

FY25 Mid Year Report

Tennessee Topco Limited Group and subsidiaries (“Davies” or “Davies Group” or “Group”)

Financial Results

We are pleased to report that in the six months to December 2024, we have continued to grow revenue organically and have completed three acquisitions adding circa £7.5m of annualised EBITDA. The organic growth has been driven by a combination of new business, the growth of existing clients and continued pro-active cross selling initiatives. We continue to enhance our go-to-market propositions and leverage relationships across the group to unlock additional cross selling opportunities.

All three operating units, Davies UK&I, Davies North America and Davies Global Solutions, have reported strong organic EBITDA growth in the 6 month period to December 2024. This is despite the challenging market conditions we are faced in the Consulting business unit in the Davies Global Solutions business.

In addition, on 1 July 2024, we refinanced our main debt facility extending our debt maturity and reducing our interest bill. We also extended our RCF by £30m in September 2024.

M&A update

Since the last financial year end, we have completed 3 transactions as across the US, UK and Ireland. These acquisitions have added circa £7.5m EBITDA, before synergies.

Strategy

Our strategy remains driving further global and service expansion, increasing investment in technology and artificial intelligence, and continuing to partner with complementary businesses via M&A. The focus will be on building upon our existing platform of 8,000+ professionals and adding complimentary services and geographies that drive us forward in our vision to be the leading provider of professional services for the insurance and regulated markets industry.

Market Outlook

Davies’ core services are predominately delivered for clients in regulated markets, with 85%+ of revenues generated from the insurance industry specifically. Today the group serves more than 2,000 insurance, financial services, public sector, and other highly regulated clients. Due to the nature of

regulatory change along with the wider inflationary macro-economic environment, the demand for the services we offer is anticipated to continue to grow. Our belief is that as the insurance industry in particular looks to solutions to drive transformation such as artificial intelligence and address cost challenges that this will drive further opportunity for Davies' unique mix of products and services.

Environmental, Social and Governance

Responsible Business Governance

In the six months to December 2024, we expanded our ESG department to create an Office of Responsible Business, led by our Responsible Business Officer, who reports to the Responsible Business Board Committee and Group Chief Human Resources Officer. The function manages the Responsible Business strategy, initiatives, and global reporting. The Davies Foundation and linked community investment strategy is also part of this function.

Our Responsible Business documents and reports including KPIs, and targets can be found on our Responsible Business website – <https://davies-group.com/responsible-business/>.

Our Board of Directors continues to maintain ultimate responsibility for long-term business sustainability and for fulfilling our duties to stakeholders. Our renamed Responsible Business Board Committee, led by our nonexecutive board member, sits quarterly to review environmental and governance matters.

Alongside Davies core structure, the Davies Foundation is managed in line with its charitable objectives by a team of Trustees from Davies, and forms part of Davies community investment strategy.

Environmental Review

As a Group, we have committed to cut our carbon emissions in half by 2030 and to reach carbon net-zero by 2050. This target is aligned with the Science-Based Targets initiative (SBTi) - a globally recognised framework that provides companies with a clear pathway to support the Paris Agreement's goal of limiting global warming to 1.5°C above pre-industrial levels. Our targets were verified by SBTi in 2024.

We maintain a carbon reduction plan that, in addition to setting out our tCO2e for the latest annual period, details our live and future initiatives focused on continuously improving our overall environmental performance and specifically how we are reducing our carbon emissions. This plan is updated regularly and published externally annually.

More information about our environmental strategy can be found in our Responsible Business report.

Social Review

Davies values diversity of thought and the benefits that a diverse workforce brings to the business. We are committed to creating and maintaining an environment that embraces diversity and inclusion and where everyone is treated equitably.

To support the growth and retention of a diverse workforce, Davies encourages the formation of Employee Resource Groups (ERGs). Our ERGs are run by their members with support from the business and their aim is to foster a culture of inclusion by supporting our population through awareness (via the provision of education and communication), celebration (through engagement and events) and change (to support the needs of our diverse workforce).

Our groups include:

- My culture and heritage
- LGBTQ+
- Working families and caregivers
- Supporting our health and wellbeing
- Women's Network
- Eco Davies

We continue to embed equity measures in the workplace and in personnel systems, for example the Equal Opportunities policy, Recruitment & Selection policy, Anti-Discrimination policy and procedures, and Licence to Hire training for recruiting managers on inclusion and biases. We know that fostering inclusion is an ongoing commitment and continue to implement positive change.

More information about our social strategy can be found in our Responsible Business report.