

J & E Davy Holdings Unlimited Company – Summary Non-Statutory Consolidated balance Sheet

Davy House, 49 Dawson Street, Dublin 2.

30 December 2021

The J & E Davy Group

Background

J & E Davy Holdings Unlimited Company (“JEDH” or the “J & E Davy Group”) is the holding company for the J & E Davy Group and was established in 1926. It is Ireland’s leading provider of wealth management, capital markets and financial advisory services. It is headquartered in Dublin, with offices in Belfast, Cork, Galway, London and Chicago. Employing over 810 people, we offer a broad range of services to private clients, small businesses, corporations, and institutional investors.

Following the sale of Green Bay Acquisitions Limited (a subsidiary of J & E Davy Holdings and the parent entity of Davy Global Fund Management Limited (“DGFM”)) to IQ-EQ Group on the 29th of April 2022, the J & E Davy Group is now structured around two core operating divisions:

- **Wealth Management**

- **Capital Markets**

These core operating divisions are further diversified as follows:

- Wealth Management includes: Private Clients, Charities, Credit Unions, Real Estate, Share Dealing and Intermediary Services
- Capital Markets includes: Corporate Finance, Institutional Equities, Fixed Income & Research

Davy Wealth Management has three core offerings: Private Clients (tailored financial advice to High Net Worth clients), Financial Advice Service (advice to affluent clients), and Davy Select & Intermediaries (dealing services, self-directed investment and pensions and intermediaries). We manage €20bn+ discretionary and advisory assets under management and received a 96% trust and 94% overall satisfaction rating in the Voice of the Client Survey in 2021. Managing wealth can be complex and present many challenges. We provide our discretionary and advisory clients with personalised investment strategies, financial life plans and a dedicated financial advisor. Our advisors work with teams of technical specialists aiming to ensure the financial goals of our clients are met, giving them confidence in their future. Our Wealth Management division has continued to grow organically and through acquisitions over the past few years, to be the leader in the Irish and Northern Irish market.

Davy Capital Markets is the leading broker in the Irish market and accounted for 20.4% of all dealings in Irish equities on Euronext Dublin in 2021*. We advise approximately 71% of companies on Euronext Dublin, including 8 of Ireland’s top 10 listed companies**. We are Ireland’s leading Euronext Growth and LSE AIM adviser, representing approximately 83% of companies quoted on the Euronext Growth market**, and 11 companies quoted on the AIM market of the London Stock Exchange***. Between 2015 and June 2022, Davy has advised on 58 Irish ECM transactions and are ranked first in this region in terms of market share (23.1%) (Dealogic, 2022).

* Source: Euronext Dublin, December 2021

** Source: Euronext Dublin, June 2022

*** Source: London Stock Exchange, June 2022

Group Structure

At the 30 December 2021, J & E Davy Holdings Unlimited Company was the holding company for the J & E Davy Group. J & E Davy is the largest trading entity in the Group and is a wholly owned subsidiary of JEDH and trades as “Davy”. Following completion of the acquisition by Bank of Ireland, detailed further in the “Subsequent Events” paragraph, J & E Davy is a wholly owned subsidiary of the Bank of Ireland Group.

J & E Davy Group Regulatory Environment

The J & E Davy Group deals in, and promotes, a variety of regulated financial products and services and is regulated by the appropriate regulatory authority in the various jurisdictions in which it operates.

J & E Davy, trading as Davy, is regulated by the Central Bank of Ireland. The Markets in Financial Instruments Directive (MiFID) and as of 26 June 2021 Investment Firms Regulation/ Investment Firm Directive (IFR/IFD) apply to our business and are designed to ensure that our regulatory environment conforms to the highest European standards. Davy is a member of Euronext Dublin and is also authorised by the Pensions Authority as a PRSA Pensions provider and Registered Administrator. In the UK, J & E Davy (UK) Limited is authorized by the Financial Conduct Authority (“FCA”) and is also a member of the London Stock Exchange.

Davy Securities is a FINRA registered broker dealer and a member of SIPC and regulated by the Central Bank of Ireland.

Davy Corporate Finance is regulated by the Central Bank of Ireland.

J & E Davy is subject to the Irish Client Asset Regulations.

Financial Position

A Summary Non-Statutory Consolidated Balance Sheet for JEDH as at 30 December 2021 is set out on page 4, together with an Accountants’ Report thereon. JEDH prepares consolidated financial statements in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the EU.

