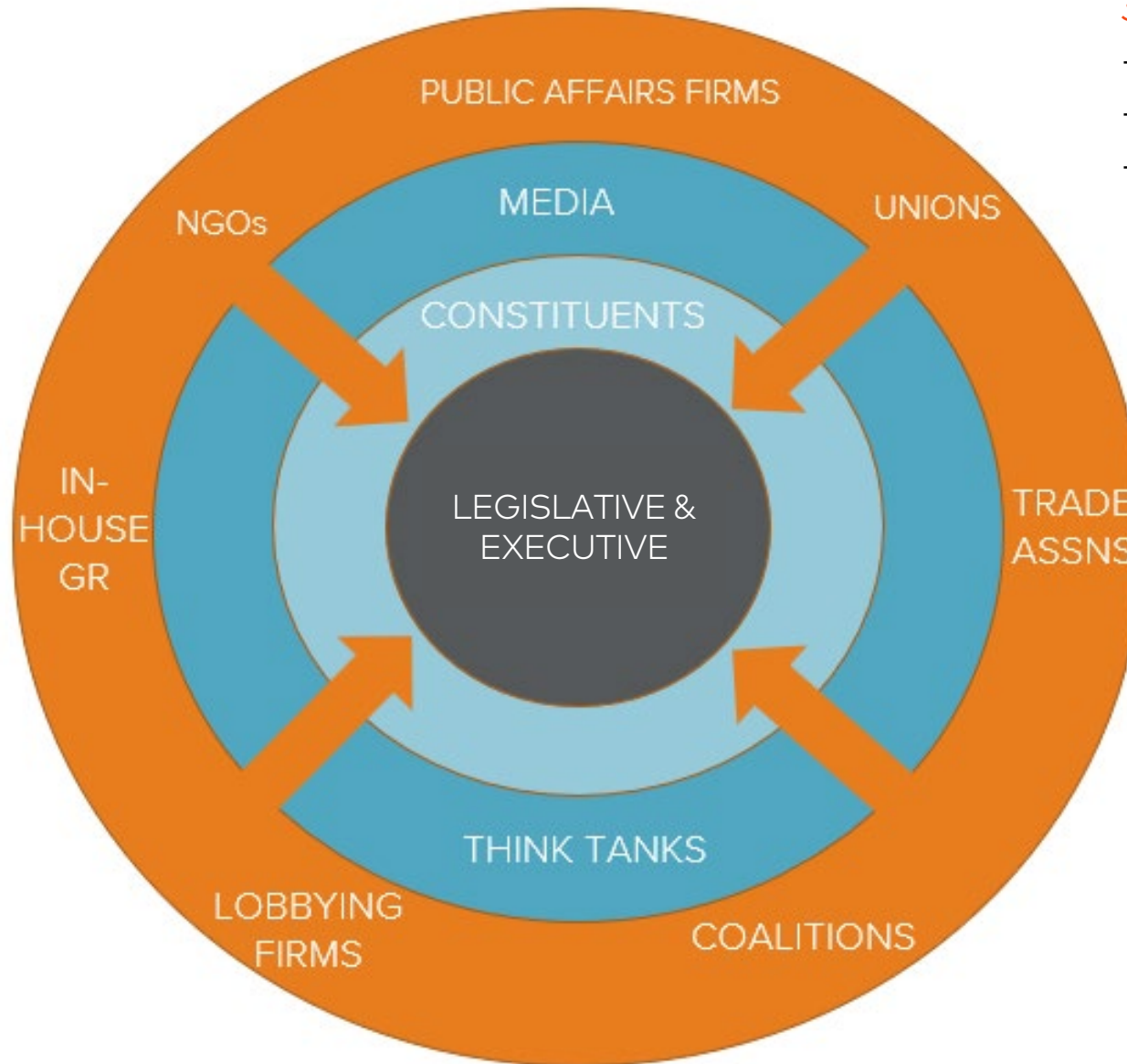
Overview: disciplines in tension

Priority audiences want different things that occasionally come into conflict

	Public Affairs	Investor Relations
Primary audiences	Policymakers + Hill, admin, state, local, Rs, Ds	Investment community + Institutional, retail
Priority	Public good	Performance
"Metrics"	+ Jobs + Investment + National security + Political giving	+ Topline (revenue) + Costs (expenses, CAPEX, synergies, etc.) + Growth (CAGR, etc.) + Profit (EPS, EBITDA, margin, etc.)
Influencers	+ Constituents + Advocacy groups + Trade associations + Think tanks / academics	+ Sell-side analysts + Buy side (big asset managers, activist investors) + Proxy advisory firms (ISS + Glass Lewis) + Industry analysts

Public affairs ecosystem

As public affairs professionals, we are **advocacy communications experts** focused on educating, and ultimately persuading, policy influencers and decisionmakers.



3 main types of advocacy:

