

## DAVY TO BE ACQUIRED BY LONG-TERM STRATEGIC OWNERS

- **Bank of Ireland Group to acquire J & E Davy's Wealth Management, Capital Markets and associated businesses**
- **IQ-EQ to acquire Davy Global Fund Management**
- **AssetCo to acquire Davy's shareholding in Rize ETF**

**Dublin, Ireland, 22 July 2021** – J & E Davy (“Davy”, the “Company” or the “Group”) is pleased to announce three agreements that will see Davy businesses being acquired by long-term strategic owners, presenting significant opportunities for its clients and people. Following a decision on the 11th of March, 2021 to pursue a sale of the Group, these agreements have been endorsed by the J & E Davy Holdings Board as being in the best interests of all stakeholders.

### **Bank of Ireland Group Transaction:**

Agreement has been reached to sell the Group's wealth management, capital markets and associated businesses to Bank of Ireland Group (the “Bank of Ireland Transaction”), for a total enterprise value of €440 million, in addition to certain customary adjustments at transaction close.

Approximately 75 per cent of the proceeds will be paid as cash consideration on completion, which is expected in 2022, with the balance paid two years after completion, subject to meeting a number of criteria.

Bank of Ireland will also pay for excess cash at completion, which will be largely comprised of the proceeds of the DGFM and Rize transactions (disclosed below), of approximately €125 million.

On completion, J & E Davy operations, excluding DGFM and Rize ETF, will become part of Bank of Ireland. These businesses, comprising over 700 people and assets under management in excess of €16 billion, will trade under the Davy brand and will be led by the management team that has overseen Davy since the March 2021 sales process announcement, a team that has evolved significantly over recent years.

Bank of Ireland's wealth and insurance business currently has over 600,000 customers, including more than 250,000 wealth customers. The agreement with Bank of Ireland is intended to build on Davy's leadership position in wealth management and capital markets, strengthen the range of services available to Bank of Ireland customers and provide an enhanced range of services to Davy's existing clients. It will also see Davy benefit from Bank of Ireland's scale and resources to facilitate sustainable growth.

### **DGFM and Rize ETF Transactions:**

Davy is also pleased to announce it has entered into a separate agreement to sell Davy Global Fund Management (DGFM) to IQ-EQ, for an undisclosed sum. Subject to regulatory approvals the DGFM Transaction is expected to close in advance of the Bank of Ireland Transaction. There are currently 83 people working in the DGFM team.

Davy is also pleased that AssetCo will acquire Davy Group's shareholding in the UK based Rize ETF for £16.5m (approximately €19 million).

Commenting on the transactions, Bernard Byrne, Interim CEO, Davy Group said:

*“We are very pleased to have reached separate agreements with each of Bank of Ireland Group, IQ-EQ and AssetCo to become long-term strategic owners of Davy Group businesses. We believe this is a very positive outcome and one that presents significant opportunities for all stakeholders, particularly for our clients, in supporting their growth ambitions.*”

*“I want to thank our clients, people and all who contributed to building this strong franchise over many years. Bank of Ireland will bring a mix of continuity and new opportunities for our wealth management and capital markets clients and people. I am also pleased that Bank of Ireland has chosen to retain the Davy brand and management structure, reflecting its support for our growth agenda and vision for the business.”*

*“The management team in DGFM believe they have an outstanding partner in IQ-EQ as both businesses share the same relentless focus on doing the absolute best for both their clients and their people. I am extremely confident of the positive outlook that lies ahead for clients and staff of its enlarged business. Rize ETF has always operated quite independently within Davy and will benefit from the strong strategic fit with AssetCo.”*

*“Following these agreements, our immediate focus will be to engage directly with our key stakeholders as we navigate the path to deal completion. In the interim, I wish to thank most sincerely all my colleagues in Davy for their hard work and commitment which has resulted in our current trading to mid-year being ahead of the prior comparable period, a significant achievement given the other workstreams underway across our Group over recent months.”*

Commenting, Francesca McDonagh, Chief Executive, Bank of Ireland Group said:

*“When we look at any acquisition, we consider two key things – if it offers value to our shareholders, and if it is a good fit for our business. Davy scores very highly on both. Wealth management and capital markets are important parts of our business. Bringing Davy into the Group represents a significant milestone which will considerably enhance our customer offerings and growth outlook for the Group. We welcome the Davy team and all of Davy’s customers to Bank of Ireland. We look forward to growing our business and enhancing customer propositions across the entire Group in the years ahead.”*

**Timetable:**

The Bank of Ireland transaction is expected to close in early 2022, subject to regulatory approvals and customary conditions. The DGFM Transaction which is also subject to regulatory approvals is expected to close in advance of the Bank of Ireland Transaction.

**Advisors:**

Davy Corporate Finance together with Rothschild & Co. acted as financial advisors to Davy on the transaction. Latham & Watkins (London) LLP, William Fry and Dentons Ireland LLP acted as legal counsel to the Seller on the transaction.

**Other content relevant to this statement: (*please click to link to this additional content*)**

- [Chairman’s stakeholder update and overview of independent review](#)
- [Bank of Ireland statement](#)
- [IQ-EQ statement](#)

Ends

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## **About Davy Group**

Davy Group is Ireland's largest domestic financial services businesses. Since its inception in 1926, it has maintained its reputation as a recognised leader in investment management. With over 800 employees working in offices across Ireland, the UK and Luxembourg, the Davy Group offers a wide range of services – from wealth management to capital markets, corporate finance and asset management – to private clients, small businesses, corporations and institutional investors.

## **About Bank of Ireland Group**

Bank of Ireland Group is one of the largest financial services groups in Ireland providing a broad range of banking and other financial services. The Group has the largest network of retail branches and ATM outlets in Ireland, as well as partnerships in the UK with the Post Office and the AA.

## **About IQ-EQ**

IQ-EQ is a leading investor services group that brings together a rare combination of global technical expertise and deep understanding of client needs. It has the know-how and the 'know you' to provide a comprehensive range of compliance, administration, asset and advisory services to fund managers, multinational companies, family offices and private clients operating worldwide.

IQ-EQ employs a global workforce of 3,400+ people located in 23 jurisdictions and has assets under administration (AUA) exceeding US\$500 billion. IQ-EQ works with six of the top 10 global private equity firms.

Also part of the IQ-EQ group of companies are [First National Trustee Company \(FNTC\)](#), [Lawson Conner](#), [Equitis](#), [The Private Office](#), [Peru & Partners](#), [Blue River](#), [Conseil Expertise & Synthèse](#), [Constellation Advisers](#) and [Concord Trust Company](#).

## **About AssetCo**

AssetCo plc ("AssetCo" or the "Company") is an AIM listed company with a stated strategy of acquiring, managing and operating asset and wealth management activities and interests, together with other related services. The Company's strategy principally focuses on making strategic acquisitions and building organic activities in areas of the asset and wealth management sector where structural shifts have the potential to deliver exceptional growth opportunities. This includes strategic acquisitions of asset and wealth management businesses which have core capabilities that play to these structural shifts.

In early 2021, Martin Gilbert became Chairman of the Company and Peter McKellar became Deputy Chairman and Chief Executive Officer. Martin and Peter have long histories in asset and wealth management and are responsible for delivering AssetCo's strategy.