Annual Report and Accounts 2017

Glenveagh Properties PLC

Glenveagh at a Glance

148	€284m	700+	250/750	7,342 Units
Employees	Capital Deployed	Units under construction in 2018	2018/19 Unit Target	Current Portfolio

Contents

Chairman's Letter

John Mulcahy
Co-Founder & Executive Chairman

It is with great pleasure that I present Glenveagh Properties PLC's (Glenveagh or the Company) first Annual Report for the period ended 31 December 2017.

The period since the Company's initial public offering (IPO) on 13 October 2017 has been a very busy and exciting time for the business and the management team have made considerable progress in that timeframe.

At IPO, the senior management team had three immediate priorities to establish a stable and scalable framework for the business: effectively deploy the IPO proceeds of €550 million on assembling a highly attractive landbank; develop and scale the construction operations to ensure the business meets its unit delivery targets; and build a strong team to oversee and manage the future growth in the business.

The Company has made significant progress on each of these priorities, deploying more than €284 million to date on the purchase of 39 sites with construction active on 7 sites and a further 3 developments coming on-stream later this year. Furthermore, the Company has invested in experienced and ambitious personnel expanding its employee base to 148 to ensure the successful deployment of capital and scaling of the business.

The Board is very pleased with the progress and performance of the Company to date, including the effective and considered deployment of the IPO proceeds and the recruitment of key personnel to the management team.

Market Opportunity

My Co-Founders and I were extremely positive on the market opportunity for the Group at the time of IPO. In the five months since then, our confidence in being able to create, build and scale a best in class homebuilder in Ireland has only grown, and been corroborated by our experience as only one of two PLCs focused exclusively on the Irish residential market.

The Group believe that the Irish residential market is in its 'foundation for growth' phase. Demand for good quality, modern and value for money houses and apartments is unquestioned. Unemployment remains low, growth in the broader economy is sustainable, and mortgage availability has returned to sensible levels.

Our People

On behalf of the Board, I want to thank all employees for their efforts and dedication

On behalf of the Board, I want to thank all employees for their efforts and dedication throughout the IPO process and for continuing that dedication in helping to grow the business in the five months hence.

throughout the IPO process and for continuing that dedication in helping to grow the business in the five months hence.

In addition, I would like to thank our wider construction network, which includes over 675 contractors, for their commitment and contribution which has allowed the business to make significant progress on our sites within a short period of time.

Governance

The Board requires that we achieve best practice in corporate governance and recognises the need for an effective direction from the Board. To that end, as Chairman, I am very pleased with the appointment of four very accomplished non-executive directors and their wide range of expertise and experience is of great benefit to your company.

In addition, the Committees of the Board, which were established in the period, are performing effectively with regular reporting to the Board. I would like to thank both the Board and the Committee members for their excellent work and their help and guidance to me during this formative phase of the Company.

Returns to Shareholders

The Board declared as part of the IPO process, that it does not anticipate paying a dividend to shareholders in the immediate future as the Company's primary focus is investing the IPO proceeds in assembling a highly attractive landbank and delivering capital growth. As disclosed in the Company's prospectus, the Board is committed to implementing a progressive dividend policy for the benefit of shareholders in the medium-term.

Outlook

The Board believes that the Company has made a strong start to life as a PLC and is well positioned to continue to deploy capital effectively and deliver the houses and apartments in line with the Company's strategy. I would like to take this opportunity to thank you, our shareholders, and our stakeholders for your continued support during this exciting time in the Company's history, as we implement our plans.

John Mulcahy
Co-Founder & Executive Chairman

CEO's Review

Justin Bickle
Co-Founder and CEO

2017 Summary/Results

2017 was an important year for Glenveagh. Our new Irish homebuilder PLC was formed from three elements:

- **People:** three Founders and 85 staff at time of IPO;
- **Land:** a landbank formerly owned by Oaktree (through Targeted Investment Opportunities ICAV (TIO)) and a land portfolio formerly owned by another private equity firm (Project Kells); and
- **Building Operations:** the homebuilding business of Bridgedale which was established by my Co-Founder Stephen Garvey in 2003.

Investor demand for our proposition was overwhelming. We raised €550 million of equity from institutional investors globally, and the public offering was 5.6 times over-subscribed. Investors wished to participate in the Irish recovery and to support a vehicle to deliver new homes, both houses and apartments. We remain grateful for their support.

Since our dual listing on the Irish and London Stock Exchanges on 13 October 2017 we have had three principal priorities:

- Land acquisition;
- Building and selling 250 units during 2018; and
- Building out our business as a PLC.

Since IPO we have so far deployed over €284 million of equity in a number of land acquisitions, all but two of which have been bilateral and off-market. We have been encouraged by the size of our addressable land market, which we calculated at €5 billion at time of listing. Much of this land is held by 'unnatural' owners, including exiting private equity and State entities of finite duration. While financial discipline and rigour is required, attractive land is relatively plentiful if you have permanent capital, access to the right type of debt for working capital, and the ability to build on a volume basis.

During the financial period we were building and selling homes for Oaktree under our contractual arrangements agreed with them at the time of IPO. From 1 January 2018 onwards, all of our built and sold units are for the benefit of Glenveagh and its shareholders. At the time of writing over 100 units have either been signed or reserved in 2018.

Over the past five months we have also increased our contracted headcount from 85 at time of IPO to 148 in total. Most of these hires have been directly sourced, using the Founders' networks and relationships over multiple property cycles in Ireland. We feel very good about the quality of the personnel we have attracted, and believe we now have the team to become a scale player in delivering homes in Ireland.

Economic Conditions

The Irish recovery has been well documented, as has its relative outperformance of other Eurozone economies. The recovery in Ireland feels strong and sustainable and one based on equity and investment, rather than reliance on debt. Housebuilding though remains a cyclical industry and as a senior management team we are determined to avoid the boom and bust of previous cycles and to build a resilient, long term, business.

As an organisation, we have welcomed some of the Irish Government's recent initiatives to make apartment building more cost effective and are determined to play our part in tackling both the private and public-sector under-supply of housing stock in Ireland.

Glenveagh's Strategy

Our strategy is simple: to deliver the types of homes customers want and need. Our principal geographic focus is on the Greater Dublin Area where 88% of our landbank is situated, together with delivery in Cork, Limerick and Galway.

Through Glenveagh Homes we build and sell homes (houses and apartments). Over half of our output will be starter homes in the commuter belt, although we will also deliver mid-size and executive homes. Our prices range from a two-bedroomed house for €220,000 through to an executive house for over €1 million. We pride ourselves on the quality of our built product, value for money and providing an excellent service to our customers.

Given our relationships, and the need for delivery of units and mixed tenure solutions in the Irish market, we also work in partnerships with third parties through Glenveagh Living. Here we deliver completed units for margin and an attractive ROCE for a number of market participants including private rental (PRS) investors, housing associations and others. Our underwriting case and returns criteria is the same as for Glenveagh Homes, but through Glenveagh Living we de-risk our equity investments post planning by forward selling turnkey units to third parties, ensuring that we are properly compensated for having purchased the land and taken planning risk. We believe

€284m

Since IPO we have so far deployed over €284 million of equity in a number of land acquisitions, all but two of which have been bilateral and off-market.

having two aspects to our business unlocks greater land buying opportunities and builds resilience across the cycle.

Outlook

Glenveagh is off to an encouraging start as a PLC. We believe that the next four to five years will see a sustained recovery in Irish residential and the sector will become more institutional in nature. We are determined to become a builder of volume (1,000 units per annum for Glenveagh Homes by 2020 and then 2,000 units per annum by 2023) and a trusted counterparty to deliver units in the Irish market through Glenveagh Living.

As our Executive Chairman John Mulcahy mentioned, I too am very grateful to all the staff of Glenveagh and their families for their hard work in our first year of operations and look forward to the future with optimism. Thank you for your support.

Justin Bickle
Co-Founder and CEO

Strategic Overview

Corporate Strategy

The Company operates a balanced business model comprising two complementary and synergistic residential delivery businesses - Glenveagh Homes (Homes) and Glenveagh Living (Living). Via these synergistic business units and our central strategic support structure, we aim to:

> **Gain access to a wider spectrum of capital deployment opportunities.**

Our Homes and Living business units have the capacity to provide the broad range of residential delivery solutions that are necessary to successfully address the supply demand imbalance.

Glenveagh Homes develops and builds starter, mid-size, high-end and executive homes with a focus on the greater Dublin area, while Glenveagh Living's strategic focus is on designing, developing and delivering residential solutions for institutional investors, social and affordable landlords, State entities and strategic landowners.

> **Reduce cyclicality and increase resilience across the development cycle.**

Buying land remains attractive today, but that has the capacity to change as the residential cycle turns. We aim to use back-to-back contracts and forward sales to reduce cyclicality and increase resilience. This approach provides the Company with greater visibility of forward revenues over time leaving Glenveagh less prone to the market risk associated with individual residential purchasers.

> **Provide for delivery flexibility pre and post site purchases.**

We continuously evaluate exit options throughout the site acquisition, planning, design and pre-construction phases to ensure we optimise returns and manage risk effectively. Key to this approach is the ability to utilise our own in-house construction resources or engage trusted third-party contractors.

> **Deliver efficient capital allocation via a focus on:**

- A disciplined approach to capital deployment;
- Data driven selection and appraisal;
- Improved risk diversification and optimised portfolio management.

> **Capitalise on the advantages of scale.**

We are focused on enhancing the long-term margin performance of the Company using innovative design and construction methods. Glenveagh's scale and experience across a range of construction methods facilitates the introduction of best in class design and construction solutions including:

- Design and plot utilisation - maximising plot utilisation with innovative design that offers the customer an enhanced living environment;
- Utilising entrance, boundary and landscaping as a key distinguishing feature of Glenveagh developments;
- Placing an emphasis on system build and off-site construction methods; and
- Leveraging our purchasing power and economics of scale opportunities.

Strategy by Business Unit

Homes

Glenveagh Homes develops and builds starter, mid-size, high-end and executive homes with a focus on the Greater Dublin Area. We also selectively deploy capital in Cork, Limerick and Galway. Our target house and apartment price range is from €220k to €1m+. The Homes business unit focuses on:

- **Acquiring sites at attractive rates** through disciplined capital deployment and keeping a long-term focus in what is an illiquid land market. Offering minimal execution risk for sellers we transact with helps ensure we are successful in this regard;
- **Optimising site size to deliver** a multi-year delivery opportunity for homes on sites. We focus on schemes which will give us 4 to 6 years supply in each location; and
- **Developing in attractive locations** where the demand/supply imbalance is most chronic and where transport infrastructure (road and rail) are strong or anticipated.

Living

Glenveagh Living's strategic focus is on designing, developing and delivering residential solutions for institutional investors, social and affordable landlords, State entities and strategic landowners. Living is a partnership business with a focus on relationship investing in what is a relationship driven market. Specifically, the business aims to capitalise on:

- The significant opportunity that exists in building rental communities; and
- The requirement for strategic partnerships in the following segments:
  - mixed use residential/retail;
  - social housing; and
  - affordable housing.

In achieving its objectives, Living focuses on its core competencies:

- Deal structuring;
- Master planning and design;
- Project management and construction delivery; and
- Delivering residential communities for our partners.

Strategic Priorities

In achieving our corporate strategy, the strategic priorities for the Company are to:

- Assemble a quality land bank capable of fulfilling our business plan;
- Continue to scale the Group's housing delivery operations consistent with business plan and targets;
- Strengthen our reputation for product and delivery innovation and become the Joint Venture partner of choice through Glenveagh Living; and
- Deliver a consistent and disciplined focus on margins and returns.

Marina Village
Greystones, Co. Wicklow

Glenveagh Homes

Glenveagh Homes

COO's Review

Stephen Garvey
Chief Operations Officer

The Glenveagh Homes operations team have made significant progress since IPO, implementing strategic work plans towards 2018 targets in tandem with the expansion of our sizeable landbank to facilitate the achievement of our medium to long term targets.

The Glenveagh Homes operations team have made significant progress since IPO, implementing strategic work plans towards 2018 targets in tandem with the expansion of our sizeable landbank to facilitate the achievement of our medium to long term targets. This is all made possible by the dynamic and innovative team we have assembled across key operational functions who continue to drive our company towards realising the optimal standards and quality of operation committed to since IPO.

Land Acquisition

The Glenveagh Homes landbank now has the capacity to deliver in excess of 6,100 units, increasing from c. 3,000 at the time of IPO. We have maintained our focus on sites scaled to allow us efficiently deliver optimal returns in an appropriate timeframe. This is illustrated by post IPO average site size acquisition of 350 units, an increase from 120 at the time of IPO. The recently announced "Project Quattro" (two sites in Donabate, Co. Dublin and 1 site in each of Stamullen and Dunboyne Co. Meath) has the capacity to deliver more than 1,400 units, illustrative of the site scale our land acquisition team continue to target. This is also indicative of the attractive market opportunities which our team are well placed to avail of in line with strategic objectives.

Construction

2018 will see over 700 units under construction. Our construction team is currently active on 7 sites with a further 3 sites coming on stream in 2018. Product under construction range from starter homes at Cois Glaisín in Navan, Co. Meath and Taylor Hill, Balbriggan, Co. Dublin to high-end executive homes at Holsteiner Park, Clonee, Co. Meath and Proby Place, Blackrock, Co. Dublin. Construction at our apartment developments at Marina Village, Greystones and Herbert Hill, Dundrum is also well underway, further demonstrating the diversity of our product offering.

We continue to innovate our design and construction solutions in order to optimise margin performance in the medium to longer term, while also committing to delivering to scale through the further standardisation of materials where possible and practicable across our developments.

Sales and Marketing

We are on target to deliver on 250 closed sales for 2018, already exceeding expectations with more than 100 units either signed or reserved on our three active sale sites at the time of writing. We will also commence a block sale of our apartment development at Herbert Hill, Dundrum in 2018 in response to the chronic under-supply of quality apartment schemes in the GDA, and following significant interest from institutional investors.

What follows is a snapshot of the current status of our live developments. I would like to take this opportunity to acknowledge our extensive network of over 675 contractors across a variety of disciplines who play a key role in supporting and enhancing our operations, enabling us to deliver quality homes for the Irish residential market. We look forward to broadening this vibrant network into the future and working together to maintain our momentum and strengthen our operations in 2018 and beyond.

Stephen Garvey
Chief Operations Officer

6,100

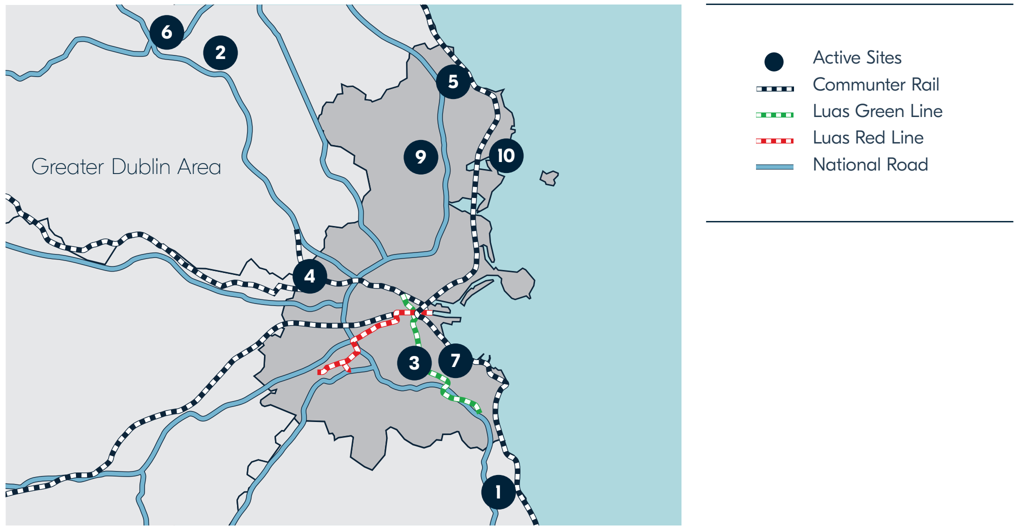
The Glenveagh Homes landbank now has the capacity to deliver in excess of 6,100 units

1,400

The recently announced "Project Quattro" has the capacity to deliver more than 1,400 units.

2018 will see over 700 units under construction. Our construction team is currently active on 7 sites with a further 3 sites coming on stream in 2018.

Glenveagh Homes Active Sites



Site	Site cost[1] (€m)	NDV[2] (€m)	Potential unit delivery Total	2018	2019	2020
Current live sites			**Total**	**2018**	**2019**	**2020**
1. Glenveagh Marina Village	43	154	276	7	140	129
2. Glenveagh Cois Glaisín	13	57	274	70	70	70
3. Glenveagh Herbert Hill	13	42	90	-	90	-
4. Glenveagh Holsteiner Park	3	12	15	15	-	-
5. Glenveagh Taylor Hill	31	152	610	67	68	70
6. Glenveagh Cluain Adain	7	57	246	25	50	50
7. Glenveagh Proby Place	11	24	23	10	13	-
Sites opening in 2018						
8. Maplewoods, Co. Cork	2	30	131	6	50	50
9. Ballyboughal, Co. Dublin	5	21	57	15	42	-
10. Knightsgate, Rush	9	39	129	35	50	44
2018 sites total		**588**	**1,851**	**250**	**573**	**413**
Other sites[3]				-	152	587
Total Homes construction target				**250**	**725**	**1,000**

1. Ex. fees and stamp duty. 2. NDVs reflect management estimates and should not be viewed as management forecasts.
3. Sites not currently active.

Greystones

Glenveagh Marina Village

Name	Location	Potential units	Time to Dublin City Centre	DART/Train	LUAS	Bus
Marina Village	Greystones Co. Wicklow	276	c. 50 mins	✓	x	✓

Unit mix		Price from	Timelines	
Houses	Apartments	€400,000	Start	Finish
59	217		Oct-17	2020

Navan

Glenveagh Cois Glaisín

Name	Location	Potential units	Time to Dublin City Centre	DART/Train	LUAS	Bus
Cois Glaisín	Navan Co. Meath	274	c. 50 mins	x	x	✓

Unit mix		Price from	Timelines	
Houses	Apartments	€225,000	Start	Finish
274	-		Oct-17	2021

Dundrum

Glenveagh Herbert Hill

Name	Location	Potential units	Time to Dublin City Centre	DART/Train	LUAS	Bus
Herbert Hill	Dundrum Dublin 16	90	c. 15 mins	x	✓	✓

Unit mix		Price from	Timelines	
Houses	Apartments	€350,000	Start	Finish
3	87		Oct-17	Mar-19

Clonee

Glenveagh Holsteiner Park

Name	Location	Potential units	Time to Dublin City Centre	DART/Train	LUAS	Bus
Holsteiner Park	Clonee Co. Meath	15	c. 40 mins	✓	x	✓

Unit mix		Price from	Timelines	
Houses	Apartments	€795,000	Start	Finish
15	-		Oct-17	Dec-18

Balbriggan

Glenveagh Taylor Hill

Name	Location	Potential units	Time to Dublin City Centre	DART/Train	LUAS	Bus
Taylor Hill	Balbriggan Co. Dublin	610	c. 40 mins	✓	x	✓

Unit mix		Price from	Timelines	
Houses	Apartments	€245,000	Start	Finish
610	-		Nov-17	2024

Meath

Glenveagh Cluain Adain

Name	Location	Potential units	Time to Dublin City Centre	DART/Train	LUAS	Bus
Cluain Adain	Clonmagadden Co. Meath	246	c. 55 mins	x	x	✓

Unit mix		Price from	Timelines	
Houses	Apartments	€220,000	Start	Finish
246	-		Oct-17	2021

Blackrock

Glenveagh
Proby Place

Name	Location	Potential units	Time to Dublin City Centre	DART/Train	LUAS	Bus
Proby Square	Blackrock Co. Dublin	23	c. 20 mins	✓	x	✓

Unit mix		Price from	Timelines	
Houses	Apartments	€1,050,000	Start	Finish
23	-		Oct-17	Q1 2019

North Co. Dublin

Glenveagh
Rush

Name	Location	Potential units	Time to Dublin City Centre	DART/Train	LUAS	Bus
Rush	North Co. Dublin	129	c. 35 mins	✓	x	✓

Unit mix		Price from	Timelines	
Houses	Apartments	€325,000	Start	Finish
129	-		Jul-18	Dec-20

Middleton Co. Cork

Glenveagh Maplewoods

Name	Location	Potential units	Time to Cork City Centre	Train	Bus
Maplewoods	Middleton Co. Cork	131	c. 30 mins	✓	✓

Unit mix		Price from	Timelines	
Houses	Apartments	€240,000	Start	Finish
131	-		TBC	TBC

North Co. Dublin

Glenveagh Ballyboughal

Name	Location	Potential units	Time to Dublin City Centre	DART/Train	LUAS	Bus
Ballyboughal	North Co Dublin	57	c. 45 mins	x	x	✓

Unit mix		Price range	Timelines	
Houses	Apartments	€255,000	Start	Finish
57	-		Jan-18	Sep-19

Glenveagh Homes Future Sites and Strategic Land

Site	Site cost[1] (€m)	Remaining NDV[2] (€m)	Potential units[3]
Future Sites			
1. Keatingstown, Wicklow	7	109	350
2. Blessington, Co. Wicklow	8	44	140
3. Shrewsbury Road, Ballsbridge	11	27	7
4. Burkeen Road, Keatingstown	5	34	120
5. Great Connell Abbey Stud	2	50	180
6. Quinns Cross, Mungret	1	61	230
7. Castleredmond	2	71	240
8. Millennium Park, Naas	21	140	530
9. Hollystown	14	49	195
10. Citywest	12	70	175
11. Donabate (2x)	44	185	570
12. Dunboyne	33	187	664
13. Stamullen	8	53	205
Total	**168**	**1,080**	**3,606**

Site	Zoning	Site cost[1] (€m)
Strategic Land		
14. Castleknock Golf Club	Unzoned	8
15. Hilltown, Clonee	Unzoned	2
16. Kiladoon, Celbridge	Unzoned	2
17. Sigma -Bray	Unzoned	2
Total		**14**

1. Ex. fees and stamp duty. 2. NDVs reflect management estimates and should not be viewed as management forecasts.
3. Subject to planning

Glenveagh Living

Glenveagh Living

Shane Scully
Managing Director of Glenveagh Living

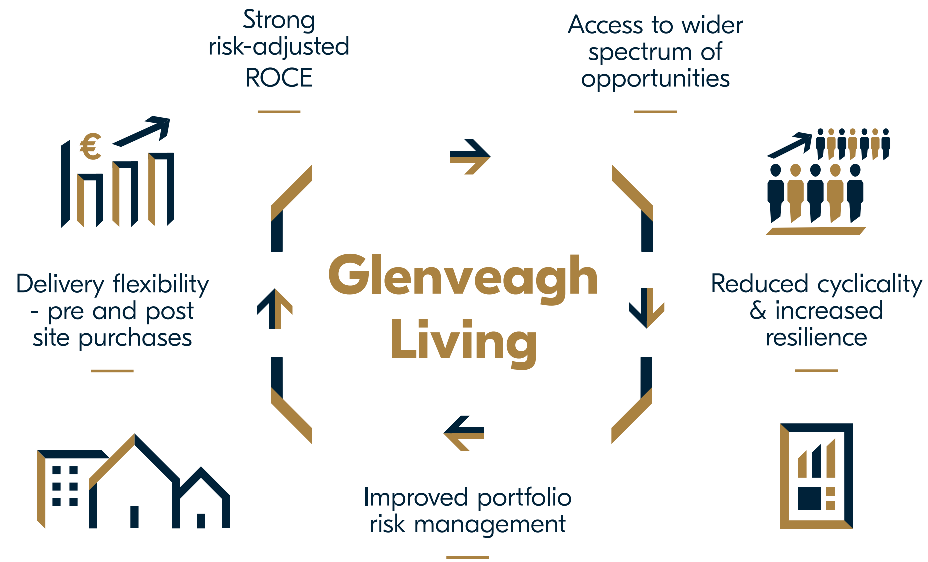
Background and Objective

Homes and Living operate as two complementary businesses delivering residential developments in Dublin, Cork, Galway and Limerick. Homes delivers these developments to consumers, whereas Living delivers these developments to selected private and public partners including institutional investors, approved housing bodies ("AHB"), local authorities and the National Asset Management Agency ("NAMA"). Living's objective is to deliver best-in-class private rental developments and social and affordable developments to our private and public partners. This is a low-capital and low-risk model which is anticipated to result in strong returns on capital employed.