- + Issue
- + Legislative
- + Regulatory

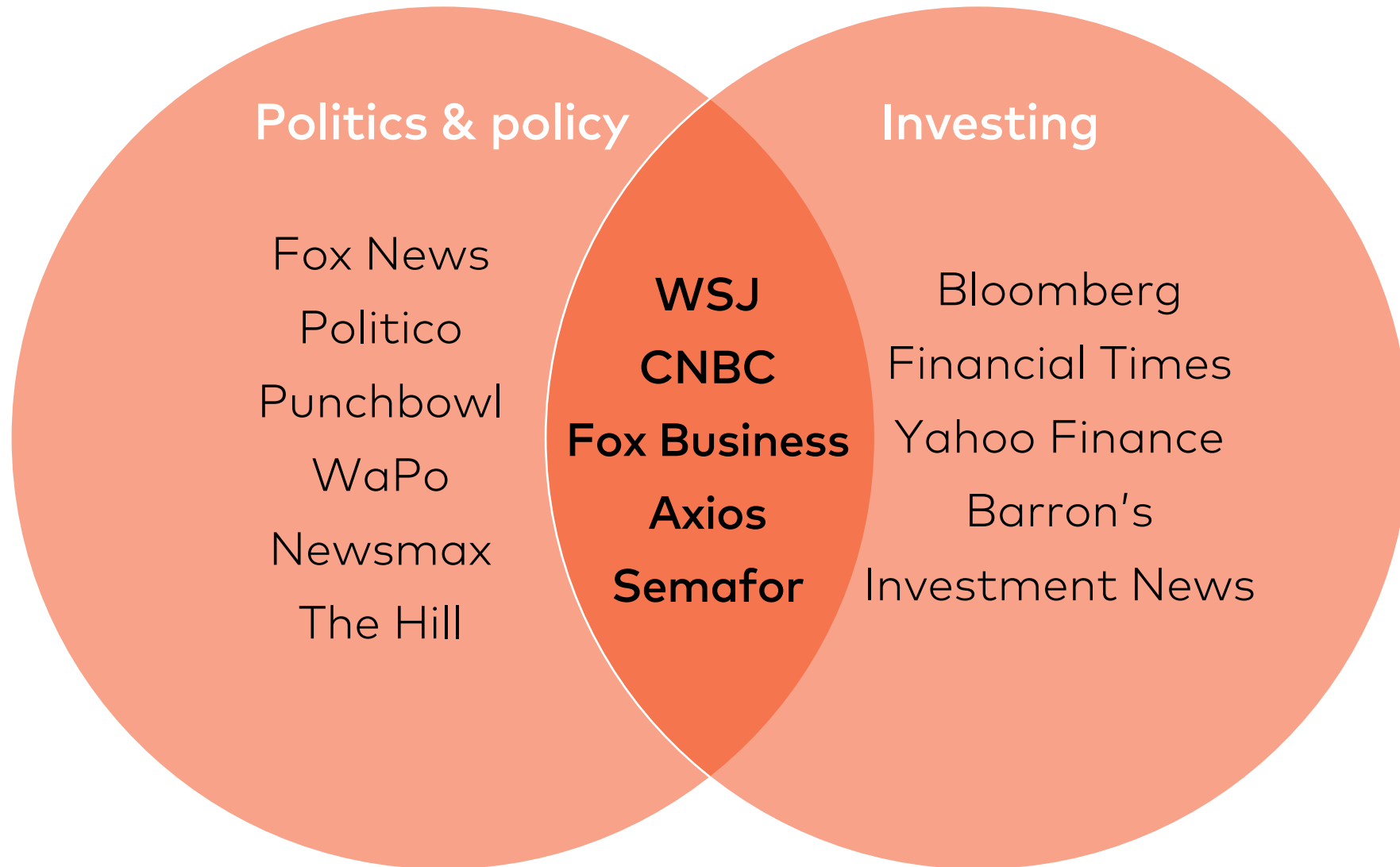


The IR audience breakdown



About:	Individuals, trading shares/fractional shares on brokerage accounts	RIAs, Family offices, and high-net-worth individuals often through wealth managers & financial advisors (FAs)	Large investment firms across active and passive strategies
Purchase power:	1k+ shares would be a larger relative holder	A non-filer, by definition, has less than \$100M in equity holdings, but FAs may manage billions in AUM	Often have a 10k share minimum
