

*This announcement contains inside information within the meaning of the EU Market Abuse Regulation 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.*

5 September 2024

## Glenveagh Properties plc

### Interim Results 2024

**Full year expectations reiterated for a milestone year of growth**

**Announcing intention to commence €50 million share buyback programme**

Glenveagh Properties plc ("Glenveagh" or the "Group") a leading Irish homebuilder announces its Interim Results for the period ended 30 June 2024.

### Financial Highlights

	Six Months to 30 June 2024 €m	Six Months to 30 June 2023 €m	Change
Revenue	152.2	171.6	-11%
- Suburban	102.2	109.7	
- Partnerships	32.3	-	
- Urban	17.7	61.9	
Gross profit	27.7	27.9	-1%
- Suburban	20.1	20.5	
- Partnerships	4.9	-	
- Urban	2.7	7.5	
Gross margin (%)	18.2%	16.3%	+190bps
- Suburban (%)	19.7%	18.7%	
- Partnerships (%)	15.1%	-	
- Urban (%)	15.5%	12.1%	
Profit before tax	1.0	1.4	-29%
Earnings Per Share (EPS) (cent)	0.12	0.21	-43%
Land <sup>1</sup>	411.1	443.8	
Work in Progress	441.5	317.6	
Operating cash flow	(193.7)	(93.2)	
Net Debt	244.1	182.2	

<sup>1</sup> Excluding development rights

## Operational Highlights

- Closed and forward order book totalling approximately €1.4 billion across our three business segments, underpinning our 2,700 completions for FY 2024 and giving strong visibility on deliveries and revenue into FY 2025
- Over 800 units of the 2,700 full year target completed in H1 2024 (H1 2023: 333)
- Suburban completions of 294 units in the first half (H1 2023: 333) have accelerated strongly in the third quarter. The closed and forward order book in the Suburban business is €770 million, comprising 2,215 units for delivery in FY 2024 and early FY 2025. Driven by our enlarged scale, increased standardisation of product and processes, and continued integration of manufacturing, Suburban gross margin is expected to be in excess of 20% in FY 2024, compared to an underlying margin of 19.3% in FY 2023
- Partnerships performance reflected increased construction activity in our Balmoston (Ballymastone) and Oscar Traynor Road sites. A third Partnerships contract for a site adjacent to Balmoston is now completed, with site development works now commenced. We are also advancing a fourth agreement and combined, these agreements will add approximately 1,000 units to our Partnerships pipeline for delivery from FY 2025 onwards
- Urban performance reflected the completion of 510 units from existing forward fund transactions, where approximately 90% of revenue has already been recognised in prior periods. Following the request to join the Land Development Agency (“LDA”) framework panel to accelerate the delivery of mixed tenure homes, a partnership with the agency to commence the activation of our Urban portfolio in Cork Docklands, via a forward fund transaction, is subject to final legal agreement
- Strong planning momentum with permissions now granted for approximately 1,500 units so far this year with over 95% of units targeted for FY 2025 now with planning permissions granted
- Good progress with our sustainability ambitions, focussing on implementing actions in line with our strategies on Net Zero transition, biodiversity and circular economy

## Disciplined Capital Allocation Supporting Growth and Returns

- As noted in our H1 Trading Statement on 4 July, we see potential to accelerate our future land investment plans and significantly expand our landbank in the near term in highly attractive locations. These investments, should they all materialise, would provide more than 6,000 units across multiple tenures, with an attractive return profile. These acquisitions would also provide potential to secure partnership agreements on adjacent sites for approximately 2,000 units, further enhancing the growth and return potential for that business segment and the Group overall
- Assuming these acquisitions are completed, our landbank value at year end would be approximately €500 million, with our medium-term target remaining at less than €400 million
- We remain committed to returning excess cash identified to shareholders, in accordance with our capital allocation framework. Given our operational and financial position and our confidence in the future cash generation and balance sheet strength of the business, we are pleased to announce the intention to commence on 6 September 2024 a €50 million share buyback programme, having returned over €300 million of capital to shareholders since the beginning of FY 2021
- Net Debt is expected to fall to below €200m by the end of FY 2024. This includes the commencement of our share buyback programme and all anticipated land acquisitions, should they materialise, and is within our guidance range of 15-25% of gross assets, a measure that now aligns with current covenant metrics

## Outlook

- FY 2024 is a milestone year of growth for Glenveagh. We operate in a thriving market with strong demand, driven by an outperforming economy, strong population growth, and supportive State initiatives
- Our ability to deliver great value, high-quality, sustainable homes at scale via our proven vertically integrated operation positions the business at the forefront of meeting Ireland's housing needs into the future
- We reiterate our full year EPS guidance which anticipates a more than doubling of EPS to approximately 17 cent in FY 2024 and a Return on Equity target of approximately 15%

## CFO Transition

- Glenveagh today announces that Michael Rice has informed the Board that he is stepping down from his role as Executive Director and Chief Financial Officer ("CFO") of Glenveagh to pursue other interests. Michael will step down from the Board on 31 December 2024 but will remain with Glenveagh into 2025 to ensure a smooth transition. Michael will be succeeded in the role of CFO by Conor Murtagh, who is currently Chief Strategy Officer and a member of the Group's Executive Committee.