Market

Private Rental Sector Developments
There is currently a significant undersupply of, and strong demand for, rental units in Ireland. The existing rental units have largely been provided by small independent landlords in poor quality older homes and little purpose-built rental accommodation is being constructed in Ireland. With c.18% of Ireland's population and c.24% of Dublin's population living in private rental accommodation, the Irish government is supportive of improvements to the rental sector and expanding upon purpose-built rental accommodation. In addition, there is significant support and appetite from institutional investors for purpose-built residential accommodation.

There is currently a significant undersupply of, and strong demand for, rental units in Ireland.



Living are committed to becoming the delivery partner of choice for purpose-built rental accommodation in Ireland and have acquired a prime urban site capable of delivering a large scale purpose-built rental development at East Road in Dublin 1.

Social and Affordable Sector Developments
There is also a significant undersupply of social and affordable housing in Ireland. There are currently in excess of 90,000 households on local authority waiting lists for social housing across Ireland. The government aim to deliver c. 33,500 newly constructed social housing units by 2021. Glenveagh's predecessor, Bridgedale Homes, delivered 67 social and affordable housing units to an AHB, Clúid Housing Association ("Clúid"), in 2017. Living intend to build upon this successful delivery and are committed to becoming the leading delivery partner for social and affordable housing in Ireland.

Strategic Partners

Clúid Housing Association:
In February 2018, Living and Clúid entered into a collaboration agreement under which we will co-operate to source and develop projects specifically targeting social housing needs in Ireland. Clúid is the largest housing association in Ireland and, to date, has provided 6,000 affordable homes to low income families in housing need across Ireland. This collaboration is a demonstration of Living's commitment to the social housing sector in Ireland.

Urbeo Residential
In March 2018, Living and Urbeo Residential entered into a collaboration agreement under which they will work closely together to identify and develop projects for the provision of mixed tenure and residential units in Dublin and other Irish cities. Urbeo's objective is to deliver a long-term, sustainable source of accommodation to the rental sector in Ireland. In pursuit of this aim, Urbeo will acquire or forward fund social and affordable rental developments in Ireland.

Living's objective is to deliver best-in-class private rental developments and social and affordable developments to our private and public partners.

Sigma Retail Partners
In March 2018 Living and Sigma Retail Partners ("Sigma") entered into a Strategic Relationship Agreement (the "SRA"). Sigma are leading retail asset managers in Ireland. At present, Sigma manage eight retail parks and five community shopping centres nationwide. Sigma's management team have considerable experience and have been involved in over 70% of retail schemes in Ireland to date in various roles including acquisition, disposal, letting and asset management. Pursuant to the SRA, Living and Sigma intend to collaborate in respect of potential retail and residential development opportunities in Ireland. Please see below for further details of a recent collaboration with Sigma.

In addition to the foregoing partners, Living are actively developing additional strategic private and public partnerships.

450

Living intend to develop purpose-built rental accommodation, comprising of c. 450 units, on the East Road site.

Acquisitions

Site on East Road, Dublin 1
In January 2018, Living completed the acquisition of a c. 5.2 acre site on East Road, Dublin 1. This acquisition was a unique opportunity to acquire prime development land, capable of large scale development, in a central urban area. It was also a demonstration of Living's commitment to placemaking and urban regeneration, which was part of our message to investors at IPO.

Living intend to develop purpose-built rental accommodation, comprising of c. 450 units, on the site. Living are actively engaged with a design team and intend to submit an application for planning permission in 2018.

Sites in Tallaght, Galway and Bray
In March 2018, Living completed the acquisition of development rights at:

- a c. 19-acre car park adjoining The Square Shopping Centre, Tallaght, Dublin 24;
- a c. 5-acre site to the rear of Gateway Retail Park, Galway; and
- a c. 10-acre site to the rear of Bray Retail Park, Bray, County Wicklow;

(together the "Sites"). The Sites all adjoin retail schemes operated by Sigma. Living intend to develop residential accommodation, comprising of c. 800 units, across the Sites. Living are actively engaged with a design team and intend to submit an application for planning permission in 2019.

Top: East Road, Dublin 1
Bottom: The Square Shopping Centre, Tallaght

CFO's Review

Michael Rice
Chief Financial Officer

Initial Public Offering

On 13 October 2017, Glenveagh Properties PLC successfully completed an IPO with a share price of €1 per ordinary share and a market capitalisation at completion of €667 million. The gross cash proceeds from the IPO were €550 million.

Land Acquisitions

Since IPO, one of the key priorities of the business has been deploying the equity raised, in a structured and effective manner, on building a highly attractive land portfolio. Following the acquisition of the TIO portfolio as part of the IPO, during the period c. €150 million was deployed on acquiring land capable of delivering 2,758 additional units, giving a total land portfolio of 4,727 units at 31 December 2017.

A further €134 million of capital has now been deployed, bringing the total number of units to 7,342. The Group has taken a very disciplined approach to its capital deployment and has reduced the average site cost per unit from €56k at IPO to €52k for the post IPO acquisitions.

4,727

Total land portfolio of 4,727 units at 31 December 2017

7,342

€284 million of capital has been deployed, since IPO, bringing the total number of units to 7,342.

Cash Flow

The Company's cash balance at 31 December 2017 was €351.8 million and the key cash flows during the period are set out below:

€'m	2017
Cash and cash equivalents at incorporation on 9 August 2017	-
IPO Proceeds (net of IPO costs and payment to Sispar*)	501.8
Project Kells (various)	(44.5)
Project Castle (Balbriggan)	(23.9)
East Road	(45.1)
Other land acquisition payments (including deposits)	(15.5)
Other working capital and capital expenditure	(21.0)
Cash and cash equivalents at 31 December 2017	**351.8**

*As disclosed in the prospectus, a payment of c. €21 million was made to Sispar in full and final settlement of a profit share entitlement in respect of the acquired development opportunity at Marina Village, Greystones.

Capital Structure and Group Financing

The Group funds itself through a combination of equity and debt. Following the period end, the Group agreed a €250 million Revolving Credit Facility ('RCF') with a syndicate of domestic and international banks for a three-year term. This facility will be used to finance the Group's working capital requirements and will allow the Group's remaining capital to be deployed on increasing the Group's current land portfolio.

Financial Results for the Period

As part of acquiring Bridgedale Homes Limited, the Group had a commitment to provide asset advisory and construction services to TIO until 31 December 2017. The revenue and gross profit for the period relate solely to these services and are not indicative of the Glenveagh business model from 1 January 2018 onwards.

The key financial performance metrics for the period are as follows:

	Period ended 31 December 2017
Revenue	€1.4m
Gross Profit	€0.5m
EBITDA* (before exceptional items)	(€3.5m)
EBITDA* (after exceptional items)	(€51.6m)
Basic and diluted loss per share	(13.7c)

*EBITDA is defined as statutory profit or loss for the period less interest; tax; depreciation and amortisation.

The results for the period include an exceptional charge of €47.5 million for the Founder Share scheme and €0.6 million of IPO related expenses.

Founder Share Scheme

The exceptional charge of €47.5 million recorded in the period is in respect of the non-cash accounting expense for the Founder Shares issued to the Founders of the company. This charge has been independently valued and represents the full fair value of these shares, with no further expense to be recognised in future reporting periods irrespective of the value which may or may not accrue to the holders of the shares. No value has accrued to date to the Founders under the terms of the scheme and such value will only accrue on achieving the pre-agreed performance conditions of the scheme.

This non-cash exceptional charge has been recognised in the Income Statement, with a corresponding amount in the share-based payment reserve (within equity), and therefore has no net impact on the Net Asset Value of the Group.

Finance Income & Expense

The finance expense for the period reflects the current negative deposit rates and the impact of these rates on the Group's funds held on deposit. The Group endeavours to place the funds on longer term deposit, where possible, while also being cognisant of the need to have funds readily available for land acquisitions.

Share Price and Market Capitalisation

The Company's IPO share valuation was set at €1 per ordinary share and, at 31 December 2017, had subsequently increased to €1.18, giving the Company a period-end market capitalisation of €787 million.

Financial KPIs

The Group's results for this financial period are not indicative of future financial performance trends due to the short accounting period, the recognition of significant exceptional items and the completion of the trading arrangements with TIO.

The Group has set a number of financial key performance indicators (KPIs), with details provided below. Going forward, these KPIs will be used to measure the financial and operational performance of the Group and will be used to track progress in achieving short, medium and long-term targets.

Gross Margin
Gross margin reflects the Net Development Value ('NDV') of units sold less the costs directly linked to the construction and sale of those units. Gross margin is one of the key metrics used by management in acquiring land and is continually assessed on a phase by phase basis throughout the life of a development.

Earnings before interest, tax, depreciation and amortisation (EBITDA)
Group management consider EBITDA to be the most appropriate measure for assessing the operational profitability of the Group in any given financial period. It is calculated by adding back non-cash depreciation and amortisation charges to the Group's operating profit for a period.

Return on Capital Employed (ROCE)
The Group considers ROCE to be a key long term corporate metric once the Group achieves scale. The Group believes that ROCE is the best measure of the Group's ability to generate profits from its asset base in a capital efficient manner.

Michael Rice

Michael Rice
CFO

Risk Management Report

The Board is responsible for ensuring good corporate governance and prudent risk management is implemented by the Group.

The Board has approved the Risk Management Framework which provides a common risk management process across the Group to identify, assess, mitigate, monitor and report risks which impact the Group. The Group's risk management process aims to ensure that all risks to which the Group is exposed are identified, understood and appropriate mitigating controls are implemented to manage the risks effectively and protect the Group.

The Group has a risk register to support the risk management process and document the Group's risks, controls and their approved ratings based on likelihood and impact from both an inherent and residual perspective. The Board formally reviews and approves the risk register on at least a bi-annual basis.

As part of its oversight responsibilities, the Audit & Risk Committee is responsible for reviewing the adequacy and effectiveness of the Group's risk management process.

Principal Risks and Uncertainties

Arising from the risk management process, principal risks and uncertainties have been identified which could have a material impact on the Group in achieving our strategic objectives. These risks and uncertainties together with key mitigating considerations are set out on pages 37 to 40.

The Board has approved the Risk Management Framework which provides a common risk management process across the Group to identify, assess, mitigate, monitor and report risks which impact the Group.

Risk or uncertainty and potential impact	Key Mitigating Considerations
Adverse Macroeconomic Conditions Glenveagh operates in a property market that is cyclical by nature which can lead to volatility of property values and market conditions. Geopolitical uncertainty (including Brexit) could lead to a potential adverse impact on the Group's asset valuation and financial performance due to factors such as slowdown in economic growth, increased interest rates and decline in consumer confidence.•	The Group aims to maintain a reasonable but limited stock of land (5-7 years). The Group avoids any longer exposure through strict land acquisition policies. The Group has a robust acquisition policy and approval process in place to ensure the best value is achieved on assets and that they are aligned to the strategic objectives of the Group. Glenveagh Living will assist in reducing the cyclical nature of the business through the delivery of apartments and houses for the rental market. Management and the Board actively monitor the geopolitical risks and seek expert industry advice where required.
Adverse changes to government policy and regulations A change in the domestic political environment and/or government policy (including tax legislation, support of the housebuilding sector, Part V allowance and first-time buyer assistance) could adversely affect the Group's financial performance.	The Group's management and Board monitor government policy on an ongoing basis. Management's site by site forecasts are conservative by nature and allow for expected negative changes in government policy and regulation. The Group has the capability to redesign developments as appropriate should it be required. The Group will consider alternative sales strategies where required to align to any changes in the domestic political environment.
Mortgage Availability and Affordability Glenveagh understands that affordable mortgage finance is a crucial funding source for buyers in the residential property market in Ireland. Constraints on the availability and cost of mortgage financing may have an adverse impact on sales of the Group's homes due to a potential decline in customer demand and ultimately the profitability of the Group.	Management and the Board continuously monitor government policy around mortgage availability. The Group regularly engages with mortgage advisors to gain valuable insights into the market and the impact of regulatory changes impacting mortgage lending. The Group's strategy can facilitate the adjustment of delivery velocity if required.

Risk or Uncertainty and Potential Impact	Key Mitigating Considerations
Decline in Product Quality Delivery of the highest quality homes is central to the success of Glenveagh. The Group continues to focus on ensuring our products meet the desired standards and is aware that significant negative incidents including construction defects, material environmental liabilities (including hazardous or toxic substances), quality deficiencies or perceptions thereof could adversely impact the Group's sales and possibly result in litigation cases against the Group with a potentially negative impact on the Group's brand and customer satisfaction which are crucial to the Group's performance.	The Group has implemented robust quality control procedures and strictly adheres to Building Control (Amendment) Regulations requiring (among other stipulations) the appointment of suitably qualified engineers and architects. The Group has an experienced and professional support team in place. The Group has a dedicated customer service after-sales team.
Inadequate Project Management Inadequate oversight of the cost and delivery of development projects adversely affects expected return on investment.	The Group has fixed cost contracts in place with sub-contractors and suppliers where possible. The Group employs highly experienced and qualified project managers who oversee a robust financial planning process for each development and continuously monitor and review the budget versus actual costings. This includes regular updates to the Executive Committee and Board of Directors.
Insufficient health and safety procedures Glenveagh is focused on the wellbeing of its employees, contractors / sub-contractors and the general public. The Group understands that failure to implement and adhere to the highest standard of Health & Safety practices can lead to a significant risk to safety, health and welfare of staff and other parties resulting in increased costs and negatively impact the timely and safe delivery of a project. Additionally, any failure in health or safety performance or compliance, including delay in responding to changes in health & safety regulations may result in financial and / or other penalties.	A dedicated Health & Safety Officer is appointed and in place. The Group has a wealth of experience, adopts best practice and regulations and has developed and implemented formal best practice policies and procedures to support and promote a robust Health & Safety environment. The Group ensures all staff are appropriately and adequately trained. The Group has a Safe-T certificate which is the industry Health & Safety auditing standard. There is adequate insurance cover in place to deal with any claims that may arise from claims due to injury.

Risk or Uncertainty and Potential Impact	Key Mitigating Considerations
Employee development and retention The success of the Group is dependent on recruiting, retaining and developing highly skilled, competent people. The Group is aware that loss of key personnel and/or the inability to attract/retain adequately skilled and qualified people could lead to: - Poor operational and financial performance - Inadequate staff knowledge and understanding of policies & procedures; - Reduced control environment; - Insufficient transfer of knowledge amongst staff to allow for succession planning; - Demotivated staff; and - Failure to achieve/ deliver on the Group's strategic objectives.	The Group offers competitive and attractive remuneration packages and where appropriate long term interest alignment. The Group offers the opportunity for advancement through creating a positive working environment. The Group has implemented a performance management and appraisal process which includes open channels of communication and feedback and development plans for employees. The Group is developing a succession plan to ensure continuity of quality service and knowledge retention. The Group ensures that all staff have access to relevant internal and external training.
Availability and increased cost of materials and labour Shortages or increased costs of materials and labour could lead to an increase in construction costs and delays in the completion of homes. If the Group is unable to control its costs or pass on any increase in costs to the purchasers of the Group's homes, source the requisite labour, and/or renegotiate improved terms with suppliers and contractors, the Group's margins may reduce which could have an adverse impact on the Group's business operations and financial condition.	The Group has fixed cost contracts in place with sub-contractors and suppliers where possible. The Group has the potential to expand its purchasing network should it be required and maintains flexibility by not having an overreliance on any one supplier. The Group engages in financial planning and continuously monitors and reviews the budget versus actual costings.

Risk or Uncertainty and Potential Impact	Key Mitigating Considerations
Data protection and cyber security The Group uses information technology to perform operational and marketing activities and to maintain its business records. A cyber-attack could lead to potential data breaches or disruption to the Group's systems and operations which in turn could lead to damage to the Group's reputation and potential loss of customers and revenue. Any security or privacy breach of the information technology systems may also expose the Group to liability and regulatory scrutiny.	The Group has appointed a Head of IT to support the Group in mitigating the risk of cyber and data security breaches further. The Group uses internal and external back-up systems under the supervision of a third-party service provider pursuant to agreements that specify certain security and service level standards. The Group has implemented sensitive data password protection and all such information is stored in secure locations. The Group is proactively managing the cyber threat and regularly engages a third party to perform a system hygiene check to identify and remediate any potential weaknesses or control gaps.

The Group is proactively managing the cyber threat and regularly engages a third party to perform a system hygiene check to identify and remediate any potential weaknesses or control gaps.

Governance

Chairman's Introduction

John Mulcahy
Co-Founder & Executive Chairman

I am pleased to present my first Corporate Governance Report as Chairman of the newly formed Glenveagh Properties PLC. The following sections demonstrate how your new Board has used its authority and mandate to help drive Glenveagh's success and create value for all shareholders and the wider stakeholder group.

Following the listing of the Company's shares on the Irish and London Stock Exchanges in October 2017, the Board established a robust corporate governance framework to enable the discharge of our duties and responsibilities to shareholders. In doing so, the Board has formed two Board Committees composed entirely of independent Non-Executive Directors and focused on key governance concerns — the Audit and Risk Committee and the Remuneration and Nomination Committee. We have also established an Executive Committee, led by CEO Justin Bickle, to which the day-to-day management of the business has been delegated.

This report seeks to provide you with a clear and meaningful explanation of how we discharge our governance duties having regard to the principles of good governance enshrined in the UK Corporate Governance Code ('the Code') and the Irish Corporate Governance Annex ('the Annex'). The Board is committed to maintaining the highest standards of corporate governance and ensuring that appropriate values and behaviours are consistently embedded across all business units and functions.

As Glenveagh is below the FTSE 350 and qualifies under the Annex as a "smaller company" during the period under review, some of the provisions do not apply. The Board and its Executive Committee recognise good governance is the bedrock which supports the effective and prudent management of the business, and helps drive long-term value creation for shareholders. As such, we strive to apply the principles of the Code wherever possible.

This section includes reports from the respective chairs of the Audit and Risk Committee and Remuneration and Nomination Committee. Following Glenveagh's IPO, the Audit and Risk Committee has focused in particular on ensuring the effective management and control of risks is embedded throughout the business, which is of particular significance in a Company growing and expanding.

Further, the Remuneration and Nomination Committee has focused on developing an Executive remuneration policy that is properly aligned to the Company's risk appetite, long-term strategy and shareholders' interests. The Remuneration and Nomination Committee has reviewed the mix of skills and experience on the Board to ensure the Board fully meets the needs of the Company.

It is my intention that the following sections shall demonstrate how your new Board has used its authority and mandate to help drive Glenveagh's success and create value for all shareholders and the wider stakeholder group.

The Board as a whole has reviewed the annual report and financial statements, and is pleased to confirm that they consider the report and financial statements, taken as a whole, to be fair, balanced and understandable.