Comms channels:	Reddit, X (f/k/a Twitter), Broadcast media	LinkedIn, Family office and FA comms, sell side analysts and research reports	
Investor materials:	Push for more visual, narrative-heavy communication		*Visuals* Underpinned by quantitative performance and projections

Media landscape



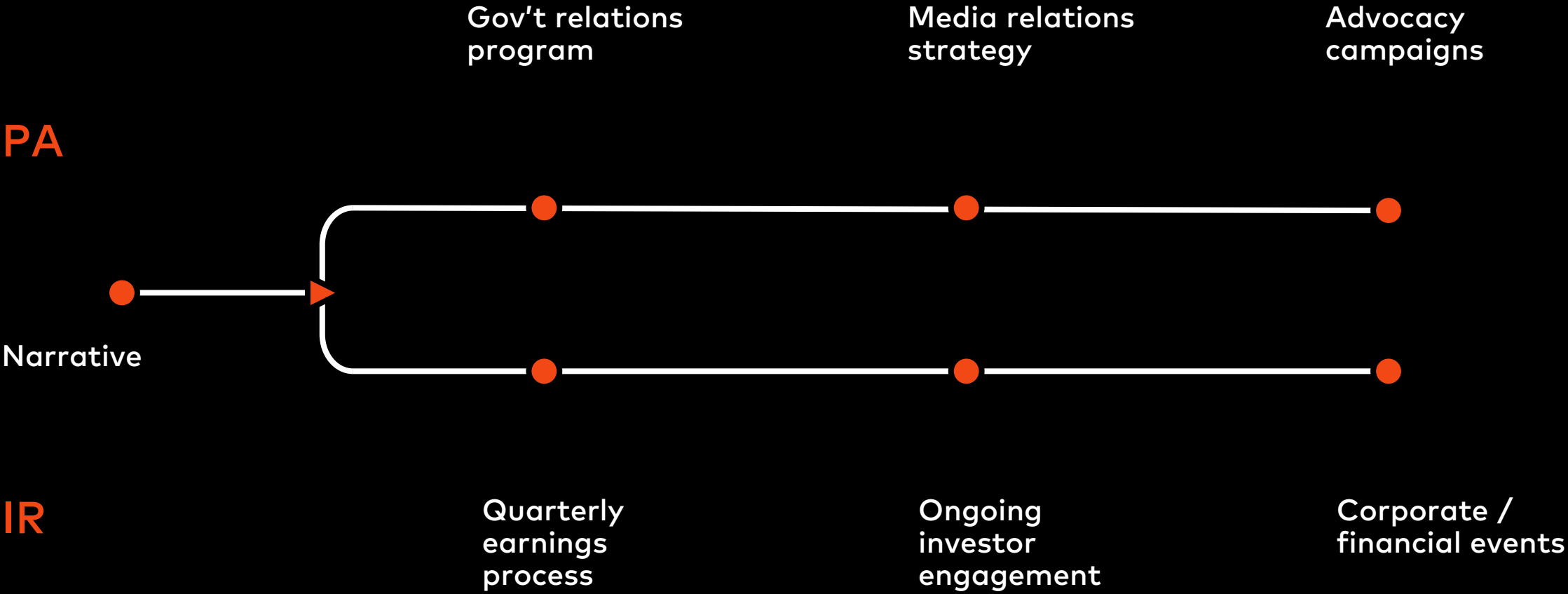
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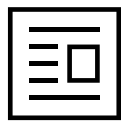
Parallel processes