## CEO Stephen Garvey commented:

*"Our report today strongly signals that our business remains on a solid trajectory in 2024, achieving significant milestones across all three business segments.*

*Our ability to consistently deliver high-quality, sustainable homes at scale reflects the strength of our vertically integrated operation and the skill and dedication of our team at Glenveagh. We are on track to deliver on our target of 2,700 homes this year, a critical objective in our role in the sector responding to Ireland's housing needs.*

*Glenveagh's pioneering of modern methods of construction and our focus on standardisation and innovation are central to our strategy. As we continue to expand, our commitment to sustainability, efficiency, and affordability remains at the core of our operations.*

*We welcome the Government's ongoing commitment to driving housing completions forward through targeted initiatives that enhance viability, and improvements in the planning system. The momentum we've seen in new home commencements and the growing output across the industry are promising indicators that Ireland can achieve the necessary increase in housing supply. Yet, as we aim to scale our activities further, collaboration between the public and private sectors remains key. It is crucial that we build upon the foundations laid by current initiatives to reach the next phase of output growth—delivering over 50,000 units per annum.*

*We are confident that with continued targeted policy measures and strategic partnerships involving both capital and land between the public and private sectors, we will not only meet but exceed the housing targets necessary to respond to the housing needs of Ireland's growing population and to bolster and sustain ongoing economic successes."*

## Results Presentation

A webcast presentation of the results for analysts and institutional investors will take place at 8.30am on 5 September 2024. The presentation slides will be available on the Investor Relations section on [www.glenveagh.ie](http://www.glenveagh.ie) from 7.00am on 5 September 2024.

This presentation can also be accessed live from the Investor Relations section on [www.glenveagh.ie](http://www.glenveagh.ie) or alternatively via conference call.

Conference call: [Click here to register for conference call](#)

Audio webcast: [Click here for webcast](#)

Registration and access details are also available at [Glenveagh Corporate | Investors news and events](#)

The person responsible for arranging the release of this announcement on behalf of Glenveagh is Chloe McCarthy, Group Company Secretary.

### For further information please contact:

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### Note to Editors

Glenveagh Properties plc, listed on Euronext Dublin and the London Stock Exchange, is a leading Irish homebuilder.

Supported by innovation and supply chain integration, Glenveagh are committed to opening access to sustainable high-quality homes to as many people as possible in flourishing communities across Ireland. We are focused on three core markets – suburban housing, urban apartments and partnerships with local authorities and state agencies.

[www.glenveagh.ie](http://www.glenveagh.ie)

### Forward-looking statements

This announcement does not constitute or form any part of an invitation to underwrite, subscribe for or otherwise acquire or dispose of any shares of Glenveagh Properties plc ("Glenveagh" or "the Group").

This announcement contains statements that are, or may be deemed to be, forward-looking statements. Forward-looking statements include, but are not limited to, information concerning the Group's possible or assumed future results of operations, plans and expectations regarding demand outlook, business strategies, financing plans, competitive position, potential growth opportunities, potential operating performance improvements, expectations regarding inflation, macroeconomic uncertainty, geopolitical tensions, weather patterns, the effects of competition and the effects of future legislation or regulations. Forward-looking statements include all statements that are not historical facts

and can be identified by the use of forward-looking terminology such as "may", "will", "should", "expect", "anticipate", "project", "estimate", "intend", "continue", "target", "ensure", "arrive", "achieve", "develop" or "believe" (or the negatives thereof) or other variations thereon or comparable terminology. Forward-looking statements are prospective in nature and are based on current expectations of the Group about future events, and involve risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. Although Glenveagh believes that current expectations and assumptions with respect to these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to be correct. Due to various risks and uncertainties, actual events or results or actual performance of the Group may differ materially from those reflected or contemplated in such forward-looking statements. You are cautioned not to place undue reliance on any forward-looking statements.

These forward-looking statements are made as of the date of this document. Glenveagh expressly disclaims any obligation to update these forward-looking statements other than as required by law.

The forward-looking statements in this announcement do not constitute reports or statements published in compliance with any of Regulations 6 to 8 of the Transparency (Directive 2004/109/EC) Regulations 2007 (as amended).

# **GLENVEAGH PROPERTIES PLC: BUSINESS AND FINANCIAL REVIEW**

## **1. BUSINESS REVIEW**

### **i. Group Sales**

#### **a. Overview**

The Group had total revenue of €152.2 million (H1 2023: €171.6 million), primarily driven by the completion of 294 suburban units (H1 2023: 333) in the period and the inclusion of a first-time contribution in H1 Results from our Partnerships business segment.