John Mulcahy
Chairman

Operational and Financial Targets

1,000
Target unit completions in 2020

20%
Target gross margin at scale


Glenveagh Homes

Corporate Governance Statement

This statement, in addition to the Audit and Risk Committee Report and the Remuneration and Nomination Committee Report, outlines how Glenveagh Properties PLC has applied, and intends to apply, the principles and provisions set out in the UK Corporate Governance Code issued by the FRC in April 2016 ('the Code') and the Irish Corporate Governance Annex ('the Annex'). The full text of the Code and the Annex can be obtained from the following websites respectively:

www.frc.org.uk
www.ise.ie

Compliance with the UK Corporate Governance Code and Irish Annex

The Group is committed to the principles of corporate governance contained in the Code, for which the Board is accountable to shareholders. The Annex issued by the ISE also applies to the Group, under the provisions of which the Group was regarded as a smaller company under the Code throughout the period under review. The Directors consider that for the period from IPO to 31 December 2017, the Group has been in compliance with the provisions of the Code with one exception.

Provision A.3.1
While the Code requires the Board Chairman to be independent on appointment, the Board believes the appointment of an Executive Chairman to be the most appropriate choice for the Board and the Group at this time.

In light of the Group's recent IPO, the Board believes the experience, knowledge and full-time commitment of the current Chairman to be an essential element in the Group's continued success and growth. Further, the Board believes the Chairman encourages debate and challenge and sets high ethical standards while, at all times, demonstrating his commitment to good corporate governance standards.

Given the Board's unanimous decision to appoint an Executive Chairman, the Board's Senior Independent Director has expressed her willingness to take on additional responsibilities, as required. There also continues to be a clear division of responsibilities (which is described further below) between the Chairman and the CEO. As such, the Board is satisfied that no one individual or group has dominated its decision making and there has been sufficient challenge of executive management in meetings of the Board.

As part of its ongoing review of effectiveness of the Board in its discharge of its duties, the Board, with the assistance of the Remuneration and Nomination Committee, will continue to review the appropriateness of the current governance arrangements.

Corporate Governance Framework

The Board is responsible for setting and guiding the strategic direction of the organisation. The Board supports the Group's organisational aspirations by providing leadership, monitoring compliance and overseeing internal controls to ensure a robust corporate governance framework is in place. The Board's aim is to ensure the long-term success of the Company and to provide sustainable value for its shareholders and all key stakeholders.

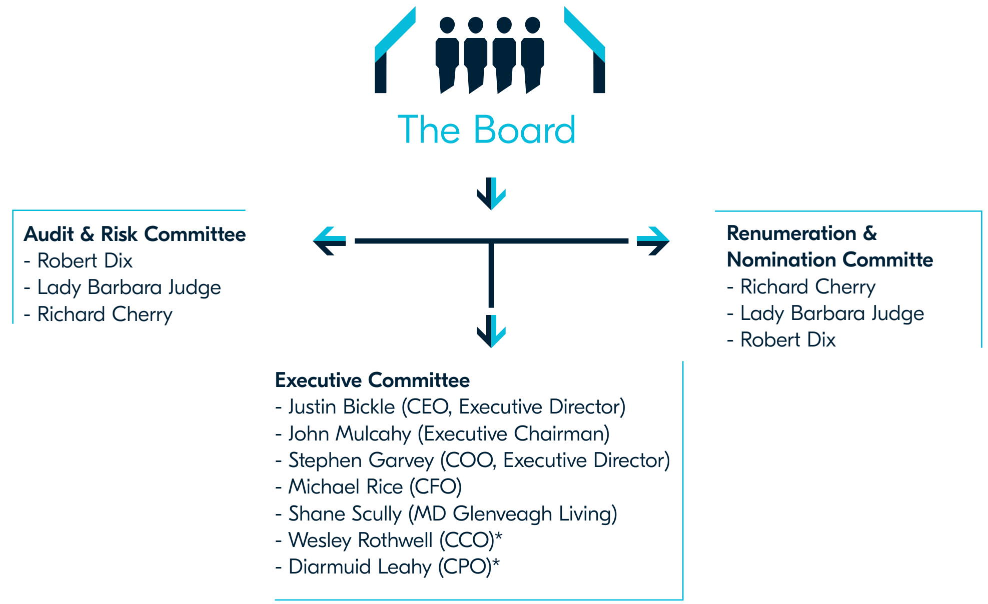
The Board has delegated responsibility for management of the Group to the Chief Executive Officer and the Executive Committee.

The Board

The Board is currently comprised of seven Directors: three Executive Directors, including the Executive Chairman, three independent Non-Executive Directors and one Non-Executive Director. For further detail on Directors, please see the Board biographies on pages 76 to 79.

The Board is satisfied that the size of the Board is appropriate and that its members provide the necessary skills and experience to lead the organisation. Board composition will be reviewed on an ongoing basis to ensure the Board has the appropriate balance of skills and diversity.

Furthermore, the Board is satisfied the balance of Executive and Non-Executive Directors is appropriate to best facilitate constructive and effective challenge and debate. The Board believes that all Non-Executive Directors have consistently demonstrated independent behaviour and thought in fulfilling their duties as Directors.



*Wesley Rothwell (Chief Commercial Officer) and Diarmuid Leahy (Chief People Officer) were not employees of the Group in the period under review. Both joined the Group in January 2018 and were appointed to the Executive Committee on commencement of their employment.

The current Board composition provides an appropriate balance of skills and experience including property, construction, accounting and finance. The current skills mix equips Board members in effectively discharging their duties.

Independence

The Board believes there to be a strong independent representation on the Board. For the purpose of the independence requirements laid out by the Code, the Board has classified Lady Barbara Judge, Robert Dix and Richard Cherry to be independent.

The Board has satisfied itself as to the independence of individual directors based on the requirements laid out in provision B.1.1 of the UK Corporate Governance Code 2016. The Board believes that all of the Non-Executive Directors have consistently demonstrated independent behaviour and thought in fulfilling their duties as Directors.

Schedule of Matters Reserved for the Board

The Board reserves to itself a formal schedule of matters on which it exercises final decision. Certain other matters are delegated to formally established Board Committees. The key matters reserved for Board decision include matters relating to:

- Approval of the Group's strategic aims and objectives;
- Reviewing management's corporate and financial performance;
- Approval of major capital expenditure, investments, material contracts, significant acquisitions and disposals;
- Approval of interim and full-year financial statements;
- Approval of annual budgets;
- Overview of risk management and internal controls;
- Appointment of Executive and Non-Executive Directors; and
- On the recommendation of the Remuneration and Nomination Committee, determining the remuneration for Executive Directors, Company Secretary and Non-Executive Directors.

Board Meeting Attendance

Since the formation of the PLC Board in September 2017 following the re-registration of Glenveagh Properties Limited as a PLC, the Board has met formally on 5 occasions.

Agendas for meetings and Board papers are circulated in advance of meetings. The Company Secretary is responsible for the coordination and organisation of Board meetings, and is accessible to advise all Board members as required.

Attendance at Board meetings from the formation of the PLC Board to 31 December 2017 is set out in the table below:

Board Member	**Meetings Held***	**In Attendance****
John Mulcahy	5	5
Justin Bickle	5	5
Stephen Garvey	5	5
Lady Barbara Judge	4	3
Richard Cherry	4	4
Robert Dix	4	4
Caleb Kramer	4	3

*Meetings held refers to the number of meetings held following each Directors' appointment.

**Directors are deemed to be in attendance where participation in the meeting is in person or by conference call.

Directors Terms of Appointment

In accordance with the provisions of the Code, appointments to the Board shall be for a period of no more than three years.

Directors serving on the Board for a term beyond six years will be subject to a particularly rigorous review, including consideration of the potential need to refresh the Board.

The Executive Directors have service agreements with the Group which have notice periods of six months. The Non-Executive Directors have letters of appointment which set out the terms of appointment. The Directors are required to offer themselves for re-election annually at the Company's AGM.

New Director Induction and Ongoing Training/Development

Implementing a formal induction process not only equips Directors with a comprehensive understanding of their role and responsibilities, the Group and the operations of the Board but also allows for the efficient and effective integration of new Board members.

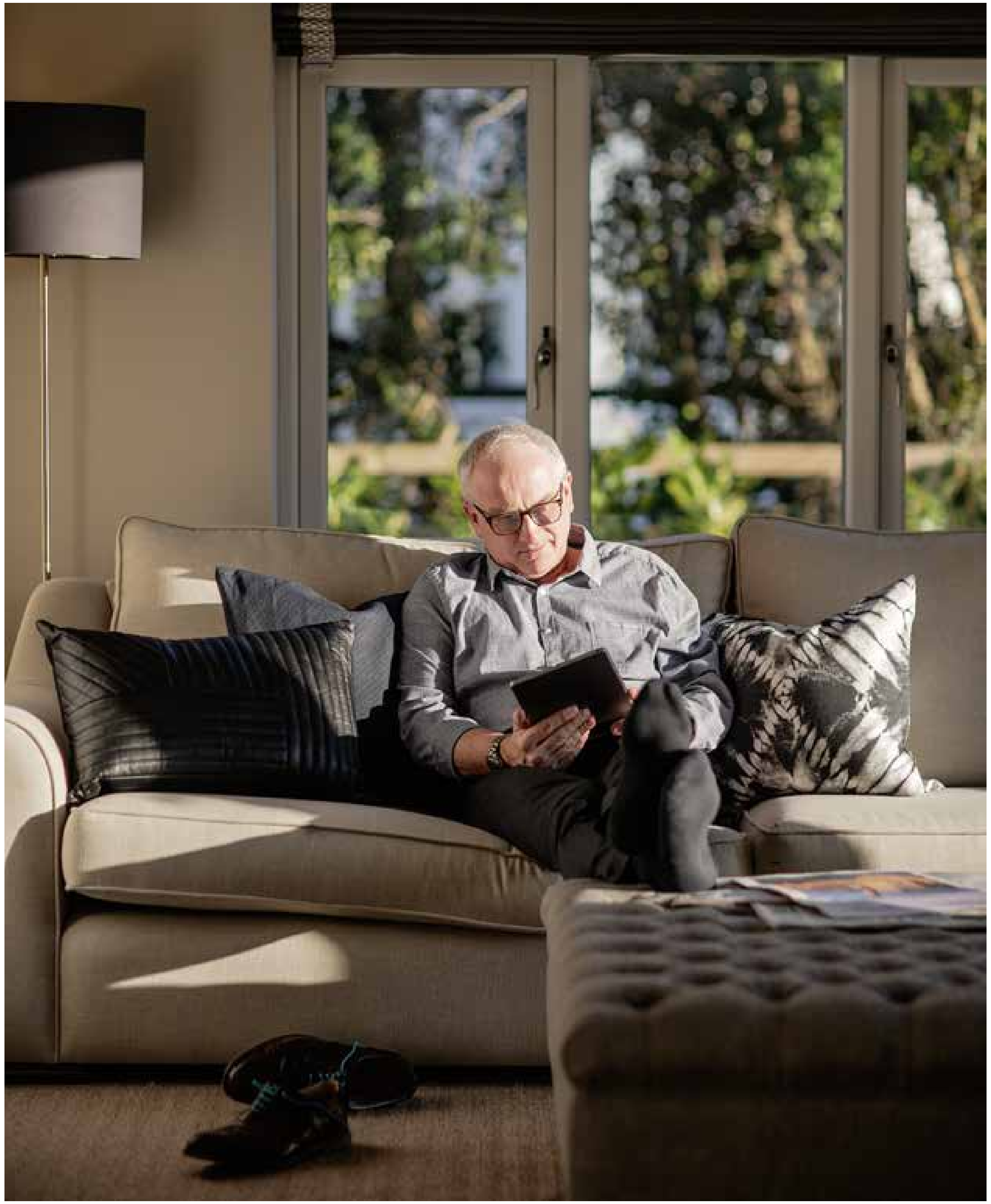
Newly appointed Directors are provided with an in-depth induction on joining the Board. The Chairman is responsible for ensuring the new Directors receive a full, formal and tailored induction.

Throughout their time on the Board, Directors shall regularly review their individual skills and knowledge and, where necessary, ensure that any training and development needs are addressed, as required. Additional support and ongoing training is provided as seen fit, to reinforce Directors' understanding of key challenges facing the organisation.

Clarity of Roles and Responsibilities

There is a clear division of responsibility set out in writing between the Chairman, Chief Executive Officer, Senior Independent Director and Company Secretary which has been communicated to all Board members and summarised as follows:

Role	Responsibility
Executive Chairman — John Mulcahy	The Chairman is responsible for leadership of the Board, promoting its effectiveness in all aspects of its role and ensuring its key duties are discharged to an acceptable degree. The Chairman ensures the Board members receive accurate and timely information, enabling them to play a full and constructive role in the development and determination of the Group's strategy. He is responsible for creating an environment which encourages open dialogue and constructive challenge. He ensures that there is effective communication with the shareholders. Although the Chairman holds a number of other directorships, the Board has satisfied itself that these do not impact on his role as Chairman.
Chief Executive Officer — Justin Bickle	The Board delegates the ongoing management of the Group's business to the CEO. The CEO is responsible for the execution of the agreed strategy and implementation of the decisions of the Board with a view to creating value for shareholders and the wider stakeholder base. He is ultimately responsible for all day-to-day management decisions and actions following this. The CEO acts as a direct liaison between the Board and management, and communicates to the Board on behalf of management. He also communicates on behalf of the organisation's external stakeholders.
Senior Independent Director — Lady Barbara Judge	The Senior Independent Director of the Group is available to shareholders who have concerns that cannot be addressed through the Chairman or CEO and will attend meetings with major shareholders as necessary. She acts as a sounding board for the Chairman and to serve as an intermediary for the other Directors as necessary. She also leads an annual meeting with the Non-Executive Directors to appraise the Chairman's performance.
Company Secretary — Chloe McCarthy	The Company Secretary is accessible to all Directors, who may avail of her advice and services. She must ensure that Board procedures are followed. She is also responsible for advising the Board on all governance matters and this is communicated through the Chairman. In addition, the Company Secretary facilitates the induction of new Directors and assists with the ongoing training and development of the Board.



Board Performance Evaluation

As required by the Code, the Board policies include a provision for an annual Board self-evaluation process and this will be supplemented by an external evaluation, to be carried out every three years.

As part of the annual evaluation process, the performance of the Board as a whole, the Board's processes, its Committees and the performance of the Directors on an individual basis shall be assessed. This includes an evaluation of:

- The balance of skills, experience and knowledge of the Group on the Board;
- Diversity of the Board (including gender);
- How the Board works together as a unit; and
- Individual Director's ability to contribute effectively, ongoing commitment to their role as a Director and, if relevant, Committee members.

The Chairman is responsible for overseeing the annual Board evaluation process. As part of this process, the Chairman shall meet annually with Non-Executive Directors to discuss Board performance, the conduct of Board and Committee meetings and general corporate governance of the Company.

Additionally, the Senior Independent Director and the other Non-Executive Directors will meet annually to conduct an evaluation of the Chairman's performance.

It is primarily the responsibility of the Chairman to ensure the results of the evaluation are acted upon appropriately.

Directors' Conflicts of Interest

The Companies Act 2014 specifies that it is the duty of a Director of a company who is in any way, either directly or indirectly, interested in a contract or proposed contract with the Group to declare the nature of his interest at a Board meeting. A record of all such declarations is maintained by the Company which may be inspected by any Director, auditor or shareholder at the registered office of the Group.

Subject to certain exceptions, Directors are prohibited from voting at Board or Committee meetings on any resolution concerning a matter in which they, or a member of their immediate family, have a direct or indirect interest which is material or a duty which conflicts or may conflict with the interests of the Group. Typically, Directors will absent themselves from discussions of such transactions at Board or Committee meetings.

The Company has established a comprehensive Conflicts of Interest policy which is shared with Directors and subject to regular review.

Internal Control and Risk Management

The Board has in place an ongoing process for identifying, evaluating and managing significant risks that the Group may face. Oversight of the Group's system of internal controls, risk management and governance frameworks is a key priority of the Board and has been delegated to the Audit and Risk Committee.

As part of the annual evaluation process, the performance of the Board as a whole, the Board's processes, its Committees and the performance of the Directors on an individual basis shall be assessed.

A robust process has been in place for the period under review and up to the date of approval of the financial statements. Given the Company's recent incorporation, the Company's risk framework is evolving, with some risk mitigation arrangements only in existence for a short period of time. The Board will continue to monitor and improve its risk management framework throughout 2018.

The Group has documented its financial policies, processes and controls, which will be subject to a regular review to ensure the systems remain fit for purpose. The key elements of the system of internal controls include:

- Clearly defined organisation structure and lines of authority;
- A finance manual which clearly sets out the Group financial policies, procedures and related controls;
- A risk management policy;
- Annual Budgets and Strategic Plans are reviewed and approved annually by the Board; and
- An independent internal audit team reporting directly to the Audit and Risk Committee.

The Board has delegated responsibility to the Audit and Risk Committee for the monitoring and reviewing of the Group's risk management and internal controls framework.

Shareholder Relations

The Company is committed to maintaining open and transparent communications with its investors. In addition to communications via the relevant stock exchanges, channels of communication are enhanced via meetings with its largest investors and institutional shareholders, presentations to brokers and analysts, and making relevant information available on the Group website, www.glenveagh.ie. A total of 39 meetings with investors and shareholders have taken place since the Company's IPO.

Ultimately, the responsibility for creating effective communication with shareholders lies with the Chairman. However, on a day-to-day basis the CEO keeps the Board informed in relation to shareholder views. Further, the Senior Independent Director is also available to shareholders should they have concerns that contact through the normal channels of Group Chairman, CEO, CFO, Company Secretary or other Executives cannot resolve or for which such contact would be inappropriate.

Annual General Meeting

The AGM provides another platform for effective and meaningful interaction between the Board, other key Executives and shareholders. The Group encourages communication with all shareholders, and welcomes their participation at Annual General Meetings. Presentations will be given from the CEO and on behalf of the Board, and shareholders in attendance will be invited to ask questions during the presentations as well as informally afterwards.

Board Committees

Audit & Risk Committee

The main purpose of the Audit & Risk Committee is to provide oversight of the Group's financial reporting process, audit process, compliance with laws and regulations, system of internal controls and risk identification and mitigation.

For detailed information on the Audit and Risk Committee please see the Committee's report set out on pages 56 to 63.

Remuneration and Nomination Committee

The Remuneration and Nomination Committee is focused on examining the necessary skills and characteristics to be an effective Board Director and recommending and monitoring appropriate compensation for both Executive and Non-Executive Directors.

The Remuneration and Nomination Committee is also responsible for ensuring that Non-Executive and Executive remuneration arrangements support the strategic aims of the business and enable the recruitment, motivation and retention of senior executives, while also complying with the requirements of regulation.

For detailed information on the Remuneration and Nomination Committee please see the Committee's report set out on pages 64 to 72.

Audit and Risk Committee Report

Robert Dix
Chairman, Audit and Risk Committee

As Chairman of Glenveagh Properties PLC's Audit and Risk Committee, I am pleased to present the Committee's Report for the period under review.

The Audit and Risk Committee has satisfied itself, and has advised the Board accordingly, that the 2017 annual report and financial statements are fair, balanced and understandable, and provide the information necessary for shareholders to assess the Company's performance, business model and strategy.

As this report will demonstrate, I am confident in saying that since its formation, the Audit and Risk Committee has met its obligations as appropriate in its first year of formation and continues to monitor changes in the financial and regulatory environment within which the organisation operates.

Roles and Responsibilities

Following the formation of the Board and, subsequently, the Audit and Risk Committee during the period, the Committee set about establishing its Terms of Reference, which are now available on the Company's website. The Terms of Reference will be reviewed annually and amended in line with any future organisational changes to ensure they continue to be fit for purpose.

At a high level, the duties carried out by the Audit and Risk Committee relate to:

- Financial reporting;
- Risk management;
- Internal controls;
- Compliance; and
- Oversight of the company's relationship with the external auditor.

These responsibilities are intended to be performed in conjunction with the management team, and internal/external auditors.

The key function of the Committee is oversight of the Company's internal control and risk management systems. This involves the following responsibilities:

- Review the adequacy and effectiveness of the Group's internal controls including the systems established to identify, assess, manage and monitor risks and receive reports from management on the effectiveness of these, including the conclusions of any testing carried out by internal or external auditors and other assurance providers
- Review the principal risks identified in the annual report and the statements on the Company's internal controls and risk management framework
- Review and approve the risk management policy and the Company's risk register and appetite statement, prior to submission to the Board for its approval
- Advise the Board on the Company's current risk exposures and future strategy for managing such risks
- Review relevant risk reporting, including incident breach reporting in order to assess the effectiveness of the Company's risk management process

Other responsibilities of the Audit and Risk Committee are set out in its Terms of Reference and are detailed in the table below.

As this report will demonstrate, I am confident in saying that since its formation, the Audit and Risk Committee has met its obligations as appropriate in its first year of formation and continues to monitor changes in the financial and regulatory environment within which the organisation operates.