Why a narrative matters


The right investor narrative will drive shareholders' understanding of the company. A narrative is often directly correlated to valuation. To achieve fair relative valuation, our key audiences need to understand the depth and breadth of the enterprise.

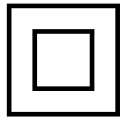
Narratives should highlight:

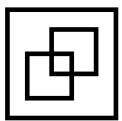
- 

Purpose-built strategy with concise, clear imperatives for the next twelve months
- 

Distinctive operational and industry advantages
- 

Authentic culture, and why talent chooses our ecosystem
- 

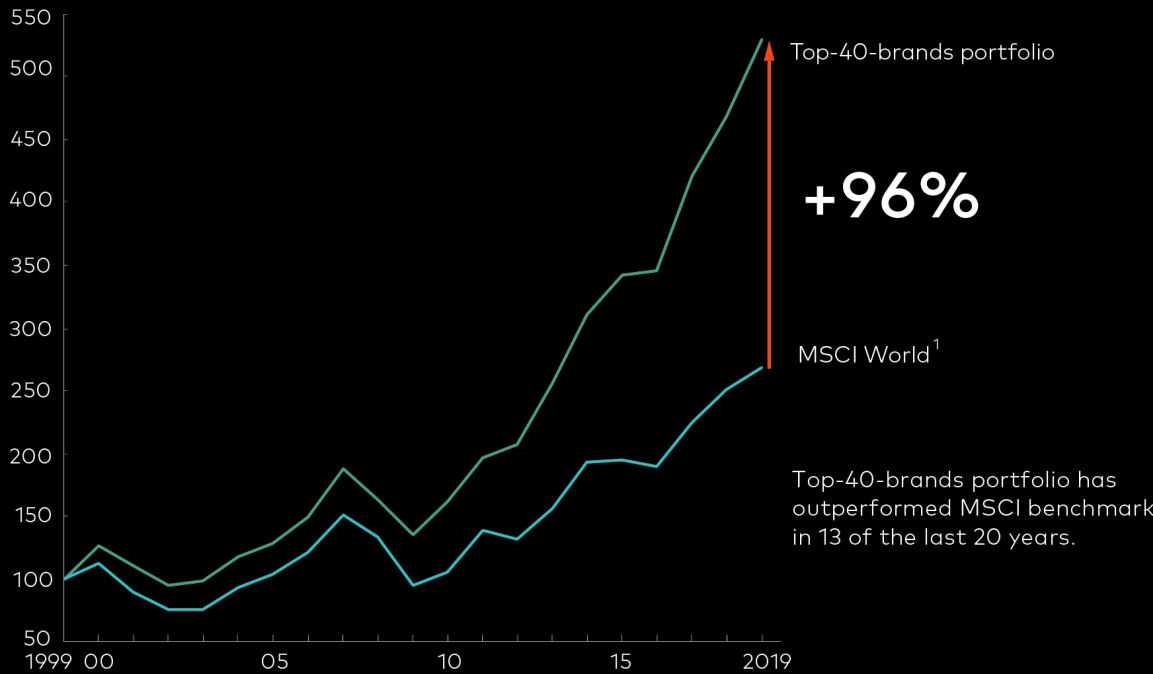
True differentiation, even outside of our industry (i.e., at the growth trajectory/mkt cap level)
- 