#### **b. Suburban**

The Group reported suburban revenue of €102.2 million, a reduction of 6.8% from the H1 2023 revenue outturn of €109.7 million.

In H1 2024, 294 suburban units were closed (H1 2023: 333). Completions were impacted by the scheduling of closings which have now accelerated in the third quarter. The Average Selling Price ("ASP") in H1 2024 was approximately €329k (H1 2023: €324k), reflecting underlying House Price Inflation ("HPI") and changes in our product and site mix.

Underlying market demand for new homes remains very strong, driven by a robust economic environment, population growth and a range of supportive demand-side initiatives from the Government.

The Group delivered approximately half of our suburban units as part of these Government support initiatives to provide social, cost rental and affordable housing.

The First Home Scheme, a €480 million fund set up as part of the Government's Housing for All strategy, continues to progress well since its launch in July 2022. The scheme helps first-time buyers, a key target market for Glenveagh, to bridge the gap between their mortgage, deposit and the price of a new home, providing up to 30% of the price of the home. Over 10,600 potential buyers have registered their interest in the Scheme to date, with a significant increase in usage during the first six months of 2024.

Alongside the Government's Help To Buy Scheme and the Central Bank of Ireland's changes to macroprudential rules in early 2023, first-time buyers have enhanced access to new housing developments and improved affordability.

#### **c. Partnerships**

FY 2023 was a milestone year for our Partnerships business segment. Full planning permission was received and construction works commenced on both the Balmoston and Oscar Traynor Road sites in H2 2023 and we reported our first interim revenue and profits contribution in H1 2024.

We are on track to have commenced the construction of almost 1,300 homes under our partnership schemes by the end of FY 2024. We have also lodged a planning application for the next phase of the Balmoston development, comprising approximately 400 mixed tenure units.

A third Partnerships contract for a site adjacent to Balmoston is now signed, with construction anticipated to begin by year end. We are also advancing a fourth agreement and combined, these agreements will add approximately 1,000 units to our Partnerships pipeline for delivery from FY 2025 onwards.

A strong pipeline of partnership opportunities has also been identified for the medium term, partnering with local authorities and the LDA on other State land developments. These have the

potential to generate significant and sustainable incremental revenue, profits and returns for the Group over the longer term.

#### **d. Urban**

Urban revenue was €17.7 million in H1 2024 (H1 2023: €61.9 million). This primarily reflects the completion of two of our contracted forward fund projects, Citywest and Castleknock, where approximately 90% of revenue had already been recognised in prior periods. These two projects delivered 510 units in the period.

Several other projects are underway or are in the final stages of negotiations and are detailed in the table below.

<b>Urban asset</b>	<b>Transaction Type</b>	<b>Transaction Status</b>
Citywest	Forward fund	Completed H1 2024
Castleknock	Forward fund	Completed H1 2024
Cluain Mhuire	Forward sale	Completion expected H2 2024
Brownsbarn	Forward fund	Subject to final legal agreement: expected H2 2024
Tyrellstown	Forward sale	In negotiation: expected H2 2024
Cork Docklands	Forward fund	Subject to final legal agreement: expected H2 2024
Blackrock, Cork	Private/Croí Cónaithe	First revenue anticipated FY 2026

Urban revenue in the second half of FY 2024 is expected to comprise the contribution from projects already contracted as well as the new revenue opportunities indicated above. Our commercial office development, the residual non-core asset in the Docklands portfolio, has completed construction with a first tenant now contracted for a portion of the building and we continue to explore opportunities for this asset.

## **ii. Forward Order Book**

The continued strength of the Irish market is demonstrated through our strong forward order book which now totals approximately €1.4 billion. This provides us with strong visibility on revenue and deliveries for the remainder of FY 2024 and into early FY 2025.

The closed and forward order book in the suburban business is €770 million, comprising 2,215 units. Strong reservation rates in our Suburban business segment reflects strong underlying private market demand that is supported by the resilience of the domestic economy, the range of Housing for All initiatives, and further underpinned by the structural undersupply across the market of high-quality, affordable housing in Ireland.

The forward order book also includes revenue to be recognised from the transactions within the Urban business segment, as well as the contracted element of the Partnerships business segment.

We are currently active on 21 sites across our business segments, with a focus on delivering higher output from larger sites to further enhance operational efficiencies.

### **iii. Planning Progress and Policy**

Strong planning momentum has continued with permissions granted for approximately 1,500 units to date in FY 2024. The Group has planning permission for all of its expected deliveries in FY 2024 and for over 95% of units targeted for FY 2025 delivery.

We also remain on track to lodge planning applications for over 2,000 units over the course of this year, further underpinning unit delivery in FY 2025 and beyond.