Other Responsibilities	
Integrity of Financial Statements and Announcements	Examine the integrity of annual and half-yearly reports, interim management statements, preliminary announcements and any other formal statement relating to financial performance
	Evaluate and approve material accounting policies, estimates and judgements
	Review policies used to determine if the annual report (including financial statements) are fair, balanced and understandable
	Assess the application of significant accounting policies and any proposed changes
	Review methods and approaches for significant or unusual transactions
	Review all material information presented in the annual report, including but not limited to the Strategy and Business Model overview and Corporate Governance Statement
	Maintain awareness in relation to the implications of new accounting standards and changes in the regulatory environment
Compliance, Whistleblowing & Fraud	Review the adequacy and security of the Company's arrangements for its employees and contractors to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters, ensuring that arrangements allow proportionate and independent investigation of such matters and appropriate follow up action
	Review the Company's procedures for detecting fraud
	Review the Company's systems and controls for the prevention of bribery and receive reports on non-compliance
Internal Audit	Review and approve the role and authority of internal audit (including external party if internal audit function is outsourced), monitor and review the effectiveness of its work, and approve the internal audit charter to ensure its appropriateness for the current needs of the organisation
	Review the internal audit plan for the upcoming financial year to ensure its alignment with the key risks of the business, and receive regular reports on work carried out
	Approve the internal audit charter annually ensuring it is appropriate for the current needs of the organisation and determine whether it is satisfied with the quality, experience and expertise of internal audit
	Ensure internal audit have the necessary scope to carry out its mandate and encourage open communication between functions
	Assess the performance of the internal audit function by carrying out an annual assessment of the effectiveness of the function

Other Responsibilities	
External Audit	Monitor the relationship with the external auditor which includes assessment and confirmation of independence
	Assess the effectiveness and performance of the external auditor
	Approve external audit plans for the half and full year ends
	Review the external auditor's findings in relation to annual and half-yearly financial statements
	Review the process and timing for retendering the Group's external audit
	Meet with the external auditor without management being present
	Consider the ratio between audit and non-audit fees
Committee Effectiveness	Implement changes in relation to matters arising from previous year's Committee evaluation which identified areas for improvement
	Create an action plan to address development areas identified in the Committee's annual evaluation

Audit and Risk Committee Composition

The Audit and Risk Committee comprises three independent Non-Executive Directors; Robert Dix (Chairman), Richard Cherry and Lady Barbara Judge. The biographies of these Directors can be found on pages 77 and 78.

The Board believes that Committee members offer a balanced suite of expertise, including financial expertise and experience in the legal and property sectors. Particularly, the Board considers that the Committee Chairman has sufficient recent and relevant financial experience for the role and that there is sufficient financial and commercial experience within the Audit and Risk Committee as a whole. This vast array of skills enables the Audit and Risk Committee to carry out its duties and responsibilities as detailed in the Committee's Terms of Reference.

Meeting

Following formation in October 2017, the Audit and Risk Committee met once during the period under review. All Committee members were in attendance at this meeting with the exception of Lady Barbara Judge. On occasion, special attendees including the CFO were invited to attend all or part of Committee meetings as deemed appropriate and necessary by the Committee Chairman.

Activities

During this initial reporting period, the Committee focused primarily on obtaining an overview and an understanding of the Group's internal control environment which included the consideration of internal audit requirements, following which Deloitte were appointed as the Group's internal auditors. The Committee also

In respect of the 2017 annual report, the Committee considered the Group's risk management framework and the key business risks as disclosed in the Risk Management Report as part of its review of the Group's risk register.

assessed external audit requirements, after which KPMG were appointed as external auditors of the Group. Subsequent consideration and approval was given to a policy in relation to the provision of non-audit services by the Group's external auditors.

In respect of the 2017 annual report, the Committee considered the Group's risk management framework and the key business risks as disclosed in the Risk Management Report as part of its review of the Group's risk register. The Committee also assessed whether suitable accounting policies had been adopted in the preparation of the results for the period and whether management had made appropriate estimates and judgements. In particular, the Committee focused on areas that involved a significant level of judgement or complexity (as outlined in the financial reporting section om pages 61 and 62). The Committee also considered the view expressed by the external auditor, KPMG, in making these assessments.

Fair, Balanced and Understandable

The Code outlines that the Board is responsible for preparing the annual report and financial statements. It also requires the Board to confirm that:

- It considers the annual report and financial statements, taken as a whole, to be fair balanced and understandable; and
- It provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

At the request of the Board, the Committee considered whether the annual report and financial statements for the period met these requirements. The Committee considered the content of the document and discussed with management the approach taken to its preparation, in particular the planning, co-ordination and review activities. The Committee also noted the process undertaken by KPMG.

The Audit and Risk Committee subsequently confirmed to the Board that the annual report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

Financial Reporting

The significant issues considered by the Audit and Risk Committee in relation to the financial statements for the period ended 31 December 2017 and how each of them was addressed were as follows:

Significant Issue Considered	Committee Activity
Acquisition Accounting The Group has undertaken certain material acquisitions during the period. On 13 October 2017 and conditional on IPO, the Company acquired 100% of the share capital of both Glenveagh Homes Limited (formerly Bridgedale Homes Limited) and Glenveagh Contracting Limited (formerly Bridgedale Contracting Limited) for consideration of €4.1 million and €0.3 million respectively. Consideration was settled by way of issue of shares in the Company equal to the fair value of the shares acquired. On the same date, the Group completed the asset acquisition (also conditional on IPO) of a number of sites from a related party (Targeted Investment Opportunities ICAV). In total, 13 assets were acquired at an aggregate cost of €110.25 million which was also settled by issue of shares to that value in the Company. Management have accounted for the above transactions in accordance with the relevant accounting standards and appropriate disclosure has been made in note 23 of financial statements.	The Committee has considered the accounting treatment adopted by management and disclosure in respect of the material transactions noted and is satisfied with same.
Share-based payments As part of the IPO process, two share-based payment arrangements were entered into with members of the executive and management teams. The Founder Shares issued to John Mulcahy, Justin Bickle (beneficially held by Durrow Ventures) and Stephen Garvey entitle them to share 20% of the Company's Total Shareholder Return (being the increase in market capitalisation of the Company, plus dividends or distributions in the relevant period) ("TSR") in each of five individual testing periods up to 30 June 2022 subject to achievement of a performance condition related to the Company's share price. Management engaged an independent valuation expert who valued the Founder Shares at €47.5 million at grant date. This expense was recognised in its entirety in profit or loss (with a corresponding impact on equity and therefore no impact on net assets) in the period based on the contractual terms attaching to the shares. 1.6 million options were also issued to certain executives (excluding the Founders) and members of the management team under a long-term incentive plan ("LTIP") in the period and will vest on the third anniversary of listing subject to achievement of certain performance conditions related to the Company's TSR over the period. An independent valuation expert valued the LTIP options at grant date and this expense will be recognised in profit or loss over the vesting period with €0.04 million recognised in the period to 31 December 2017.	The Committee considered the accounting requirements for both share-based payment arrangements. This involved: - Obtaining an understanding of the classification of and accounting for the share-based payment transactions through discussion with management and a review of accounting analysis performed by management; - Discussion in relation to the approach to the calculation of the grant date fair value of each instrument; - Consideration of the significant assumptions used by the independent valuation expert; and - Consideration of the extensive disclosures included in the financial statements. The Committee is satisfied the accounting treatment adopted reflects the terms of the arrangements and disclosures included in notes 14 and 24 of the consolidated financial statements are appropriate.

Significant Issue Considered	Committee Activity
Carrying value of inventory The carrying value of the Group's inventory is €228 million at 31 December 2017 which comprises the cost of development land acquired and the cost of the work completed thereon to date. Inventory is required to be carried at the lower of cost and net realisable value. At period end management undertook an exercise to assess the net realisable value of the inventory balance in order to assess the carrying value at that date. There is a significant level of judgement involved in this exercise which includes a review of future cash flows associated with each individual site in order to validate current profitability projections. The exercise indicated no evidence of impairment and therefore no adjustment to the carrying value was required at 31 December 2017.	The Committee considered the period end approach to the inventory carrying value review and discussed same with management. Based on the results of the process undertaken by management, the Committee was satisfied with the carrying value of work in progress and development land at period end.

Each of the above areas received particular focus from the external auditor, who provided detailed analysis and assessment of each matter in their report to the Committee.

Internal Audit

Given Glenveagh's current scale and the current position in its life cycle, the Group does not have an "in-house" internal audit function. The Committee has considered this position and does not deem it a matter of concern given the Company's limited trading in the period under review. During the period, the decision was taken to outsource the internal audit function to an independent third party (Deloitte) with the intention of the Audit and Risk Committee maintaining ownership of the internal audit agenda and reviewing the effectiveness of the function on an annual basis.

External Auditor

KPMG has been appointed as external auditor of the Group. The Audit and Risk Committee considers and makes recommendations to the Board, to be put to shareholders for approval at the AGM, in relation to the appointment, re-appointment or removal of the Auditor.

Audit effectiveness
The effectiveness of the external audit process is assessed by the Audit and Risk Committee, which meets regularly throughout the year with the audit partner and senior audit managers. In conducting this review, the Audit and Risk Committee concluded that the audit process as a whole had been conducted robustly and that the team selected to undertake the audit had done so thoroughly and professionally.

In assessing the independence and objectivity of the external auditor, the Audit and Risk Committee considered the internal processes which the External Auditor has in place to ensure their independence and objectivity is monitored and reviewed sufficiently. Further, the Audit and Risk Committee took into account senior management's satisfaction with KPMG, including its level of planning and coordination, ability to meet delivery dates and objectives, preparedness and organisation, ability to firmly challenge management and quality of communication.

Auditor independence and non-audit services
KPMG have formally confirmed their independence to the Audit and Risk Committee. In order to further ensure independence, the Committee has a policy on the provision of non-audit services by the external auditor that seeks to ensure that the services provided by the external auditor are not, or are not perceived to be, in conflict with auditor independence. Analysis of fees paid or payable at period end to KPMG in respect of services provided in the period are analysed in the table below:

	€ '000
Audit fees	100
Tax advisory fees	27
Tax compliance fees	41
IPO related fees	728

At the end of the period under review, non-audit fees paid to KPMG, excluding the once-off IPO costs, represented 68% of total audit fees.
It is the Company's practice to engage KPMG on assignments in addition to their statutory audit duties where their expertise and experience with the Group are important. During the period, KPMG were retained to provide reporting accountant services in relation to the listing of the Company's shares on the main markets of the London and Irish Stock Exchanges. The Audit and Risk Committee considered this appropriate given the once-off nature of the Company's IPO and KPMG's extensive knowledge of the business and the Company's internal processes. On that basis, the Company incurred professional fees with the external auditor that exceeded the audit fee. KPMG also provided certain tax compliance and advisory services in the period which were also considered and deemed appropriate by the Committee.

The Committee has approved a policy on the use of the external auditor for non-audit services and continually monitors the ratio of audit to non-audit fees, acknowledging the legislation which will apply to the Company from 2020 onwards requiring fees for non-audit services to be capped at 70% of the average statutory audit fee over the previous 3 year period. Further, in reviewing non-audit services provided by the external auditor, the Committee considers whether the non-audit service is a permissible service under the relevant legislation and any real or perceived threat to the external auditor's independence and objectivity to include, among other considerations, a review of: the nature of the non-audit services; whether the experience and knowledge of the external auditor makes it the most suitable supplier of the non-audit services; and the economic importance of the Company to the external auditor. The policy on the supply of non-audit services includes a case by case assessment of the services to be provided and the costs of the services by the external auditor taking into account any relevant ethical guidance on the matter.

Robert Dix

Robert Dix
Chairman
Audit and Risk Committee

The effectiveness of the external audit process is assessed by the Audit and Risk Committee, which meets regularly throughout the year with the audit partner and senior audit managers.

Remuneration and Nomination Committee Report

Richard Cherry
Chairman, Remuneration and Nomination Committee

I am pleased to present the Remuneration and Nomination Committee ("the Committee") report for 2017 which provides a summary of the activities carried out by the Committee during the period under review. The primary objective of the Committee is to:

- determine and agree with the Board of Directors the remuneration policy for the Executive Directors and senior management of the Company;
- within the terms of such agreed policy, determine the individual remuneration package for the Executive Directors;
- monitor the structures and levels of remuneration for other senior executives and make recommendations if appropriate; and
- to review the composition of the Board and to plan for its progressive refreshing with regard to balance and structure as well as succession planning.

Following the Company's IPO in October 2017, the Committee reviewed and approved a comprehensive remuneration policy as laid out in this report. In fulfilling its primary objectives, the Committee has developed appropriate annual and long term incentive arrangements as part of its remuneration policy.

The remuneration policy is intended to attract, retain and motivate executive management of the quality required to run the Company successfully without paying more than is necessary, having regard to views of shareholders and other stakeholders. In developing the remuneration policy, the Committee has regard to the risk appetite of the Company and alignment to the Company's long term strategic goals.

The full terms of reference were reviewed in connection with the IPO process and approved in November 2017. For further information please see Glenveagh's website for the Committee Terms of Reference.

It is our intention to operate in line with the approved remuneration policy. We welcome and will consider any shareholder feedback on the remuneration policy and Annual Remuneration Report for 2017.

Richard Cherry
Chairman,
Remuneration and Nomination Committee

Committee Composition

The Committee comprises three Independent Non-Executive Directors; Richard Cherry (Chairman), Robert Dix and Lady Barbara Judge. The biographies of these Directors can be found on pages 77 and 78.

The Board believes that Committee members offer a balanced suite of expertise, meeting the specific requirements of this Committee. This vast array of skills enables the Committee to carry out its duties and responsibilities as detailed in the Committee Terms of Reference.

Roles and Responsibilities

The Committee was put in place to assist the Board in fulfilling its obligations laid out in the Committee Terms of Reference. The Terms of Reference will be reviewed annually and amended in line with organisational changes to ensure they are fit for purpose.

The principal responsibilities and duties of the Committee include:

- Assessing the effectiveness and performance of the Board and each of its Committees including consideration of the balance of skills, experience, independence and knowledge of the Company on the Board, its diversity, including gender, how the Board works together as a unit, and other factors relevant to its effectiveness;
- Where necessary, making recommendations to the Board based on the above considerations;
- Considering succession planning for Directors and members of senior management, including the identification and assessment of potential Board candidates, and making recommendations to the Board for its approval;
- Preparing job specifications for the appointment of a Chairman; Senior Independent Non-Executive Director; and other Non-Executive Directors;
- Have responsibility for setting the remuneration policy for all Executive Directors including pension rights and any other compensation payments;
- Recommend and monitor the level and structure of remuneration for other senior management;
- Review the ongoing appropriateness and relevance of the remuneration policy, taking into account all factors which it deems necessary, including the risk appetite of the Company and alignment to the Company's long strategic term goals;
- Review the total individual remuneration package of each Executive Director, the Company Chairman and other designated senior executives including any bonuses, incentive payments and share options or other share awards; and
- Oversee any major changes in employee benefits structures throughout the Company or Group.

These responsibilities are performed in conjunction with the Executive Committee, and particularly the Chief People Officer ("CPO").

The Board believes that Committee members offer a balanced suite of expertise, meeting the specific requirements of this Committee.

Board Nomination Activities

The Board, in its current composition, was established shortly after the Company's successful IPO in October 2017 to perform the responsibilities outlined above. In 2018, the Committee will focus on putting in place a Board performance evaluation process and, as part of this evaluation, assess the balance of skills and experience provided by the Board in its current composition. The Committee will be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise. No Board performance evaluation was performed in 2017 given the recent IPO and short financial period.

At present, the Committee is satisfied that the Board provides the appropriate balance of skills and experience to meet the current needs of the Company.

Reporting

The Chairman of the Committee reports to the Board on the activities of the Committee. The Chairman of the Committee will attend the Annual General Meeting to answer questions on the report on the Committee's activities and matters within the scope of the Committee's responsibilities.

Meetings

The Committee met once during the period ended 31 December 2017. All Committee members were in attendance at this meeting with the exception of Lady Barbara Judge. Special attendees including the CEO, CFO and external advisers were invited to attend all or part of this Committee meeting as deemed appropriate and necessary by the Committee Chairman.

External Advisers

During the period under review, the Committee obtained independent advice from external remuneration consultants, Mercer, in relation to market trends, comparator benchmarking, developments in remuneration policies and practice and governance best practice. Mercer also advised the Committee on the drafting of the proposed new long-term incentive plan ("LTIP"), and the selection of an appropriate comparator peer group in relation thereto. Mercer are members of the Remuneration Consultants Group and signatories to its Code of Conduct, and all advice is provided in accordance with this code.

Remuneration Policy

The following table outlines the key details of the Executive Directors' remuneration policy. In designing this remuneration policy, the objective of the Committee is to continue to attract, retain and motivate executive management of the quality required to run the Company successfully, having regard to views of shareholders and other stakeholders. The Committee is satisfied that the remuneration framework is in alignment with the Company's risk appetite and its long term strategic goals.

Element	Operation	Maximum Opportunity
Base Salary		
To attract and retain high calibre individuals	Base salaries are reviewed by the Committee annually in the last quarter of the year with any adjustments to take effect from 1 January of the following year. Factors taken into account in the review include the individual's role and level of responsibility, personal performance and general developments in pay in the market generally and across the Company. Base salary for Executive Directors is inclusive of fees receivable by the Executive as a Director of the Company.	There are no prescribed maximum salaries or maximum increases. Increases will normally reflect increases across the Company and in the market generally. However, increases may be higher or lower to reflect certain circumstances such as changes in responsibility or in the case of newly appointed individuals to progressively align salary with market norms. In line with good practice, market movements will not be considered in isolation but in conjunction with other factors.
Benefits		
To be competitive with the market	In addition to their base salaries, Executive Directors' benefits include life and health insurance and a car allowance in line with typical market practice.	No maximum levels are prescribed as benefits will be related to each individual's circumstances.
Annual Bonus		
To reward the achievement of annual performance targets	Individuals will receive annual cash bonus awards based on the achievement of financial and non-financial targets agreed prior to the start of each financial year. Threshold levels will be set for minimum and maximum awards with pro-rata payments between the two points made based on relative achievement levels against agreed targets. Annual bonus awards will be based 60% on financial KPIs and 40% on non-financial KPIs. The financial KPIs will ensure that employees are aligned with shareholders' interests and the parameters that the Company will be assessed on by the market in the long-term. The financial KPI targets will be set annually based on the budget and strategic plan process carried out in Q3/Q4 every year.	The maximum award for Executive Directors as a percentage of base salary is as follows: Executive Chairman 75% CEO 100% COO 100%

Element	Operation	Maximum Opportunity
Annual Bonus (continued)		
To reward the achievement of annual performance targets	The Committee retains discretion to adjust any award to reflect the underlying financial position of the Company and to agree awards outside of the above framework in respect of recent joiners and leavers.	
Founder Share Scheme		
To incentivise the three founders of Glenveagh to grow the business through initial five-year period	In lieu of a long-term incentive plan, Executive Directors (the Company's founding shareholders) are entitled to participate in the Founder Share Scheme. If predetermined targets are met, the Scheme will reward the Founders through an allotment of ordinary shares or a cash equivalent. The scheme will run over five years from 2018 to 2022. Performance will be assessed separately over five separate Test Periods, with shares vesting based on performance in that Test Period. The Test Period is from 1 March to 30 June each year. Vesting of awards is subject to a performance condition. In order for awards to vest, for a period of 15 or more consecutive business days during the Test Period, the Closing Share Price must exceed the Adjusted Issue Price[1] by 12.5%. This percentage increase is to be on a compound basis. If the performance condition is satisfied, the founders are entitled to convert Founder Shares into such number of ordinary shares which, at the Highest Average Closing Price of an ordinary share during the Test Period, have an aggregate value equal to the Founder Share Value.	200,000,000 Founder Shares are held by the Company's three founding shareholders as follows: John Mulcahy 20,000,000 Justin Bickle* 90,000,000 Stephen Garvey 90,000,000 *Beneficially held by Durrow Ventures

1. The Adjusted Issue Price is defined as the IPO Offer Price (€1) as adjusted to reflect any subsequent consolidation or subdivision of ordinary shares or any allotment of ordinary shares pursuant to a capitalisation of profits or reserves.

Element	Operation	Maximum Opportunity
Founder Share Scheme (continued)		
	The Founder Share Value shall be calculated as 20% of the TSR in the relevant period, being (i) the first time the performance condition is satisfied, the period from Admission to the Test Period in which the performance condition is first satisfied; and (ii) for subsequent Test Periods, the period from the end of the previous Test Period in respect of which Founder Shares were last converted or redeemed to the Test Period in which the performance condition is next satisfied.	
Retirement Benefits		
To attract and retain high calibre individuals and reward sustained contribution	The Company operates a defined contribution pension scheme for Executive Directors. Pension contributions are calculated on base salary only.	15% of base salary.

Policy for Leavers

Salary and Benefits
Payments are made only in respect of annual salary excluding benefits for the relevant notice period. The notice period for the Executive Directors is 6 months. In all cases, the notice period applies to both the Company and the Executive.

Annual Bonus
In order for annual bonus payments to be made, Executive Directors must be employed by the Company on the bonus payment date.

Founder Share Scheme
If one of the Founders ceases to be a Director or employee of the Company, he will retain his Founder Shares.

Remuneration Policy for Non-Executive Directors

Non-Executive Directors (NEDs) have letters of appointment which set out their duties and responsibilities. The appointments are initially for a three-year term but are terminable on one month's notice.

The NEDs each receive a fee which is set by the Committee and approved by the Board on advice from the independent professional advisors. The NEDs are paid a basic fee of €60,000 per annum with additional fees payable to the Senior Independent Non-Executive Director of €30,000 per annum. NEDs will receive an additional €15,000 for taking on Chairmanship of the Audit and Risk Committee and Remuneration and Nomination Committee.

Accordingly, the NED contracts detail the following annual fees:

NED	Role	Fee (€)
Lady Barbara Judge	Senior Independent Non-Executive Director	90,000
Robert Dix	Independent Non-Executive Director and Chairman, Audit & Risk Committee	75,000
Richard Cherry	Independent Non-Executive Director and Chairman, Remuneration & Nomination Committee	75,000
Caleb Kramer	Non-Executive Director	60,000

NEDs are not eligible to participate in any company pension plan. The Non-Executive Directors do not have service contracts and do not participate in any bonus or share option schemes.