The J & E Davy Group was in a strong financial position at the end of 2021 with regulatory capital resources significantly in excess of its regulatory capital requirements. The J & E Davy Group Balance Sheet is highly liquid with significant cash and cash equivalents.

Subsequent Events

On the 1st of June 2022 Bank of Ireland acquired the Wealth Management, Capital Markets and associated businesses of the Davy Group.

The agreement with Bank of Ireland is intended to build on J & E Davy Group’s leadership position in Wealth Management and Capital Markets, to extend our services to Bank of Ireland customers, and to provide an enhanced range of services to our existing clients. It will also see the J & E Davy Group benefit from Bank of Ireland’s scale and resources to facilitate sustainable growth. In addition, we see a continuation of the Davy brand and structure, under the Bank of Ireland umbrella.

The sale of Green Bay Acquisitions Limited (a subsidiary of JEDH and the parent entity of Davy Global Fund Management Limited) to IQ-EQ Group completed on the 29th of April 2022.

Directors’ Statement

The Summary Non-Statutory Consolidated Balance Sheet presented overleaf is an extract from JEDH’s statutory financial statements and is prepared in order to summarise the JEDH financial position as at 30 December 2021. The Summary Non- Statutory Consolidated Balance Sheet is not the statutory financial statements of JEDH and is considered a non-statutory financial statement. The Group’s auditor issued an unmodified opinion on the statutory financial statements. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company’s website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.



Bernard Byrne - Director



Ronan Murphy - Director

Date 16 August 2022

Accountants' Report to the Directors of J & E Davy Holdings

We have examined the Summary Non-Statutory Consolidated Balance Sheet presented overleaf, which has been extracted from the statutory financial statements that were properly prepared by the Directors of J & E Davy Holdings. In our opinion the Summary Non-Statutory Consolidated Balance Sheet has been accurately extracted from the J & E Davy Holdings statutory financial statements for the year ended 30 December 2021.

We expressed an unmodified opinion on 11 April 2022 on the statutory financial statements of J & E Davy Holdings for the year ended 30 December 2021.

The Summary Non-Statutory Consolidated Balance Sheet does not contain all the disclosures required by IFRS which were applied in the preparation of the statutory financial statements. The Summary Non-Statutory Consolidated Balance Sheet and the statutory financial statements do not reflect the effects of events that occurred subsequent to the date of our audit

report on the statutory financial statements.

Respective responsibilities of the Directors and Auditors

The Directors are responsible for the preparation of the Summary Non-Statutory Consolidated Balance Sheet. We have agreed to report to you whether in our opinion the Summary Non-Statutory Consolidated Balance Sheet has been accurately extracted from the statutory financial statements for the year ended 30 December 2021, on which this firm issued an unqualified audit opinion dated 11 April 2022. That report, on the statutory financial statements, including the opinion, was prepared for, and only for, the Company's members as a body in accordance with Section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving that report or opinion, accept or assume responsibility for any other purpose or to any other person. This report including its opinion is prepared for, and only for, the Directors of J & E Davy Holdings. We do not in giving this report accept or assume responsibility for any other purpose or to any other person save where expressly agreed by prior consent in writing.


KPMG

Chartered Accountants
Registered Auditor,
1 Harbourmaster Place, IFSC,
Dublin 1.

Date: 18 August 2022

J & E Davy Holdings – Summary Non-Statutory Consolidated Balance Sheet

30 December 2021

Assets

Non-current assets		€m
Property, plant and equipment		5
Goodwill and Intangible assets		19
Leased right-of-use asset		10
Other		6
Total non-current assets		40
Current assets		€m
Trade and other receivables		142
Financial assets at fair value through profit or loss		9
Other assets		16
Current tax		3
Cash and cash equivalents		133
Assets held for distribution		4
Assets held for sale		18
Total current assets		325
Total assets		365

Equity capital and reserves attributable to the equity holders of the company

Called up share capital presented as equity	3
Share premium account	33
Retained earnings and other reserves	148
Total equity attributable to owners of the company	184

Liabilities

Non-current liabilities		€m
Trade, other payables, financial liabilities at fair value through profit or loss and provisions		6
Lease Liabilities		8
Total non-current liabilities		14
Current liabilities		€m
Trade and other payables, accruals and provisions		150
Lease Liabilities		2
Financial liabilities at fair value through profit or loss		4
Bank overdraft		6
Liabilities directly associated with assets held for distribution		3
Liabilities directly associated with assets held for sale		2
Total current liabilities		167
Total liabilities		181
Total equity and liabilities		365

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