An appeal to broader shareholder audience outside of core investors
- 

Investor-first mentality leading to longstanding shareholder relationships

Powerful brands significantly outperform the market

Total return to shareholders, Index



¹Stock market index of 1,646 world stocks maintained by Morgan Stanley Capital International.
Source: McKinsey Marketing & Sales Practice

Source: [McKinsey & Co. future of brand strategy report](#)

IR infrastructure

Best-in-class IR programs require significant infrastructure development and refinement. Prosek helps clients build or rethinking programs across these areas:

1

Earnings cycle infrastructure

- + Earnings calendar outlining processes and procedures
- + Investor and analyst outreach strategy
- + Script and Q&A templates
- + Call and Q&A simulations
- + Peer analysis

2

Institutional marketing infrastructure

- + Investment bank conference calendar
- + Non-deal roadshow templates
- + Investor profile templates
- + Institutional ownership templates
- + Sell side analyst engagement plan

3

IR collateral and disclosure platform

- + IR service provider management
- + Disclosure/engagement platform:
 - + Investor CRM
 - + IR website
 - + Sell side consensus tracker

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As 1Q25 earnings season kicked off, executives were clear in the media. There were concerns over consumer reaction to tariff policy and the regulatory environment.



"I don't care if you call it a recession or not, in this industry that's a recession."

- CEO Robert Jordan.



"Saving money because of concerns around the economy was the overwhelming reason consumers were reducing the frequency of restaurant visits."

- CEO Scott Boatwright



PEPSICO

"Relative to where we were three months ago, we probably aren't feeling as good about the consumer now."

- CFO Jamie Caulfield

1Q25 earnings key trends... so far

78%

**S&P 500 reported
positive EPS surprise**
(90% of SPX has reported)

15%

**Russell 2000 reported
earnings growth in 1Q25
earnings**
(26% when excluding energy sector)

62%

**S&P 500 reported
positive revenue surprise**
(90% of SPX has reported)

64%

**Russell 2000 surpassed
consensus earnings estimates**
(1,127 have reported as of last week)

Notably, 1Q25 earnings reported on a period that preceded the sweeping tariff announcement that took place on April 2, 2025.

That said, earnings performance has been relatively robust.

One more datapoint...

More than 40 SPX companies have suspended or withdrawn earnings guidance in 2025...

During COVID-19 over 800 companies suspended or withdrew guidance.

An unpredictable market, a resilient consumer... so far

THE WALL STREET JOURNAL.

• LIVE UPDATES

Stock Market Today: S&P 500 Turns Positive on Year For First Time Since February

S&P 500 rose, while Dow industrials slide on UnitedHealth news

Last Updated: May 13, 2025 at 6:46 PM EDT

U.S. stock indexes, past three sessions



As of May 13, 4 p.m. ET

Source: FactSet

“ Signs of cooling inflation continued to fuel Wall Street's renewed appetite for stocks. **The consumer-price index showed inflation easing slightly to 2.3% in the 12 months through April.** That marked the slowest annual rate since early 2021 and undershot expectations that it would remain at 2.4%.

Our investor communications framework



1. Report

The facts are the facts.

We will always build our investor narrative based on performance.

These are the foundational building blocks.

2. Reflect

Review the previous quarter materials.

Does any qualitative/quantitative commentary conflict with this quarter?

Review industry peers, how does our narrative stack up to the Q&A that our peers have navigated?

3. Protect

We are certain that this operating environment is changing rapidly.

Does anything in our narrative give us pause when thinking about our 2Q25 report?

How much changed in the last 3 weeks? What will change in the next 2-3 months?



Thank you

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