Other Executive Committee Members Incentive Arrangement
Members of the Executive Committee that do not sit on the Board of Directors ("Other ExCO Members") (Shane Scully, MD Glenveagh Living, and Michael Rice, CFO in the period under review) are remunerated in line with the policy outlined above for Executive Directors (with the exception of the Founder Share Scheme) by way of a base salary, an annual cash bonus as well as health insurance and pension entitlements.

Other ExCo members also participate in the Company's LTIP. The LTIP, during the Company's initial development phase, grants Executives and other members of the management team options over a number of ordinary shares in the Company.

Participants are allocated options based on a percentage of their gross salary. The number of options is calculated based on that percentage of gross salary divided by the share price on the date of grant. LTIP awards are granted subject to performance conditions.

Options will vest based on the achievement of Total Shareholder Return ("TSR") targets as follows over a three-year vesting period:

- 25% of the options will vest based on 6.25% compound TSR growth per annum;
- The remaining options vest on a straight-line basis to a maximum of 100% when 12.5% compound TSR growth per annum is reached; and
- TSR growth performance will be assessed on a cumulative basis over the full vesting period.

The Committee plans to grant further awards in Q1 of 2019 following the release of the 2018 results. All LTIP awards granted going forward will be subject to a 3 year vesting period from grant date. Any vesting of awards is subject to Committee discretion that it is satisfied the Company's underlying performance has shown a sustained improvement in the period since the date of grant.

Annual Remuneration Report for 2017

The following table illustrates remuneration awarded to Directors for the period from IPO (13 October 2017) to 31 December 2017:

Name	Fees/Salary [1]	Benefits [2]	Employer Pension Contribution [3]	Total
John Mulcahy	€68,182	€4,205	-	**€72,387**
Justin Bickle	€102,273	€5,000	€5,114	**€112,387**
Stephen Garvey	€85,127	€4,205	€3,977	**€93,309**
Lady Barbara Judge	€19,726	-	-	**€19,726**
Robert Dix	€16,438	-	-	**€16,438**
Richard Cherry	€16,438	-	-	**€16,438**
Caleb Kramer	€13,151	-	-	**€13,151**
	€321,335	**€13,410**	**€9,091**	**€343,836**

1. Amounts reflect Directors' fees in respect of Non-Executive Directors and salaries in respect of Executive Directors
2. Benefits largely relate to car allowances provided to Executive Directors in accordance with their employment contracts.
3. Only Executive Directors are eligible to receive pension contributions. Non-Executive Directors do not receive pension contributions.
4. In addition to the above, a share-based payment expense of €47.5 million was recognised in the period in respect of the Founder Share scheme. Further detail is included in note 14 of the consolidated financial statements.

Base Salary

The salaries of the Executive Directors for the period from IPO to 31 December 2017 are set out above.

The Committee engaged independent consultants, Mercer, to carry out a benchmarking report on the Executives base salary levels and total remuneration packages. They selected similar sized companies from an industry peer group as well as other similar sized Irish plcs.

When determining the appropriate levels of remuneration, the Committee also considered the changes in scope and responsibilities of certain Executive Directors following the completion of the IPO in October 2017.

The base salaries of Executive Directors (as set out in the table on page 72) will remain unchanged for the 2018 financial year.

Annual Bonus

No annual bonus was paid to Executive Directors during the period under review.

Executive Directors' first annual bonus payments will be made in relation to performance over a 16-month period to 31 December 2018. A threshold level of achievement in respect of agreed financial and non-financial KPIs must be achieved before any level of bonus is payable. Targets will be set at a challenging level and where target performance levels have been met, Executive Directors will be eligible to receive between 50-70% of annual salary. In the event stretch performance is achieved, Executive Directors will be awarded maximum bonus entitlement (75% to 100%). Entitlements for Executive Directors are set out below.

Name	Role	Salary	Target – Max Annual Bonus
John Mulcahy	Executive Chairman	300,000	50 – 75%
Justin Bickle	CEO	450,000	70 - 100%
Stephen Garvey	COO	350,000	70 – 100%

Annual bonus payments for Executive Directors will be based 60% on financial KPIs and 40% on non-financial KPIs.

Long-term Incentives – Founder Share Scheme

In lieu of a long-term incentive scheme, Executive Directors (the Company's founding shareholders) are entitled to participate in the Founder Share Scheme. This scheme, set out in detail on pages 68 and 69 will be in operation for 2018 with the first Test Period running from 1 March 2018 to 30 June 2018.

In designing the renumeration policy, the objective of the Committee is to continue to attract, retain and motivate executive management of the quality required to run the Company successfully, having regard to views of shareholders and other stakeholders.

Board of Directors

John Mulcahy

(Irish - Age: 68): Founder and Executive Chairman

First appointment to the Board: 2017

Experience: John Mulcahy is a chartered surveyor and has over 40 years' experience in the Irish real estate sector. Previously, he was a member of the board (from 2012 to 2014), and Head of Asset Management (from 2011 to 2014), at National Asset Management Agency and, prior to that, was chairman and CEO of JLL's operations in Ireland from 2002 to 2010. John was also a founding member of the RICS Asset Valuations Standards Committee and the Property Advisory Committee of the National Pension Reserve Fund.

Other Appointments:
- Chairman of Irish Property Unit Trust.
- Board member of TIO ICAV, and Quinta do Lago S.A., a Portuguese resort developer.

Justin Bickle

(British - Age: 47): Founder and CEO

First appointment to the Board: 2017

Experience: Justin Bickle has over 22 years' senior level experience in the private equity, legal, finance and property fields. Through his role in Oaktree Capital's European Private Equity team, he has significant experience in operational real estate portfolio companies in the UK and Europe and their activities in, among other things, residential housebuilding, retirement housebuilding, student accommodation and aparthotels. He is formerly a partner in the Financial Restructuring department at US law firm Cadwalader, Wickersham & Taft LLP and an Executive Fellow in Finance at London Business School.

Other Appointments:
- Chairman of TIO ICAV.
- Chairman of the English National Ballet.

Stephen Garvey

(Irish - Age: 38): Founder and COO

First appointment to the Board: 2017

Experience: Stephen Garvey has over 20 years' experience in the construction and property industry. His experience includes working with many of the large Irish property developers, including Menolly Homes, Shelester Properties, Glenman Corporation and McCabe Builders. In 2003, Stephen founded Bridgedale Homes Ltd, Glenveagh's predecessor company, which focused on constructing residential developments in the Greater Dublin Area. In his role as CEO of Bridgedale, he sourced and negotiated the acquisition of development sites, secured external finance, formulated and implemented business plans for each project and managed the overall delivery of residential units. Since 2014, Stephen has advised and managed on the acquisition of 2,101 units in the Irish residential development market on behalf of TIO RLF.

Lady Barbara Judge, CBE

(British - Age: 71): Senior Independent Non-Executive Director

First appointment to the Board: 2017

Experience: Lady Barbara Judge, CBE, has over 35 years' experience in the financial, legal and property industries. She completed her second term as chairman of the UK Pension Protection Fund in 2016. Lady Judge previously served as a Commissioner of the U.S. Securities and Exchange Commission, as a director of Samuel Montagu & Co in Hong Kong and as founder and chairman of Private Equity Investor plc. Lady Judge has significant experience in the real estate sector, including her previous positions on the boards of Quintain Estates and Development plc and Richard Ellis International (now CBRE). Lady Judge is a graduate of the University of Pennsylvania and received a Juris Doctor degree with honours from New York University Law School. She was appointed Commander of the Order of the British Empire in 2010.

Other Appointments:
- Chairman of Cifas.
- Chairman LoopUp.

Committee Memberships:
- Member of the Audit and Risk Committee.
- Member of the Remuneration and Nomination Committee.

Robert Dix

(Irish - Age: 64):
Independent Non-Executive Director

First appointment to the Board: 2017

Experience: Robert was formerly a partner and head of Transaction Services at KPMG Ireland until his retirement in 2008. He currently operates his own firm, Sopal Limited, which advises organisations on capital markets, corporate governance and strategic planning issues. Robert is a graduate of Trinity College, Dublin and is a Fellow of Chartered Accountants Ireland.

Other Appointments:
- CEO of Sopal Limited.
- Non-Executive Director and Chairman of Quinn Property Group.
- Non-Executive Director and Chairman of the Audit Committee of Allianz plc and Dalata Hotel Group plc.
- Also holds Non-Executive Directorships at a number of other private companies including Roadbridge Holdings Limited.

Committee Memberships:
- Chairman of the Audit and Risk Committee.
- Member of the Remuneration and Nomination Committee.

Richard Cherry

(British - Age: 56):
Independent Non-Executive Director

First appointment to the Board: 2017

Experience: Richard was formerly a Director and Chief Executive of the Partnerships business at UK housebuilder Countryside, where he worked for over 35 years until his retirement in September 2017. He served on the main board for 30 years and previously held the roles of Group New Business Director and Deputy Chairman. He has significant experience in the real estate sector, including in the execution of partnership projects with public authorities and housing associations. Richard is a graduate of the University of Reading and is a Fellow of the Royal Institution of Chartered Surveyors.

Other Appointments:
- None

Committee Memberships:
- Chairman of the Remuneration and Nomination Committee.
- Member of the Audit and Risk Committee.

Caleb Kramer

(American - Age: 48):
Non-Executive Director

First appointment to the Board: 2017

Experience: Caleb is Managing Director and Portfolio Manager (Europe) at Oaktree Capital. Prior to joining Oaktree in 2000, Caleb co-founded Seneca Capital Partners LLC, a private equity investment firm. From 1994 to 1996, he was employed by Archon Capital Partners, an investment firm. Prior to 1994, he was an associate in mergers and acquisitions at Dillon Read and Co. Inc. and an analyst at Merrill Lynch and Co. Inc. Caleb received a B.A. degree in Economics from the University of Virginia.

Other Appointments:
- Managing Director and Portfolio Manager (Europe) at Oaktree Capital Management (UK) LLP.

Directors' Report

The Directors present their first annual report and audited consolidated financial statements of Glenveagh Properties PLC for the period ended 31 December 2017.

The Chairman's Letter, CEO's Review, CFO's Review, Corporate Governance Statement and all other sections of the annual report and financial statements, to which cross reference is made, are incorporated into the Directors' Report by reference.

Principal Activities

Glenveagh Properties PLC ("Glenveagh") is the ultimate parent company of the Group. The Company was incorporated on 9 August 2017 and completed its IPO on 13 October 2017, listing its shares on the Irish and London Stock Exchanges.

The Company's principal activities are the development and building of starter, mid-size executive and high-end homes (both houses and apartments) in Ireland, with a principal focus on the Greater Dublin Area, either for itself or on behalf of third parties.

The Company is comprised of two key business units:

- Glenveagh Homes - (Previously Bridgedale Homes Limited) Focused on the development of residential homes for sale principally in the Greater Dublin Area.
- Glenveagh Living - Formed to undertake joint ventures and partnerships to deliver housing for the Irish State, social and affordable housing for approved housing bodies, and to deliver private rental units for investors including institutional pension funds.

Results and Dividends

The Company did not pay a dividend during the period under review. At present, the Company is primarily seeking to achieve capital growth for its shareholders. Accordingly, the Company does not anticipate paying a dividend in the foreseeable future. However, in the long-term as the Company matures, it intends to follow a progressive dividend policy and pay dividends to shareholders, as and when the Directors consider appropriate.

Business Review

The CEO's Review on pages 4-5 and CFO's Review on pages 32 to 35 of the annual report set out management's review of the Company's key business milestones and highlights for the period under review which include:

- Successful IPO raising gross proceeds of €550m resulting in admission to the Irish and London Stock Exchanges
- Effective use of equity with €150 million of IPO proceeds deployed at 31 December 2017 with a further €134 million deployed to date in 2018
- Significant landbank now accumulated with capacity to deliver more than 4,700 homes at 31 December 2017 (increased to over 7,300 to date in 2018)
- Significant progress made since IPO in building out the operational, commercial and corporate infrastructure which will provide the platform to achieve residential unit delivery targets

Glenveagh's strategy

Following the successful IPO in October 2017, the Company has made significant steps towards the achieving its key strategic aims. These priorities have been reviewed once again by the Board following IPO and remain unchanged from those communicated to shareholders in its Prospectus, as follows:

- Assemble and maintain a quality landbank capable of fulfilling the Company's long-term business plan;
- Continue to scale the Company's housing delivery operations consistent with its business plan and targets;
- Strengthen reputation for product and delivery innovation, with Glenveagh Living becoming Ireland's residential joint venture partner of choice; and
- Maintain consistent and disciplined focus on returns and margins.

Principal Risks and Uncertainties

As per Section 327(1)(b) of the Companies Act 2014 and Regulation 5(4)(c)(ii) of the Transparency Directive (2004/109/EC) Regulations 2007, Glenveagh is required to describe the principal risks and uncertainties faced by the Group. These are addressed in the Risk Management report on pages 36 to 40.

Subsequent Events

Development land acquisition and related transactions

The acquisition of the site known as "East Road" referred to in Note 19 of the consolidated financial statements completed on 12 January 2018 for c. €45m including acquisition costs.

The following land acquisitions were announced on 29 January 2018 resulting in an aggregate spend of in excess of €25 million:

- The Group has signed contracts to acquire a development site at Citywest Road, Dublin 24 which has the capacity to deliver 195 residential units, subject to planning. The site is strategically located in close proximity to the Fortunestown Luas stop and to Citywest Shopping Centre.
- The Group also announced the signing of an unconditional contract to acquire a major site at Hollystown, Dublin 15. This 162-acre site is occupied by Hollystown Golf Club who will continue to operate on a business as usual basis, with 19 acres on the site zoned for residential development and the remainder zoned as open space. It is estimated that this site will deliver 200 family homes on the residential development land between 2019 and 2023, subject to planning.

The Group has also entered into a Strategic Relationship Agreement ("SRA") with Sigma Asset Management Limited ("Sigma") whereby the parties have agreed to cooperate in identifying and developing mixed-use development opportunities in Ireland on an exclusive basis. In parallel, the Group has entered into an Acquisition and Profit Share Agreement ("APSA") agreement with Target Investment Opportunities ICAV, under which Glenveagh Living will acquire the residential development rights to land adjoining The Square Shopping Centre Tallaght, Dublin 24 and a c. 5-acre site to the rear of Gateway Retail Park, Galway. In addition, a 9.8-acre site to the rear of Bray Retail Park, Bray, County Wicklow will be acquired by Glenveagh Homes. The three sites combined have the capacity to deliver more than 800 units. The aggregate consideration payable by Glenveagh is €16m (including fees and stamp duty).

On 13 March 2018, the Group announced that it had entered into a contract to acquire four sites in the GDA: two in Donabate Co. Dublin; one at Dunboyne Co. Meath; and one at Stamullen Co. Meath, which are capable of delivering 1,435 starter houses and apartments, subject to planning. The transaction involves cash consideration of €90 million (including fees and stamp duty) and is scheduled to close in Q2 2018.

Debt financing
The Group has executed an agreement to enter into a three year €250m revolving credit facility with a syndicate of domestic and international banks. This facility will be used to finance the working capital requirements of the Group over that period.

Corporate Governance

Glenveagh employs a robust corporate governance framework and promotes the highest standards of ethics throughout the organisation. For more information on how Glenveagh achieves these standards, please see the Corporate Governance Statement on pages 48 to 55.

Code of Conduct

Throughout the organisation, the Board of Glenveagh promotes high ethical standards, in relation to all of its stakeholders i.e. investors, customers, suppliers and the environment within which its business operates. Everyone in the organisation is expected to encourage and adhere to these standards.

Corporate Social Responsibility

Glenveagh's vision is to build homes and create communities that make life better for our customers. This is achieved through Glenveagh's community and people-focus, strong ethical principles and other CSR initiatives. Glenveagh's Board and Executive Committee are committed to conducting business in a sustainable and socially responsible manner. Following the successful completion of the IPO, CSR will be a key focus for the Board and the Company in 2018 and beyond.

Health and Safety

The construction of homes has the potential to be dangerous and so health and safety is of paramount importance to the Company and to the Board. The Company operates a "Safety Management System" across its business which is managed by the Company's Health and Safety Officer who reports to the Construction Directors. The Company promotes a very strong internal culture in relation to health and safety which is applied on a day-to-day basis by site managers on project sites.

Accounting Records

It is the responsibility of the Directors to ensure that accounting records, as required by Sections 281 to 285 of the Companies Act 2014, are kept by the Company. The necessary systems and resources have been implemented by the Directors which include employing accounting personnel with appropriate qualifications and experience and providing adequate resources to the finance department. The accounting records of the Company are maintained at Block B, Maynooth Business Campus, Maynooth, Co. Kildare.

Glenveagh employs a robust corporate governance framework and promotes the highest standards of ethics throughout the organisation.

Share capital

The issued share capital of the Company at 13 March 2018 consists of 667,049,000 ordinary shares and 200,000,000 Founder Shares. Both share classes have a nominal value of €0.001. Holders of ordinary shares are entitled to one vote per ordinary share at general meetings of the Company while no voting rights are conferred on holders of Founder Shares. Founder Shares may be converted to ordinary shares (or an equivalent value in cash) in the future subject to the achievement of performance hurdles related to the Company's share price. Further detail is set out in Note 24 of the consolidated financial statements.

The Group has also established a long-term incentive plan which grants certain employees options over ordinary shares in the Company which vest over a 3 year period. Further detail in relation to this plan is set out in Note 14 of the consolidated financial statements.

Takeover Regulations

The Company's Founder Share and long-term incentive plans contain change of control provisions.

Founder Shares
In the event of a change of control of the Company at any time prior to 30 June 2022 which results in an offer to all holders of shares, if the performance condition has been satisfied and such offer becomes unconditional in all respects, the Founder Shares shall convert into such number of ordinary shares which, at such offer price, have an aggregate value equal to his relative proportion of 20% of the Total Shareholder Return (calculated by reference to the change of control price plus dividends and distributions made) between admission and the change of control (less the value of any ordinary shares (at their original conversion or redemption price)) which have previously been converted or redeemed.

Long-term incentive plan
The Remuneration and Nomination Committee will determine the extent to which unvested awards will vest with regard to the extent that the applicable performance condition has been satisfied up to the date of the change of control event.

Directors' and Secretary's Interests in Shares

The table below sets out the interests of the Directors and Company Secretary in shares of the Company at 31 December 2017.

	Ordinary Shares	Founder Shares	Deferred Shares	Ordinary Shares under option
John Mulcahy	500,100	20,000,000	-	-
Justin Bickle	350,450	90,000,000	-	-
Stephen Garvey	4,427,450	90,000,000	-	-
Lady Barbara Judge	100,000	-	-	-
Robert Dix	300,000	-	-	-
Richard Cherry	1,000,000	-	-	-
Caleb Kramer*	-	-	-	-
Chloe McCarthy	-	-	-	65,000

*Caleb Kramer is Oaktree Capital Management's representative on the Board of Directors.

Substantial Shareholdings

As of 31 December 2017, and 13 March 2018, the company has been notified of the following interests of 3% or more in its share capital:

		31 December 2017		13 March 2018	
	Shareholder	Ordinary Shares held	%	Ordinary Shares held	%
1	Oaktree Capital Management	110,250,000	16.53	110,250,000	16.53
2	GIC (Singapore)	63,000,000	9.44	63,000,000	9.44
3	FIL Investment International	36,286,377	5.44	41,725,378	6.26
4	Pelham Capital Mgt	29,270,000	4.39	29,270,000	4.39
5	Rye Bay Capital	28,332,672	4.25	26,804,847	4.02
6	Wellington Mgt Company	27,701,672	4.15	11,461,933	1.72
7	Capital Research Global Investors	23,965,000	3.59	23,965,000	3.59
8	UBS Securities	23,142,844	3.47	5,617,789	0.84
9	JP Morgan Asset Mgt	22,135,671	3.32	22,460,640	3.37
10	Morgan Stanley	18,154,791	2.72	36,460,040	5.47

Political Donations

No political contributions were made which require disclosure under the Electoral Act, 1997.

Subsidiaries

Information in relation to the Company's subsidiaries is set out in note 22 to the financial statements. The Company does not have any branches outside of Ireland.

Going Concern

The Directors have assessed the financial position of the Company in light of relevant business risks facing the construction industry as a whole and the Company's strategic plan. They believe that the Company is well placed to manage and mitigate these risks. Thus, they have a reasonable expectation that the Company has adequate resources to continue in operational existence for 12 months from the date of approval of the financial statements.

Viability Statement

In accordance with provision C.2.2 of the UK Corporate Governance Code issued by the FRC in April 2016 ('the Code'), the Directors are required to assess the prospects of the Company, explain the period over which they have done so and state whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over this period of assessment.

The Directors have concluded that three years was an appropriate period for the assessment. The three-year period was chosen having regard to the following:

- The Group's strategic plan is based on a 3 year horizon;
- The current "start-up" phase that the Group is in does not lend itself to longer term strategic forecasting and subsequently any statement with foresight greater than three years would have to be made with a considerable level of estimation;
- The Group's debt facility, which was executed post period end (and discussed in note 29 of the consolidated financial statements) has a three year term; and
- The inherent short-cycle nature of the residential market in Ireland, including the Group's forward sales and project pipeline, does not lend itself to making long term projection statements greater than three years.

It is recognised that such future assessments are subject to a level of uncertainty that increases with time, and therefore future outcomes cannot be guaranteed or predicted with certainty. The Group's strategic plan was approved by the Board at its meeting in January 2018 and is based on forecasts undertaken by management of the relevant business functions. The plan reflects construction cost and house price inflationary assumptions which were reviewed at Board and management level. The risk factors outlined in the Risk Management Report on pages 36 to 40 were also considered in the strategic plan process. Based on the above assessment the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three year period.

Directors' Compliance Statement

The Directors are aware of their responsibility for securing the Company's compliance with its relevant obligations in accordance with Section 225(2)(a) of the Companies Act 2014. In accordance with Section 225 (2)(b) of the Act, the Directors confirm that they have:

i. Drawn up a Compliance Policy Statement setting out the Company's policies (that are, in the opinion of the Directors, appropriate to the Company) in respect of the compliance by the Company with its Relevant Obligations;
ii. Put in place appropriate arrangements or structures that, in the opinion of the Directors, provide reasonable assurance of compliance in all material respects with the Company's Relevant Obligations; and
iii. Have conducted a review of the arrangements or structures that the Directors have put in place to ensure material compliance with the Company's Relevant Obligations during the financial period to which this report relates.

Audit Information

As far as each Director is aware, there is no relevant audit information of which the Company's auditors are unaware. Each Director has taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditor

In accordance with Section 383(2) of the Companies Act 2014 the Company's auditors, KPMG, appointed on 21 August 2017, will continue in office. A resolution authorising the Directors to fix the auditor's remuneration will be proposed at the Annual General Meeting.

Annual General Meeting

The 2018 Annual General Meeting will take place on 29 June 2018 at the Herbert Park Hotel, Ballsbridge, Dublin 4 at 10am.

Justin Bickle
Director

Stephen Garvey
Director

13 March 2018

Design: www.reddog.ie

Financial Statements

Statement of Directors' responsibilities in respect of the annual report and the financial statements

The Directors are responsible for preparing the annual report and the Group and Company financial statements, in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Company financial statements for each financial period. Under that law, the Directors are required to prepare the Group financial statements in accordance with IFRS as adopted by the European Union and applicable law including Article 4 of the IAS Regulation. The Directors have elected to prepare the Company financial statements in accordance with FRS 101 Reduced Disclosure Framework as applied in accordance with the provisions of Companies Act 2014.

Under company law the Directors must not approve the Group and Company financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Group and Company and of the Group's profit or loss for that period. In preparing each of the Group and Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS as adopted by the EU, and as regards the Company, as applied in accordance with the Companies Act 2014; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are also required by the Transparency (Directive 2004/109/EC) Regulations 2007 and the Transparency Rules of the Central Bank of Ireland to include a management report containing a fair review of the business and a description of the principal risks and uncertainties facing the Group.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and which enable them to ensure that the financial statements of the Company comply with the provision of the Companies Act 2014. The Directors are also responsible for taking all reasonable steps to ensure such records are kept by its subsidiaries which enable them to ensure that the financial statements of the Group comply with the provisions of the Companies Act 2014 including Article 4 of the IAS Regulation. They are also responsible for safeguarding the assets of the Company and the Group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's and Company's website www.glenveagh.ie. Legislation in the Republic of Ireland concerning the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of Directors' responsibilities in respect of the annual report and the financial statements (continued)

Responsibility statement as required by the Transparency Directive and UK Corporate Governance Code

Each of the Directors, whose names and functions are listed on pages 76 to 79 of this annual report, confirm that, to the best of each person's knowledge and belief:

- The Group financial statements, prepared in accordance with IFRS as adopted by the European Union and the Company financial statements prepared in accordance with FRS 101 Reduced Disclosure Framework as applied in accordance with the provisions of the Companies Act 2014, give a true and fair view of the assets, liabilities, and financial position of the Group and Company at 31 December 2017 and of the loss of the Group for the period then ended;
- The Directors' report contained in the annual report includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that they face; and
- The annual report and financial statements, taken as a whole, provides the information necessary to assess the Group's performance, business model and strategy and is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

On behalf of the board

Justin Bickle
Director

Stephen Garvey
Director

13 March 2018

Independent auditor's report to the members of Glenveagh Properties PLC

1 Opinion: our opinion is unmodified

We have audited the financial statements of Glenveagh Properties PLC ("the Group") for the period from incorporation on 9 August 2017 to 31 December 2017 which comprise the Group Income Statement and Statement of Comprehensive Income, the Group and Parent Balance Sheets, the Group and Parent Statements of Changes in Equity, the Group Cash Flow Statement and the related notes, including the accounting policies in note 8. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union and, as regards the Company financial statements, as applied in accordance with the provisions of the Companies Act 2014 and FRS 101 Reduced Disclosure Framework.

In our opinion:

- the Group financial statements give a true and fair view of the assets, liabilities and financial position of the Group as at 31 December 2017 and of its loss for the period then ended;
- the Company statement of financial position gives a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2017;
- the Group financial statements have been properly prepared in accordance with IFRS as adopted by the EU;
- the Company financial statements have been properly prepared in accordance with FRS 101 Reduced Disclosure Framework issued by the UK's Financial Reporting Council as applied in accordance with the provisions of the Companies Act 2014; and
- the Group financial statements and Company financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014 and, as regards the Group financial statements, Article 4 of the IAS Regulation.

Basis for opinion

- We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities section of our report. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the audit committee.
- We were appointed as auditor by the directors on 21 August 2017. The period of total uninterrupted engagement is the period ended 31 December 2017. We have fulfilled our ethical responsibilities under, and we remained independent of the Group in accordance with, ethical requirements applicable in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA) as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

2 Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In arriving at our audit opinion above, the key audit matters, in decreasing order of audit significance, were as follows:

Independent auditor's report to the members of Glenveagh Properties PLC (continued)

Carrying value of Inventory €228 million
Refer to page 106 (accounting policy) and page 116 (financial disclosures)

The key audit matter

Inventory, relating to work-in-progress on sites under development and land yet to be developed, represent a significant asset balance of the Group.

Work-in-progress is held at the lower of cost and net realisable value. Net realisable value is determined based on estimates of total build costs (including future costs to complete) and future selling prices. The forecasting of such amounts is inherently judgmental.

For each development project, site wide residential development costs are allocated between units built in the current period and units to be built in future years, which requires further judgement.

How the matter was addressed in our audit

Our audit procedures included, amongst others:

- Obtaining and documenting our understanding of the process to determine the net realisable value of the Group's work-in-progress and testing the design and implementation of the relevant controls therein.
- For all new land acquisitions, inspecting purchase contracts to agree the costs of acquisition including related purchase costs.
- Agreeing amounts paid to corroborative documentary evidence so as to confirm the correct allocation of costs to each development.
- Testing a sample of forecast costs to fixed price contracts and comparing forecast residential unit sales prices to comparable market data.
- Evaluating the sensitivity of the development margin to a change in sales prices and costs and challenging key assumptions in the models, where we considered it appropriate to do so.
- Considering the adequacy of the Group's disclosures regarding the carrying value of inventory.

Overall, we found the key assumptions used in the calculations of net realisable value and the related disclosures in respect of work-in-progress to be appropriate.

Valuation of share-based payment expense relating to Founder Shares €47.5 million
Refer to page 105 (accounting policy) and pages 111 to 112 (financial statement discloures)

The key audit matter
The Company incurred a non-cash charge of €47.5 million on IPO representing the fair value of Founder Shares granted on that date.

The accounting and measurement of the Founder Shares award is complex; it's fair value depends on a number of significant assumptions and the recognition of the award in the financial statements is based on the terms and conditions of the award.

How the matter was addressed in our audit
Our audit procedures included, amongst others:

- Obtaining and documenting our understanding of the process to account for and value the Founder Shares and testing the associated design and implementation of the relevant controls.
- Reading the relevant terms and conditions of the Founder Shares award as per the Company's Constitution to obtain an understanding as to how the terms were reflected in the measurement of the estimated fair value of the award.
- Reading the report of the Company's valuation expert and involving our in-house valuation expert to assess and challenge the significant valuation assumptions therein.
- Considering the adequacy of the Company's disclosures in the financial statements and in particular the disclosure of the key judgements.

We found the key assumptions used in the calculation of the fair value of the Founder Shares award to be appropriate and the disclosures in respect of the award to be adequate.

3 Our application of materiality and an overview of the scope of our audit

The materiality for the Group financial statements as a whole was set at €3.3million. This has been calculated with reference to a benchmark of total assets which we consider to be one of the principal considerations for members of the Group in assessing the financial performance of the Group as the principal focus of the Group in the financial period has been the deployment of capital raised. Materiality represents approximately 0.5% of this benchmark. We report to the Audit and Risk Committee all corrected and uncorrected misstatements we identified through our audit with a value in excess of €0.2million.

Materiality for the parent company financial statements as a whole was set at €3.3 million. This was determined with reference to a benchmark of total assets but restricted to the absolute amount of group materiality. We reported to the Audit and Risk Committee any corrected or uncorrected identified misstatements exceeding €0.2 million.

We subjected all of the Group's reporting components to audits for group reporting purposes. The work on all components was performed by the Group audit team.

4 We have nothing to report on going concern

We are required to report to you if:

- we have anything material to add or draw attention to in relation to the directors' statement in note 7 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Group and Company's use of that basis for a period of at least twelve months from the date of approval of the financial statements; or
- if the related statement under the Listing Rules set out on page 85 is materially inconsistent with our audit knowledge.

We have nothing to report in these respects.

5 We have nothing to report on the other information in the annual report

The directors are responsible for the other information presented in the annual report together with the financial statements. The other information comprises the information included in the directors' report, CEO's Review, CFO's Review, Risk Management Report, Corporate Governance Statement, Audit and Risk Committee Report and Report of the Remuneration and Nomination Committee. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information;

- we have not identified material misstatements in the directors' report;
- in our opinion, the information given in the directors' report is consistent with the financial statements;
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014.

Disclosures of principal risks and longer-term viability
Based on the knowledge we acquired during our financial statements audit, we have nothing material to add or draw attention to in relation to:
- the Principal Risks disclosures describing these risks and explaining how they are being managed and mitigated;
- the directors' confirmation within the Risk Management Report on page 36 that they have carried out a robust assessment of the principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity; and

- the directors' explanation in the Risk Management Report of how they have assessed the prospects of the Group, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Other corporate governance disclosures
We are required to address the following items and report to you in the following circumstances:

- Fair, balanced and understandable: if we have identified material inconsistencies between the knowledge we acquired during our financial statements audit and the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- Report of the Audit Committee: if the section of the annual report describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee;
- Statement of compliance with UK Corporate Governance Code: if the directors' statement does not properly disclose a departure from provisions of the UK Corporate Governance Code specified by the Listing Rules for our review.

We have nothing to report in these respects.

In addition as required by the Companies Act 2014, we report, in relation to information given in the Corporate Governance Statement on pages 48 to 55, that:

- based on the work undertaken for our audit, in our opinion, the description of the main features of internal control and risk management systems in relation to the financial reporting process and information relating to voting rights and other matters required by the European Communities (Takeover Bids (Directive 2004/EC) Regulations 2016 and specified for our consideration, is consistent with the financial statements and has been prepared in accordance with the Act; and
- based on our knowledge and understanding of the company and its environment obtained in the course of our audit, we have not identified any material misstatements in that information.

We also report that, based on work undertaken for our audit, other information required by the Act is contained in the Corporate Governance Statement.

6 Our opinions on other matters prescribed by the Companies Act 2014 are unmodified

We have obtained all the information and explanations which we consider necessary for the purpose of our audit.

In our opinion, the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the Company's statement of financial position is in agreement with the accounting records.

7 We have nothing to report on other matters on which we are required to report by exception

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made.

The Listing Rules of the Irish Stock Exchange and the UK Listing Authority require us to review:

- the directors' statement, set out on page 85, in relation to going concern and longer-term viability;
- the part of the Corporate Governance Statement on pages 48 to 55 relating to the Company's compliance with the provisions of the UK Corporate Governance Code and the Irish Corporate Governance Annex specified for our review; and
- certain elements of disclosures in the report to shareholders by the Board of Directors' remuneration committee.

8 Respective responsibilities

Directors' responsibilities
As explained more fully in their statement set out on page 90, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud, other irregularities or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. The risk of not detecting a material misstatement resulting from fraud or other irregularities is higher than for one resulting from error, as they may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control and may involve any area of law and regulation not just those directly affecting the financial statements.

A fuller description of our responsibilities is provided on IAASA's website at: https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsiblities_for_audit.pdf

9 The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for our report, or for the opinions we have formed.

Ruaidhri Gibbons
for and on behalf of

KPMG
Chartered Accountants,
Statutory Audit Firm
1 Stokes Place
St. Stephen's Green
Dublin 2, Ireland

13 March 2018

Consolidated statement of profit or loss and other comprehensive income
For the period from incorporation on 9 August 2017 to 31 December 2017

	Note	Before exceptional items €'000	Exceptional items €'000	Total €'000
Revenue	10	1,425	-	**1,425**
Cost of sales		(901)	-	**(901)**
Gross profit		**524**	**-**	**524**
Administrative expenses	11	(4,187)	(556)	**(4,743)**
Founder Shares: Share-based payment expense	11,14	-	(47,509)	**(47,509)**
Operating loss		**(3,663)**	**(48,065)**	**(51,728)**
Finance expense		(69)	-	**(69)**
Finance income		16	-	**16**
Loss before tax	12	**(3,716)**	**(48,065)**	**(51,781)**
Income tax credit	16	397	-	**397**
Loss after tax attributable to the owners of the Company		**(3,319)**	**(48,065)**	**(51,384)**
Other comprehensive income		-	-	-
Total comprehensive loss for the period attributable of the owners of the Company				**(51,384)**
Basic loss per share (cents)	15			**(13.73)**
Diluted loss per share (cents)	15			**(13.73)**

Consolidated balance sheet
as at 31 December 2017

	Note	31 December 2017 €'000
Assets		
Non-current assets		
Property, plant and equipment	17	**1,476**
Intangible assets		**75**
Deferred tax asset	16	**151**
Restricted cash	21	**1,500**
		3,202
Current assets		
Inventory	18	**228,089**
Trade and other receivables	19	**69,700**
Cash and cash equivalents	25	**351,796**
		649,585
Total assets		**652,787**
Equity		
Share capital	24	**867**
Share premium		**666,381**
Retained earnings		**(74,112)**
Share-based payment reserve		**47,548**
Total equity		**640,684**
Liabilities		
Non-current liabilities		
Trade and other payables	20	**1,903**
Finance lease liability	26	**170**
		2,073
Current liabilities		
Trade and other payables	20	**9,946**
Finance lease liability	26	**84**
		10,030
Total liabilities		**12,103**
Total liabilities and equity		**652,787**

Justin Bickle
Director

Stephen Garvey
Director

13 March 2018

Consolidated statement of changes in equity
For the period from incorporation on 9 August 2017 to 31 December 2017

	Share Capital			Share-based		
	Ordinary shares €'000	Founder shares €'000	Share premium €'000	payment reserve €'000	Retained earnings €'000	Total equity €'000
Balance as at 9 August 2017	-	-	-	-	-	-
Total comprehensive loss for the period						
Loss for the period	-	-	-	-	(51,384)	**(51,384)**
Other comprehensive income	-	-	-	-	-	-
	-	-	-	-	**(51,384)**	**(51,384)**
Transactions with owners of the Company						
Issue of ordinary shares for cash	752	-	551,819	-	-	**552,571**
Share issue costs	-	-	-	-	(22,728)	**(22,728)**
Re-designation as Founder Shares	(200)	200	-	-	-	-
Issue of ordinary shares related to business combinations	4	-	4,423	-	-	**4,427**
Issue of ordinary shares in consideration for inventories	111	-	110,139	-	-	**110,250**
Equity-settled share-based payments	-	-	-	47,548	-	**47,548**
	667	**200**	**666,381**	**47,548**	**(22,728)**	**692,068**
Balance as at 31 December 2017	**667**	**200**	**666,381**	**47,548**	**(74,112)**	**640,684**

Consolidated statement of cash flows
For the period from incorporation on 9 August 2017 to 31 December 2017

	Note	2017 €'000
Cash flows from operating activities		
Loss for the period		(51,384)
Adjustments for:		
Depreciation and amortisation		110
Finance costs		69
Finance income		(16)
Equity-settled share-based payment expense	14	47,548
Tax credit	16	(397)
		(4,070)
Changes in:		
Inventories		(116,902)
Trade and other receivables		(69,295)
Trade and other payables		11,612
Cash used in operating activities		(178,655)
Interest paid		(68)
Tax paid		(211)
Net cash used in operating activities		(178,934)
Cash flows from investing activities		
Acquisition of plant, property and equipment		(309)
Acquisition of intangible assets		(38)
Cash acquired on acquisition	23	3,229
Transfer to restricted cash	21	(1,500)
Net cash from investing activities		1,382
Cash flows from financing activities		
Proceeds from issue of share capital		552,571
Issue costs paid		(22,728)
Payment of finance lease liabilities		(495)
Net cash used in financing activities		529,348
Net increase in cash and cash equivalents in the period		351,796
Cash and cash equivalents at 9 August 2017		-
Cash and cash equivalents at 31 December 2017		351,796

1 Reporting entity

Glenveagh Properties PLC ("the Company") is domiciled in the Republic of Ireland. The Company's registered office is 25-28 North Wall Quay, Dublin 1. These consolidated financial statements comprise the Company and its subsidiaries (together referred to as "the Group") and cover the period from incorporation on 9 August 2017 to 31 December 2017. The Group's principal activities are the construction and sale of residential houses, the provision of construction services and the provision of asset advisory services.

2 Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS's) as adopted by the European Union which comprise standards and interpretations approved by the International Accounting Standards Board (IASB), and those parts of the Companies Act 2014 applicable to companies reporting under IFRS and Article 4 of the IAS regulation.

3 Functional and presentation currency

These consolidated financial statements are presented in Euro which is the Company's functional currency. All amounts have been rounded to the nearest thousand unless otherwise indicated.

4 Use of judgements and estimates

Management applies the Group's accounting policies as described in Note 8 when making critical accounting judgements, of which no individual judgement is deemed to have a significant impact upon the financial statements, apart from those involving estimations, which are detailed below.

(a) Carrying value of work in progress and estimation of costs to complete
The Group holds inventories stated at the lower of cost and net realisable value. Such inventories include land, work in progress and completed units. As residential development is largely speculative by nature, not all inventories are covered by forward sales contracts. Furthermore, due to the nature of the Group's activity and, in particular the scale of its developments and the length of the development cycle, the Group has to allocate site-wide development costs between units being built and/or completed in the current year and those for future years. It also has to forecast the costs to complete on such developments.

In making such assessments and allocations, there is a degree of inherent estimation uncertainty. The Group has established internal controls designed to effectively assess and centrally review inventory carrying values and ensure the appropriateness of the estimates made. These assessments and allocations evolve over the life of the development in line with the risk profile, and accordingly the margin recognised reflects these evolving assessments, particularly in relation to the Group's long-term developments.

(b) Accounting for share-based payments
The Group operates two equity settled share-based payment arrangements as set out in Note 14. The grant date valuation of instruments awarded to founders and employees is a significant judgement and the calculations involve a level of complexity and estimation. The Group engages an independent valuation expert to calculate the grant date fair value of instruments granted and further detail in relation to the methodology and assumptions used in the valuation is set out in Note 14.

Notes to the consolidated financial statements
For the period from incorporation on 9 August 2017 to 31 December 2017

5 Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, both for financial and non-financial assets and liabilities. Fair value is defined in IFRS 13, Fair Value Measurement, as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 14 Share-based payments;
- Note 23 Business combinations; and
- Note 25 Financial instruments and financial risk management.

6 New standards and interpretations

A number of new standards, amendments to standards and interpretations are effective for financial periods beginning on various dates after 1 January 2018, and have not been applied in preparing these financial statements. The Group does not plan to adopt these standards early; instead it intends to apply them from their effective dates as determined by their dates of EU endorsement.

The following standards and amendments are not yet endorsed by the EU:

- IFRS 14 Regulatory Deferral Accounts. Sale or contribution of assets between an investor and its associate or joint venture (September 2014) (Amendments to IFRS 10 and IAS 28).
- Classification and Measurement of Share-based Payment Transactions (June 2016) (Amendments to IFRS 2).
- Annual Improvements to IFRS Standards 2014-2016 Cycle (December 2016).
- Foreign Currency Transactions and Advance Consideration (December 2016) (IFRIC Interpretation 22).
- Transfers of Investment Property (December 2016) (Amendments to IAS 40). IFRIC 23 Uncertainty over Income Tax Treatments (June 2017).
- Amendments to IAS 28: Long-term interests in Associates and Joint Ventures.
- IFRS 17 Insurance Contracts (2017).

From an initial consideration of upcoming endorsed standards and amendments, the Directors have determined that the following in particular may have an effect on the consolidated financial statements of the Group. The potential impact of these standards is under review. However, due to the short duration of this financial reporting period, the Group do not believe that there will be a material impact on the results of the operations and financial position presented.

IFRS 15 Revenue from contracts with customers
IFRS 15 establishes the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cashflows arising from a contract with a customer. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Application of the standard is mandatory for annual reporting periods starting from 1 January 2018 onward and has been endorsed by the EU. Earlier application is permitted. The standard replaces IAS 18 Revenue and IAS 11 Construction Contracts and related interpretations.

6 New standards and interpretations (continued)

IFRS 9 Financial instruments
IFRS 9 Financial instruments replaces the guidance in IAS 39 and applies to periods beginning on or after 1 January 2018 and has been endorsed by the EU. It includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the current incurred loss impairment model.

IFRS 16 Leases
IFRS 16 Leases addresses the definition of a lease, recognition and measurement of leases and establishes principles for reporting useful information to users of financial statements about the leasing activities of both lessees and lessors. A key change arising from IFRS 16 is that most operating leases will be accounted for on statement of financial position for lessees. The standard replaces IAS 17 Leases, and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2019 and earlier application is permitted subject to EU endorsement.

7 Going concern

The Directors believe that the Group has adequate resources to continue in operational existence for the foreseeable future and that it is appropriate to prepare the financial statements on a going concern basis.

8 Significant accounting policies

8.1 Basis of consolidation

(i) Business combinations
The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

(ii) Subsidiaries
Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(iii) Transactions eliminated on consolidation
Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated.

8.2 Revenue

Revenue comprises the fair value of consideration received or receivable, net of value-added tax, rebates and discounts. Revenue is recognised once the value of the transaction can be reliably measured and the significant risks and rewards of ownership have been transferred.

Revenue represents the amounts receivable from the sale of houses and other fee income directly associated with property development, including asset advisory and construction services. Where the Group concludes that it operates as an agent for services rendered, (i.e. the Group takes no title, development or inventory risk), only commission earned is recognised as revenue. On the sale of homes, revenue is recognised at legal completion.

8 Significant accounting policies (continued)

8.3 Expenditure

Expenditure recorded in inventory is expensed through cost of sales at the time of the related property sale. The amount of cost related to each property includes its share of the overall site costs. Administration expense is recognised in respect of goods and services received when supplied in accordance with contractual terms.

8.4 Taxation

Income tax on the profit or loss for the period comprises current and deferred tax. Income tax is recognised in the income statement, except to the extent that it relates to items recognised directly in other comprehensive income or equity.

(i) Current tax
Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period and any adjustment to the tax payable or receivable in respect of a previous period. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

(ii) Deferred tax
Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to apply in the periods in which temporary differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

8.5 Share-based payment arrangements

The grant date fair value of equity settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

8.6 Exceptional items

Exceptional items are those that are separately disclosed by virtue of their nature or amount in order to highlight such items within the Group statement of profit or loss for the period. Group management exercises judgement in assessing each particular item which, by virtue of its scale or nature, should be highlighted as an exceptional item. Exceptional items are included within the profit or loss caption to which they relate.

8 Significant accounting policies (continued)

8.6 Exceptional items (continued)

In the current financial period, the Founder Share share-based payment expense (€47.5 million) (see Note 14) and costs incurred associated with the Company's IPO (€0.6 million) are considered exceptional items. The Directors believe that separate presentation of these exceptional expenses is useful to the reader as it allows clear presentation of the results of the underlying business and is relevant for an understanding of the Group's performance in the period.

8.7 Property, plant and equipment

Property, plant and equipment is carried at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided to write off the cost of the assets on a straight-line basis to their residual value over their estimated useful lives at the following annual rates:

- Plant and machinery 14%
- Motor vehicles 20%
- Fixtures and fittings 15%
- Computer Equipment 33%

The assets' residual values, carrying values and useful lives are reviewed on an annual basis and adjusted if appropriate at each balance sheet date.

Where an impairment is identified, the recoverable amount of the asset is identified and an impairment loss, where appropriate, is recognised in the income statement.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within administration expenses in the income statement. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

8.8 Intangible assets — computer software

Computer software is capitalised as intangible assets as acquired and amortised over its estimated useful life of 3 years, in line with the period over which economic benefit from the software is expected to be derived.

The assets' useful economic lives and residual values are reviewed and adjusted, if appropriate, at each balance sheet date.

8.9 Inventory

Inventory comprises property in the course of development, completed units and land.

Property in the course of development and completed units are valued at the lower of cost and net realisable value. Direct cost comprises the cost of land, raw materials and development costs but excludes indirect overheads. Land purchased for development, including land in the course of development, is initially recorded at cost.

Where such land is purchased on deferred settlement terms, and the cost differs from the amount that will subsequently be paid in settling the liability, this difference is charged as a finance cost in the income statement over the period to settlement.

A provision is made, where appropriate, to reduce the value of inventories and work in progress to their net realisable value.

8.10 Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

8 Significant accounting policies (continued)

8.10 Trade and other receivables (continued)

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within administration expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against administration expenses in the income statement.

8.11 Cash and cash equivalents

Cash and cash equivalents comprises cash balances in hand and at the bank, including bank overdrafts repayable on demand.

Cash and cash equivalents that are not available for use by the Group are presented as restricted cash. Amounts of restricted cash which cannot be exchanged or used to settle a liability for at least 12 months after the end of the reporting period are classified as non-current assets.

8.12 Trade and other payables

Trade and other payables on normal terms are not interest bearing and are stated at their nominal value which is considered to be their fair value. Trade payables on extended terms are recorded at their fair value at the date of acquisition of the asset to which they relate. The discount to nominal value is amortised over the period of the credit term and charged to finance costs.

8.13 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle that obligation, and the amount has been reliably estimated.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability, where the effect of discounting is considered significant. The unwinding of the discount is recognised as a finance cost.

8.14 Pensions

The Group operates a defined contribution scheme. The assets of the scheme are held separately from those of the Group in a separate fund. Obligations for contributions to defined contribution plans are expensed as the related service is provided.

8.15 Finance lease liabilities

Leases of property, plant and equipment that transfer to the Group substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

8.16 Share capital

(i) Ordinary shares
Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity (retained earnings).

(ii) Founder shares
Founder Shares were initially issued as ordinary shares and subsequently re-designated as Founder Shares. Following re-designation, the instruments are accounted for as equity settled share-based payments as set out at Note 8.5 above.

8 Significant accounting policies (continued)

8.17 Finance income and costs

The Group's finance income and finance costs include:

- Interest income;
- Interest expense;

Interest income or expense is recognised using the effective interest method.

8.18 Financial instruments

The Group classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, held to maturity financial assets, loans and receivables and available for sale financial assets.

The Group classifies non-derivative financial liabilities into the following categories: financial liabilities at fair value through profit or loss and other financial liabilities.

(i) Non-derivative financial assets and financial liabilities — recognition and derecognition
The Group initially recognises loans and receivables and debt securities issued on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date when the entity becomes a party to the contractual provisions of the instruments.

The Group derecognises a financial asset when the contractual rights to the cash flows from the assets expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or in which the Group neither transfers nor substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(ii) Non-derivative financial assets — measurement loans and receivables
These assets are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method, as adjusted for any impairments.

(iii) Non-derivative financial liabilities — measurement
Non-derivative financial liabilities are initially measured at fair value less directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. For interest-bearing borrowings any difference between initial carrying amount and redemption value is recognised in profit or loss over the period of the borrowings on an effective interest basis.

(iv) Derivative financial instruments
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. Any directly attributable transaction costs are recognised in profit or loss as incurred. Embedded derivatives are separated from the host contract and accounted for at fair value through profit or loss if certain criteria are met.

8 Significant accounting policies (continued)

8.19 Impairment of financial assets

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss when they occur and are reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment is reversed through profit or loss.

9 Segmental information

The Group has considered the requirements of IFRS 8 Operating Segments in the context of how the business is managed and resources are allocated.

The Group operates and is managed as a single operating segment engaged primarily in the construction of residential houses and apartments for resale. Internal reporting to the Chief Operating Decision Maker ("CODM") reflects this position. The CODM has been identified as the Executive Committee (as detailed in the Corporate Governance Statement).

The Group currently operates solely in the Republic of Ireland and therefore no geographically segmented financial information is provided.

10 Revenue

	2017 €'000
Construction services	1,278
Asset advisory and management services	147
	1,425

Revenue earned by the Group in the period is in respect of certain contractual services as disclosed in Note 27 Related party transactions.

11 Exceptional items

	2017 €'000
Administration Expenses (i)	556
Founder Shares share-based payment expense (Note 14)	47,509
	48,065

(i) Costs of €0.6 million relating to the Company's IPO listing fees and other related expenses have been classified as exceptional items in accordance with the Group's accounting policy set out at Note 8.6.

12 Statutory and other information

	2017 €'000
Amortisation of intangible assets	50
Depreciation of property, plant and equipment*	75
Operating lease rentals	189
Employment costs (Note 13)	50,569

*Includes €0.015 million capitalised in inventory at 31 December 2017

Auditor's remuneration	2017 €'000
Audit of Group, Company and subsidiary financial statements	100
Other assurance services	728
Tax advisory services	27
Tax compliance services	41
	896

Directors' remuneration	2017 €'000
Salaries, fees and other emoluments	335
Pension contributions	9
Founder Shares share-based payment expense (Note 14)	47,509
	47,853

13 Employment costs

The average number of persons employed by the Group (including Executive Directors) during the period was 104 (Executive Committee: 5; Construction: 64; and Other 35).

The aggregate payroll costs of these employees for the period were:

	Before exceptional items €'000	Exceptional items €'000	Total €'000
Wages and salaries	2,660	-	2,660
Social welfare costs	280	-	280
Pension costs - defined contribution	81	-	81
Share-based payment expense (Note 14)	39	47,509	47,548
	3,060	**47,509**	**50,569**

€1.0 million of employment costs were capitalised in inventory at period end.

14 Share-based payment arrangements

(a) Description

At 31 December 2017, the Group had the following share-based payment arrangements:

(i) Founder Shares

The Founders of the Company (John Mulcahy, Justin Bickle (beneficially held by Durrow Ventures), and Stephen Garvey) subscribed for a total of 200,000,000 ordinary shares of €0.001 each for cash at par value in the period, which were subsequently converted to Founder Shares in advance of the Company's IPO. These shares entitle the Founders to share 20% of the Company's Total Shareholder Return ("TSR") (being the increase in market capitalisation of the Company, plus dividends or distributions in the relevant period) in each of five individual testing periods up to 30 June 2022, subject to achievement of a performance condition related to the Company's share price. Further details in respect of the Founder Shares are outlined in Note 24.

(ii) Long term incentive plan ("LTIP")

On 21 November 2017, the Remuneration and Nomination Committee approved the grant of 1,588,500 options to certain members of the management team (which do not include Executive Directors) in accordance with the terms of the Company's LTIP. These options will vest on completion of a three-year service period from grant date subject to the achievement of certain performance condition hurdles based on the Company's TSR across the vesting period. 25% of the award will vest once the three-year annualised TSR reaches 6.25% per annum with the remaining options vesting on a pro rata basis up to 100% if TSR of 12.5% is achieved. The entire grant of options remain outstanding at 31 December 2017.

14 Share-based payment arrangements (continued)

The terms and conditions of both arrangements are set out in detail in the Remuneration and Nomination Committee Report and are summarised below:

Scheme	Number of instruments	Vesting conditions	Expiry date
Founder Shares	200,000,000	Compound rate of return of 12.5% on the Company's share price in each testing period	30 June 2022
LTIP	1,588,500	3 years' service from grant date and market condition based on the Company's TSR over the 3-year vesting period	13 October 2024

(b) Measurement of fair values

The fair value of grants under both arrangements was measured using a Monte Carlo simulation. Service and non-market conditions attached to the arrangements were not taken into account when measuring fair value. The inputs used in measuring fair value at grant date were as follows:

	Founder Shares	LTIP
Fair value at grant date	**€0.24**	**€0.64**
Share price at grant date	€1.00	€1.157
Exercise price	N/A	€0.001
Expected volatility	34.12%	36.63%
Expected life	5 years	3 years
Expected dividend yield	0%	0%
Risk free rate	-0.023% - +0.18%	-0.088%

Given the Company did not have a trading history at grant date, expected share price and TSR volatility was based on the volatility of a comparator group of peer companies over the expected life of the equity instruments granted.

(c) Expense recognised in profit or loss

The expense recognised in profit or loss relating to the Founder Shares was €47.5 million, and is presented as an exceptional item, with a corresponding increase in the share-based payment reserve in equity. This represents the full grant date fair value of the Founder Shares which is required to be recognised at grant date in accordance with the terms and conditions of the award, which do not contain a required term of service. There will be no further impact on profit or loss in future reporting periods.

A charge of €0.04 million was recognised in the period in respect of options granted under the LTIP.

15 Loss per share

The calculation of basic loss per share has been based on the loss attributable to ordinary shareholders and the weighted average numbers of shares outstanding for the period. Ordinary shares potentially issuable from share-based payment arrangements are anti-dilutive due to the loss in the period meaning there is no difference between basic and diluted earnings per share. The number of potentially issuable shares in the Company held under option or Founder Share arrangements at 31 December 2017 is 201,588,500.

	2017
Loss for the period attributable to ordinary shareholders (€'000)	**(51,384)**
Weighted average number of shares for the period	**374,284,264**
Basic and diluted loss per share (cents)	**(13.73)**

Reconciliation of weighted average number of shares	**2017 No. of shares**
Share issued on incorporation	1
Effect of shares issued on 11 August 2017	197,223,207
Effect of shares re-designated as Founder Shares	(188,888,889)
Effect of shares issued related to business combinations	2,428,701
Effect of IPO issue	303,036,869
Effect of shares issued as consideration for inventories	60,484,375
	374,284,264

See Note 24 for further information in relation to significant share issuances.

16 Income tax

	2017 €'000
Current tax credit for the period	(246)
Deferred tax credit for the period	(151)
Total income tax credit	**(397)**

The tax assessed for the period differs from the standard rate of tax in Ireland for the period. The differences are explained below.

	2017 €'000
Loss before tax for the period	**(51,781)**
Tax credit at standard Irish income tax rate of 12.5%	(6,473)
Tax effect of:	
Income taxed/expenses deductible at the higher rate of corporation tax	5
Non-deductible expenses - Founder Share expense	5,938
Non-deductible expenses - other	248
Other adjustments	(115)
Total income tax credit	**(397)**

Movement in deferred tax balances	**Balance on incorporation at 9 August 2017 €'000**	**Recognised in profit or loss €'000**	**Balance at 31 December 2017 €'000**
Tax losses carried forward	-	151	151
	-	**151**	**151**

The deferred tax asset accrues in Ireland and therefore has no expiry date. Management has considered it probable that future profits will be available against which the above losses can be recovered and, therefore, the related deferred tax asset can be realised.

17 Property, plant and equipment

	Fixtures & fittings €'000	Motor vehicles €'000	Plant & machinery €'000	Computer equipment €'000	Total €'000
Cost					
At 9 August 2017	-	-	-	-	**-**
Acquisitions through business combinations (Note 23)	284	113	819	26	**1,242**
Additions	49	-	229	31	**309**
Disposals	(2)	-	-	-	**(2)**
At 31 December 2017	**331**	**113**	**1,048**	**57**	**1,549**
Accumulated depreciation					
At 9 August 2017	-	-	-	-	**-**
Charge for the period	(17)	(8)	(42)	(8)	**(75)**
Disposals	2	-	-	-	**2**
At 31 December 2017	**(15)**	**(8)**	**(42)**	**(8)**	**(73)**
Net book value					
At 31 December 2017	**316**	**105**	**1,006**	**49**	**1,476**

The depreciation charge for the period includes €0.015 million which was capitalised in inventory at 31 December 2017.

The Group leases plant and machinery under finance lease arrangements. As at 31 December 2017, the net book value of leased equipment was €0.3 million.

18 Inventory

	31 December 2017 €'000
Land held for development	216,964
Development expenditure	11,125
	228,089

The Group acquired a significant bank of development land in two transactions which were conditional on the successful completion of the Company's IPO on 13 October 2017. The sites acquired were referred to as the "Conditionally Acquired Sites" in the Company's IPO prospectus.

(i) TIO RLF Acquisition Agreement

The Company, Targeted Investment Opportunities ICAV (acting solely in respect of its sub fund, TIO RLF), OCM Luxembourg EPF III QIF Holdings Sarl (OCM) and Glenveagh Contracting Limited (previously known as Bridgedale Contracting Limited) entered into an agreement whereby the Company acquired either land, or the right to develop, at thirteen sites located in the Greater Dublin Area. Ordinary shares to the value of €110.25 million were issued to OCM as consideration (excluding stamp duty and acquisition costs) for the land acquired.

In accordance with the TIO RLF Acquisition Agreement, the Group purchased the development rights to construct and sell residential units in the Marina Village, Greystones development. The Group made a payment of €21 million in full and final settlement of future payment obligations under these development rights. This amount is accordingly recognised in inventory at the period end, as a cost of the Marina Village, Greystones development.

(ii) Project Kells

Glenveagh Homes Limited (formerly known as Bridgedale Homes Limited) acquired a further 11 sites (also predominantly in the Greater Dublin Area) which were referred to as Project Kells in the Company's IPO prospectus for cash consideration of €41.6 million.

(iii) Braddington Developments Limited

The Group acquired a development site at Ballyboughal, Co. Dublin for €4.2 million. The details of this asset acquisition are set out in Note 23.

The Group has continued to both build its landbank and progress construction on active sites since the IPO which is reflected in the period end balance of €228 million. The directors have considered the carrying value of inventory at 31 December 2017 and, in particular, due to current market conditions and the proximity of period end to the acquisition date of all sites, are satisfied that all inventory is held at the lower of cost and net realisable value.

Notes to the consolidated financial statements
For the period from incorporation on 9 August 2017 to 31 December 2017

19 Trade and other receivables

	31 December 2017 €'000
Trade receivables from related party	1,192
Prepayments and other receivables	599
VAT recoverable	16,912
Construction bonds	1,139
Deposits for sites	4,953
Payment in respect of site acquisition and associated fees*	44,579
Income tax receivable	326
	69,700

*This amount relates to payment of the purchase price, stamp duty and acquisition costs for a two hectare site in Dublin's North Docklands known as "East Road". An unconditional contract was signed in December 2017 with payment transferred to the vendor's legal representatives in advance of period end. The transaction subsequently completed in January 2018.

The carrying value of all trade and other receivables is approximate to their fair value.

20 Trade and other payables

	31 December 2017 €'000
Trade payables	3,036
Trade payables due to related party (Note 27)	1,434
Payroll and other taxes	922
Inventory accruals	4,057
Other accruals	2,400
	11,849
Non-current	1,903
Current	9,946
	11,849

The carrying value of all trade and other payables is approximate to their fair value.

21 Restricted cash

The restricted cash balance relates to a sum of monies held in escrow until the completion of certain infrastructural works relating to the Group's residential development at Balbriggan, Co. Dublin on which construction has recently commenced.

22 Subsidiaries

The subsidiary companies (all of which are resident in Ireland) and the percentage shareholdings held by Glenveagh Properties PLC, either directly or indirectly, at 31 December 2017 are as follows:

Company	Principal activity	%	Reg office
Glenveagh Properties (Holdings) Limited	Holding company	100%	1
Glenveagh Homes Limited*	Property development	100%	2
Glenveagh Contracting Limited**	Property development	100%	2
Glenveagh Living Limited	Property development	100%	1
Greystones Devco Limited	Property development	100%	1
Braddington Developments Limited	Dormant company	100%	2
Feathermist Limited	Dormant company	100%	2

*Formerly Bridgedale Homes Limited
**Formerly Bridgedale Contracting Limited

1 25-28 North Wall Quay, Dublin 1, DO1H1041
2 Block B, Maynooth Business Campus, Maynooth, Co. Kildare, W23W5X7

Notes to the consolidated financial statements
For the period from incorporation on 9 August 2017 to 31 December 2017

23 Business combinations

During the period, the Company acquired 100% of the share capital of the following legal entities in connection with (and conditional on) the Company's IPO:

- Bridgedale Homes Limited (subsequently renamed Glenveagh Homes Limited) (GHL)
- Bridgedale Contracting Limited (subsequently renamed Glenveagh Contracting Limited) (GCL)
- Greystones Devco Limited (GDL)

The table below summarises the fair value of consideration transferred and assets and liabilities acquired in respect of each acquisition at 13 October 2017.

	GHL €'000	GCL €'000	GDL €'000
Property, plant and equipment	1,062	38	142
Intangible assets	11	76	-
Equity accounted investee	1,847	-	-
Trade and other receivables	2,650	684	1,191
Cash and cash equivalents	2,559	70	600
Amounts owed from related party	-	34	-
Trade and other payables	(3,180)	(565)	(1,879)
Income tax payable	(124)	-	(7)
Amounts owed to related party	(33)	-	-
Finance lease	(671)	(31)	(47)
Fair value of net assets acquired	**4,121**	**306**	**-**
Consideration			
Cash consideration	-	-	-
Fair value of shares issued	4,121	306	-
Total consideration	**4,121**	**306**	**-**

23 Business combinations (continued)

GHL & GCL

Consideration of €4.1 million was transferred in respect of the acquisition of GHL while €0.3 million was transferred in respect of GCL. Both amounts were satisfied by way of issue of shares in the Company at the IPO offer price of €1 per share, representing fair value at acquisition date. The purpose of the acquisitions was to acquire the construction operations, expertise and experience of the Bridgedale business based at Maynooth Business Campus, Maynooth, Co. Kildare.

For the period ended 31 December 2017, GHL contributed revenue of €0.9 million and a loss after tax of €3.2 million while GCL contributed revenue of €0.1 million and a profit after tax of €0.1 million.

GDL

The Company acquired one ordinary share in GDL (being 100% of its ordinary share capital) for €1 being the fair value of the net assets at acquisition date as shown above. This entity (being the development entity for Marina Village, Greystones) was acquired in connection with the acquisition of the rights and obligations of the development opportunity at Marina Village, Greystones Co. Wicklow. For the period ended 31 December 2017, GDL contributed revenue of €0.4 million and a profit after tax of €0.1 million.

If the acquisitions of GHL; GCL; and GDL had occurred on 9 August 2017, management estimate that the aggregate increase in consolidated revenue would have been €3.3 million, while the consolidated loss before tax would have decreased by €0.9 million.

The disclosures provided above in relation to the results of the acquired entities since acquisition and the estimated impact on the Group's revenue and loss, if the acquisitions had taken place at the beginning of the period are provided purely to comply with the disclosure requirements of IFRS 3 Business Combinations. It should be noted that trading activity in the period represented the completion of certain trading arrangements with a related party which are described in Note 27. These arrangements ceased as of 31 December 2017 and from 1 January 2018, as disclosed in the IPO prospectus, the Group's business model has significantly changed whereby all the Group's residential construction activity, and related sales, are for its benefit and not on behalf of another entity. The results disclosed should not therefore, be taken as an indicator of future financial performance of the acquired entities.

Braddington Developments Limited & Feathermist Limited

Included on GHL's balance sheet at acquisition was €1.8 million in respect of an equity accounted investment (joint venture) in Feathermist Limited. In order to acquire a development site at Ballyboughal Co. Dublin, GHL acquired 100% of the ordinary share capital of Braddington Developments Limited (being the other shareholder in Feathermist Limited) conditional on IPO, for cash consideration of €2.6 million. This was accounted for as an asset acquisition and the Ballyboughal site (valued at €4.2 million on acquisition) is included in Group inventory at the balance sheet date.

Notes to the consolidated financial statements
For the period from incorporation on 9 August 2017 to 31 December 2017

24 Share capital and share premium

(a) Authorised share capital

	Number of shares	€'000
Ordinary shares of €0.001 each	1,000,000,000	1,000
Founder Shares of €0.001 each	200,000,000	200
Deferred shares of €0.001 each	200,000,000	200
	1,400,000,000	**1,400**

(b) Issued share capital and share premium at 31 December 2017

	Number of shares	Share capital €'000	Share premium €'000
Ordinary shares of €0.001 each	667,049,000	667	666,381
Founder Shares of €0.001 each	200,000,000	200	-
	867,049,000	**867**	**666,381**

(c) Reconciliation of shares in issue

	Ordinary shares	Founder Shares
In issue at incorporation on 9 August 2017	1	-
Issued for cash	200,000,999	-
Re-designed as Founder Shares	(200,00,000)	200,000,000
IPO issue	552,371,000	-
Issued in business combination (Note 23)	4,427,000	-
Issued as consideration for inventories (Note 18)	110,250,000	-
In issue at 31 December 2017	**667,049,000**	**200,000,000**

24 Share capital and share premium (continued)

(d) Rights of shares in issue

Ordinary Shares

The holders of ordinary shares are entitled to one vote per ordinary share at general meetings of the Company and are entitled to receive dividends as declared by the Company.

Founder Shares

Founder Shares do not confer on any holder thereof the right to receive notice of, attend, speak or vote at general meetings of the Company except in relation to resolutions regarding the voluntary winding up of the Company or the granting of further Founder Shares. Founder Shares do not entitle their holder to receive dividends.

Founder Shares entitle the Founders of the Company namely, Justin Bickle (through Durrow Ventures), Stephen Garvey and John Mulcahy to share 20% of the Company's TSR (being the increase in the market capitalisation of the Company plus dividends or distributions in the relevant period) in the five years following the IPO of the Company.

This entitlement is subject to the achievement of a performance condition related to the Company's share price, specifically that a compound rate of return of 12.5% (adjusted for any dividends or other distributions and returns of capital made but excluding the value of any Founder Shares which have been redeemed) is achieved across five testing periods. The testing periods run from 1 March to 30 June each year, with the first period being 1 March 2018 to 30 June 2018. The Founder Shares will be converted into ordinary shares in the Company or (at the discretion of the Company) be paid out in cash in an amount equal to 20% of the Company's TSR.

(e) Significant share issuances in the period

(i) 200,000,000 ordinary shares were issued to the Founders of the Company at par value (€0.001) on 15 August 2017 and were subsequently re-designated as Founder Shares on 17 August 2017.

(ii) The Company issued 550,000,000 ordinary shares for cash consideration of €1 per share by way of its initial public offering on 13 October 2017.

(iii) 2,250,000 ordinary shares were issued to certain Directors of the Company for cash consideration of €1 per share in connection with the IPO. Further details of Directors' interests are included in the Director's Report.

(iv) 121,000 shares were issued to individuals connected to Glenveagh Homes Limited and Glenveagh Contracting Limited (as disclosed in the IPO prospectus) on 13 October 2017 at €1 per share.

(v) 4,427,000 ordinary shares were issued as consideration for the Company's acquisition of Glenveagh Homes Limited (formerly Bridgedale Homes Limited) and Glenveagh Contracting Limited (formerly Bridgedale Contracting Limited) on 13 October 2017.

(vi) 110,250,000 ordinary shares were issued as consideration for the acquisition of development land acquired in connection with the Company's IPO. Further information in relation to these transactions is included in Note 18.

25 Financial instruments and financial risk management

The Group's financial assets and financial liabilities are set out below. While all financial assets and liabilities are carried at amortised cost, the carrying amounts of the Group's financial assets and financial liabilities approximate to fair value. Trade receivables (which are receivable from a related party) and other receivables and trade and other payables approximate to their fair value as the transactions which give rise to these balances arise in the normal course of trade and, where relevant, with industry standard payment terms and have a short period to maturity (less than one year).

Financial instruments: financial assets

	31 December 2017 €'000
Trade receivables from related party	1,192
Other receivables	107
Cash and cash equivalents	351,796
Restricted cash (non-current)	1,500
Total financial assets	**354,595**

Cash and cash equivalents are short-term deposits held at fixed rates.

Financial instruments: financial liabilities

	31 December 2017 €'000
Trade payables	3,036
Amounts due to related party	1,434
Finance lease obligation	254
Total financial liabilities	**4,724**

Trade payables and other current liabilities are non-interest bearing.

Financial risk management objectives and policies

As all of the operations carried out by the Group are in Euro there is no direct currency risk, and therefore the Group's main financial risks are primarily:

- liquidity risk - the risk that suitable funding for the Group's activities may not be available;
- credit risk - the risk that a counterparty will default on their contractual obligations resulting in a loss to the Group.

25 Financial instruments and financial risk management (continued)

This note presents information and quantitative disclosures about the Group's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Liquidity risk

Liquidity risk is the risk that the Group may not be able to generate sufficient cash reserves to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring, unacceptable losses or risking damage to the Group's reputation.

Management monitors the adequacy of the Group's liquidity reserves against rolling cash flow forecasts. In addition, the Group's liquidity risk management policy involves monitoring short-term and long-term cash flow forecasts.

	31 December 2017				
	Carrying amount €'000	Contractual cash flows €'000	Less than 1 year €'000	1 year to 2 years €'000	More than 2 years €'000
Finance lease obligations	254	287	94	94	99
Trade payables	3,036	3,036	3,036	-	-
Amounts due to related party	1,434	1,434	1,434	-	-
	4,724	**4,757**	**4,564**	**94**	**99**

Credit risk

The Group's exposure to credit risk encompasses the financial assets being: trade and other receivables, cash and cash equivalents and restricted cash. Credit risk is managed by regularly monitoring the credit quality of customers and financial institutions.

There has been no impairment of trade receivables in the period presented. The credit risk on cash and cash equivalents is limited because counterparties are leading international banks with long-term BBB- credit-ratings assigned by international credit agencies. The maximum amount of credit exposure is the financial assets in this note.

Capital management

The Group finances its operations by a combination of shareholders' funds and working capital. The Group's objective when managing capital is to maintain an appropriate capital structure in the business to allow management to focus on creating sustainable long-term value for its shareholders, with flexibility to take advantage of opportunities as they arise in the short and medium term. This allows the Group to take advantage of prevailing market conditions by investing in land and work in progress at the right point in the cycle.

Notes to the consolidated financial statements
For the period from incorporation on 9 August 2017 to 31 December 2017

26 Finance lease liabilities

Finance lease liabilities are payable as follows:

	2017 €'000
Current portion	84
Non-current portion	170
	254

	Future minimum lease payments €'000	Interest €'000	Present value of minimum lease payments €'000
Less than one year	94	10	84
Between one and two years	94	10	84
More than two years	99	13	86
	287	**33**	**254**

27 Related party transactions

(i) Key Management Personnel remuneration

Key management personnel comprise the Non-Executive Directors and the Executive Committee. The aggregate compensation paid or payable to key management personnel in respect of the period was the following:

	2017 €'000
Short-term employee benefits	456
Post-employment benefits	27
LTIP share-based payment expense	10
Founder Shares share-based payment expense	47,509
	48,002

(ii) IPO related transactions

The following transactions took place in connection with the Company's IPO and meet the definition of related party transactions in accordance with IAS 24 Related Party Transactions. All of the below transactions were disclosed in the Company's IPO prospectus and were conditional on the successful completion of the IPO.

Acquisition of Glenveagh Homes Limited and Glenveagh Contracting Limited

As outlined in Note 23, the Company acquired 100% of the issued share capital of Glenveagh Homes Limited (formerly known as Bridgedale Homes Limited) (GHL) and Glenveagh Contracting Limited (formerly known as Bridgedale Contracting Limited) (GCL) on 13 October 2017. The sole shareholder of these companies was Stephen Garvey who is a Director of the Company. This acquisition was completed in accordance with the terms of a share exchange agreement under which Stephen Garvey received 4,121,000 and 306,000 shares in the Company for his interest in GHL and GCL respectively. Based on the IPO offer price of €1 per share, the total value of the shares transferred equalled the fair value of the shares in the acquired entities at the date of acquisition.

TIO Acquisition Agreement

As outlined in Note 18, the Company entered into an agreement with Targeted Investment Opportunities ICAV (TIO) (an entity in which Justin Bickle and John Mulcahy are Directors) to acquire 13 development sites in the Greater Dublin Area as well as TIO's interest in the development opportunity at Marina Village, Greystones, Co. Wicklow. In consideration for the assets acquired, 110,250,000 shares in the Company with an aggregate fair value of €110.25 million (based on the IPO offer price of €1 per share) were issued to TIO's sole shareholder (OCM Luxembourg EPF III QIF Holdings Sarl (OCM)). This equated to the fair value of the assets acquired based on independent valuations carried out on each of the assets under the terms of the RCIS Global Standards 2017 ("Red Book") as at 31 August 2017.

27 Related party transactions (continued)

(ii) IPO related transactions (continued)

Acquisition of Greystones Devco Limited

On 13 October 2017, GHL acquired 100% of the issued share capital of Greystones Devco Limited (being 1 ordinary share) (GDL) for €1 from OCM which equalled the fair value of the net assets acquired at that date.

Acquisition of Braddington Developments Limited

In advance of the IPO, GHL held 35.6% of the issued share capital of Feathermist Limited (Feathermist), an entity which owned the site at Ballyboughal, Co. Dublin. Braddington Developments Limited (Braddington) held the other 64.4% of Feathermist share capital. Stephen Garvey is a Director of Feathermist.

On 13 October 2017, GHL acquired 100% of the issued share capital of Braddington thereby indirectly acquiring the residual 64.4% of the issued share capital of Feathermist for total cash consideration of €2,587,704. This amount represented Braddington's interest in the asset acquired (land at Ballyboughal, Co. Dublin) based on an independent "Red Book" valuation carried out at 31 August 2017.

(iii) Post IPO transactions

As disclosed in the IPO prospectus, the Group continued to trade with TIO until period end in order to complete certain arrangements that were in progress at the time of the IPO. As a result, the following transactions arose in the period:

- GHL continued to construct residential homes at Cois Glaisín, Johnstown, Navan Co. Meath, Miltown Meadows, Ashbourne, Co. Meath and Holsteiner Park, Clonee Co. Meath on behalf of TIO RLF (a sub fund of TIO) in the period. Revenue of €891,837 was earned in respect of these services in the period and the balance outstanding at 31 December 2017 was €254,119.
- GCL continued to act as asset advisor to TIO RLF in the period. This role involved GCL providing management and advisory services. Revenue of €147,009 was recognised in the period in respect of these services. There was no balance due to GCL at period end from TIO RLF.
- GDL provided construction services to TIO RLF in relation to the Marina Village development at Greystones Co. Wicklow. Revenue of €386,581 was recognised in respect of these services. An amount of €928,236 was outstanding from TIO RLF at 31 December 2017 (which includes amounts owing in respect of expenses incurred which were re-charged to TIO RLF at nil margin and therefore not accounted for as revenue in the period).
- As part of the TIO Acquisition Agreement noted above, certain homes on some of the acquired sites (being Marina Village, Greystones, Co. Wicklow; Holsteiner Park, Clonee, Co. Meath and Cois Glaisín, Navan, Co. Meath) were retained by TIO. The agreement required the Company to purchase any of these units that remained unsold at the end of the period from TIO at an agreed sales price. A liability for €1,434,000 was recognised at 31 December 2017 in respect of this obligation with a corresponding increase in inventory.

28 Commitments and contingent liabilities

On 22 December 2018, the Company announced that it had entered into an unconditional contract to acquire a development site at Millennium Park Naas, Co. Kildare. As at 31 December 2017, this transaction was subject to completion with a deposit of €2.1 million, paid at that date. Other than this transaction and the transaction noted in Note 19, the Company had no other commitments or contingent liabilities at 31 December 2017.

29 Subsequent events

Development land acquisition and related transactions

The acquisition of the site known as "East Road" referred to in Note 19 completed on 12 January 2018 for c. €45 million including acquisition costs. The acquisition of the site at Millennium Park, Naas, Co. Kildare (noted in Note 28) closed on 29 January 2018.

The following land acquisitions were announced on 29 January 2018 resulting in an aggregate spend of in excess of €25 million:

- The Group has signed contracts to acquire a development site at Citywest Road, Dublin 24 which has the capacity to deliver 195 residential units, subject to planning. The site is strategically located in close proximity to the Fortunestown Luas stop and to Citywest Shopping Centre.
- The Group also announced the signing of an unconditional contract to acquire a major site at Hollystown, Dublin 15. This 162-acre site is occupied by Hollystown Golf Club who will continue to operate on a business as usual basis, with 19 acres on the site zoned for residential development and the remainder zoned as open space. It is estimated that this site will deliver 200 family homes on the residential development land between 2019 and 2023, subject to planning.

On 13 March 2018, the Group announced that it had entered into a contract to acquire four sites in the GDA: two in Donabate Co. Dublin; one at Dunboyne Co. Meath; and one at Stamullen Co. Meath, which are capable of delivering 1,435 starter homes and apartments, subject to planning. The transaction involves cash consideration of €90 million (including fees and stamp duty) and is scheduled to close in Q2 2018.

The Group has also entered into a Strategic Relationship Agreement ("SRA") with Sigma Retail Partners ("Sigma") whereby the parties have agreed to cooperate in identifying and developing mixed-use development opportunities in Ireland on an exclusive basis. In parallel, the Group has entered into an Acquisition and Profit Share Agreement ("APSA") with TIO, under which Glenveagh Living will acquire the residential development rights to land adjoining The Square Shopping Centre Tallaght, Dublin 24 and a c. 5-acre site to the rear of Gateway Retail Park, Galway. In addition, a 9.8-acre site to the rear of Bray Retail Park, Bray, County Wicklow will be acquired by Glenveagh Homes. The three sites combined have the capacity to deliver more than 800 units. The aggregate consideration payable by Glenveagh is c. €16 million (including acquisition costs).

Debt financing

The Group has executed an agreement to enter into a three-year revolving credit facility with a syndicate of domestic and international banks for a total of €250 million. This facility will be used to finance the working capital requirements of the Group over that period.

30 Loss of the Parent Company

The parent company of the Group is Glenveagh Properties PLC. In accordance with section 304 of the Companies Act 2014, the Company is availing of the exemption from presenting its individual statement of profit or loss and other comprehensive income to the Annual General Meeting and from filing it at the Companies Registration Office. The Company's loss after tax for the period ended 31 December 2017, determined in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework is €47.8 million.

31 Approved financial statements

The Board of Directors approved the financial statements on 13 March 2018.

Company balance sheet
as at 31 December 2017

	Note	31 December 2017 €'000
Assets		
Non-current assets		
Investments in subsidiaries	3	**4,064**
		4,064
Current assets		
Trade and other receivables	4	**8,752**
Amounts owed by subsidiaries		**568,005**
Cash and cash equivalents		**63,806**
		640,563
Total assets		**644,627**
Equity		
Share capital	7	**867**
Share premium		**666,381**
Retained earnings		**(70,559)**
Share-based payment reserve		**47,548**
		644,237
Liabilities		
Current liabilities		
Trade and other payables	6	**390**
Total liabilities		**390**
Total liabilities and equity		**644,627**

Justin Bickle
Director

Stephen Garvey
Director

13 March 2018

Company statement of changes in equity
For the period from incorporation on 9 August 2017 to 31 December 2017

	Share Capital					
	Ordinary shares €'000	Founder Shares €'000	Share premium €'000	Share-based payment reserve €'000	Retained earnings €'000	Total equity €'000
Balance as at 9 August 2017	-	-	-	-	-	-
Total comprehensive loss for the period						
Loss for the period	-	-	-	-	(47,831)	**(47,831)**
Other comprehensive income	-	-	-	-	-	**-**
	-	-	-	-	(47,831)	**(47,831)**
Transactions with owners of the Company						
Issue of ordinary shares for cash	752	-	551,819	-	-	**552,571**
Share issue costs	-	-	-	-	(22,728)	**(22,728)**
Re-designation as Founder Shares	(200)	200	-	-	-	**-**
Issue of ordinary shares related to business combinations	4	-	4,423	-	-	**4,427**
Issue of ordinary shares in consideration for inventories	111	-	110,139	-	-	**110,250**
Equity-settled share-based payments	-	-	-	47,548	-	**47,548**
	667	**200**	**666,381**	**47,548**	**(22,728)**	**692,068**
Balance as at 31 December 2017	**667**	**200**	**666,381**	**47,548**	**(70,559)**	**644,237**

1 Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention in accordance with the Companies Act 2014 and Generally Accepted Accounting Practice in the Republic of Ireland (Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101)). Note 2 describes the principal accounting policies under FRS 101, which have been applied. The Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Statement of Cash Flows
- Disclosures in respect of transactions with wholly owned subsidiaries
- Certain requirements of IAS 1 Presentation of Financial Statements
- Disclosures required by IFRS 7 Financial Instrument Disclosures
- Disclosures required by IFRS 13 Fair Value Measurement; and
- The effects of new but not yet effective IFRSs
- Disclosures in respect of capital management

As noted in Note 30 of the consolidated financial statements, the Company has also availed of the exemption from presenting the individual statement of profit or loss and other comprehensive income. The Company's loss for the period from incorporation on 9 August 2017 to 31 December 2017 was €47.8 million.

2 Significant accounting policies

Significant accounting policies specifically applicable to these individual Company financial statements and which are not included within the accounting policies for the consolidated financial statements are detailed below.

(a) Investments in subsidiaries

Investments in subsidiaries are accounted for in these individual Company financial statements on the basis of the direct equity interest, rather than on the basis of the reported results and net assets of investees. Investments in subsidiaries are carried at cost less impairment.

The capital contributions arising from share-based payment charges represents the Company's granting rights over its equity instruments to employees of the Company's subsidiaries. This results in a corresponding increase in investment in subsidiary.

(b) Intra-group guarantees

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of companies within the Group, the Company considers these to be insurance arrangements and accounts for them as such. The Company treats the guarantee contract as a contingent liability until such time as it becomes probable that it will be required to make a payment under the guarantee.

Notes to the Company financial statements
For the period from incorporation on 9 August 2017 to 31 December 2017

3 Investments in subsidiaries

	31 December 2017 €'000
Investments in subsidiaries	4,025
Accumulated cost of share-based payments in respect of subsidiaries	39
	4,064

Details of subsidiary undertakings are given in Note 22 of the consolidated financial statements.

4 Trade and other receivables

	31 December 2017 €'000
VAT receivable	8,500
Prepayments and other receivables	252
	8,752

5 Amounts due from subsidiaries

	31 December 2017 €'000
Amounts due from subsidiaries	568,005
	568,005

Amounts owed by subsidiaries are non-interest bearing and are repayable on demand

6 Trade and other payables

	31 December 2017 €'000
Trade payables	127
Accruals	208
Payroll and other taxes	55
	390

7 Share capital and share premium

For further information on share capital and share premium, refer to Note 24 of the consolidated financial statements.

8 Financial instruments

The carrying value of the Company's financial assets and liabilities are a reasonable approximation of their fair value.

Relevant disclosures on Group financial instruments and risk management are given in Note 25 of the consolidated financial statements.

The Company has considered triggers for impairment, including market capitalisation and determined there was no trigger.

9 Share-based payments

For information in relation to share-based payment arrangements impacting the Company, refer to Note 14 of the consolidated financial statements.

10 Related party disclosures

See Note 27 of the consolidated financial statements for information in relation to related party transactions.

(i) Remuneration of key management

Key management of the Company is defined as the Directors of the Company. The compensation of key management personnel is set out in the Remuneration and Nomination Committee report.

Company Information

Directors

Executive Directors
John Mulcahy
Justin Bickle
Stephen Garvey

Non-Executive Directors
Lady Barbara Judge, CBE
Robert Dix
Richard Cherry
Caleb Kramer

Company Secretary

Chloe McCarthy

Registered Office

Glenveagh Properties PLC
25-28 North Wall Quay
Dublin 1
D01 H104
Ireland

Registrars

Computershare Investor Services (Ireland) Limited
Heron House
Corrig Road
Sandyford Industrial Estate
Dublin 18
D18 Y2X6

Auditor

KPMG
Chartered Accountants
1 Stokes Place
St. Stephen's Green
Dublin 2

Solicitor

A&L Goodbody
North Wall Quay
Dublin 1
D01 H104

Kane Tuohy
The Malt House North
Grand Canal Quay
Dublin 2
D02 R239

Byrne Wallace
88 Harcourt Street
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D02 DK18

Bankers

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Bankcentre
Ballsbridge
Dublin 4

Barclays Bank Ireland plc
2 Park Place
Hatch Street
Dublin 2

HSBC Bank plc
One Grand Canal Square
Grand Canal Harbour
Dublin 2

Website

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Stockbrokers

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