It is evident that the Government's range of demand and supply side incentives, coupled with enhanced compact growth guidelines and encouraging improvements in planning policy and system, are having the desired effect on industry performance and output.

Building on this momentum is critical so that the industry can meet the next phase of output growth, to deliver well over 50,000 homes per annum.

Effective delivery requires comprehensive resourcing of all aspects of the design, planning and development lifecycle and streamlined design standards at a national level. This, alongside effective partnering with local authorities and the LDA, will enable the industry and private sector capital to work together with the State to accelerate supply in a sustainable manner.

### **iv. Development Land Portfolio Management**

Our approach to land acquisitions and portfolio management is both disciplined and strategic, with a focus on maintaining a land portfolio at scale for a period of 4-5 years.

The Group's land investment, excluding development rights, was €411.1 million at 30 June 2024 (31 December 2023: €403.8 million). Development rights decreased from €29.3 million at 31 December 2023 to €27.9 million at 30 June 2024 reflecting the utilisation of certain development rights associated with our partnership agreements for Balmoston and Oscar Traynor Road.

The Group's land portfolio currently comprises over 13,100 units with an average plot cost of approximately €33k. The Suburban segment accounts for 68% of the portfolio by units, with the remainder comprising the Partnerships segment (17%) and the Urban segment (15%). Almost 70% of the overall portfolio is in the Greater Dublin Area.

The Group spent or contracted to spend a total of approximately €21.5 million on three land sites in H1 2024. These sites have the capacity to deliver approximately 550 new own-door housing in sustainable communities.

In addition, we have continued to progress negotiations on several acquisition opportunities. These opportunities, should they all materialise, would provide in excess of 6,000 new units across multiple tenures, some of which can be delivered from FY 2025. These acquisitions would also provide potential to secure partnership agreements on adjacent sites for approximately 2,000 units, further enhancing the growth and return potential for that business segment and the Group overall.

### **v. Input Cost Inflation**

The construction sector continued to face some inflationary pressures across its raw material and labour costs base in H1 2024, though at a lesser level than experienced in FY 2022 and FY 2023.

To manage the effects of inflation, we have implemented several strategies. We work closely with our supply chain partners to ensure competitive and sustainable pricing while maintaining a secure supply. Additionally, our size and purchasing power allow us to negotiate favourable terms and pricing with suppliers. Our supply chain integration strategy also gives us greater control over input costs.



Development levies were removed by the Government in April 2023 for a limited time subject to certain criteria being met, a measure that has partly mitigated against cost pressures across the industry.

These mitigation strategies enabled us to manage build cost inflation to a low single digit percentage level in H1 2024.

## **vi. Supply Chain Integration – NUA**

NUA has exhibited a strong performance in H1 2024, underpinned by its commitment to safety, innovation, and efficiency. The business leverages advanced technology in three factories located in close proximity to our main geographical areas of focus, setting a benchmark in modern construction methods. This innovation underpins our ambition to provide high-quality and accessible homes, showcasing excellence and customer satisfaction. NUA has the capacity to deliver frames for over 2,000 homes per year working on a single shift, focusing on the off-site panellised manufacture using timber frame and light gauge steel.

The Group's focus on standardising house types and investing in offsite manufacturing has been instrumental in ensuring effective delivery and high build quality. At Glenveagh, standardisation is a core principle that drives operational excellence and efficiency across design and house type layouts, mechanical and electrical layouts, and other processes. This attention to detail ensures consistency and quality across all projects, helping us to manage costs and reduce our environmental impact.

The combination of NUA and the increasing standardisation of our product and process means that we can plan, design, and build houses more effectively, with greater efficiency and speed, and in greater numbers than ever before whilst managing our resources more efficiently. This in turn supports an improved margin and return profile for the Group overall.

## **vii. Sustainability Agenda Progress**

We have continued to progress our sustainability ambitions, focussing on implementing actions in line with our strategies on Net Zero transition, biodiversity and circular economy. We continue to work towards our science-based targets which were verified by the Science Based Targets initiative (SBTi) earlier this year. Actions focus on transitioning our sites to renewable fuel, driving innovation in our design and engaging with our supply chain to drive action.

Our biodiversity strategy, 'Building a Better Habitat' and our circular economy strategy, 'Building Better Circularity' were both published in H1 2024. These set out the actions we will take to manage our impacts, risks, and opportunities with respect to these areas across our value chain.

Underpinning our three strategies is our work with our supply chain which has been ongoing throughout the first half. This involves collaborating and supporting our suppliers to come with us on our sustainability journey. Becoming a founding partner and supporting the Supply Chain Sustainability School in Ireland is a key element of this work.

In July 2024 we were named as the first company in the construction sector in Ireland to be awarded gold accreditation by the Irish Centre for Diversity. This is an important milestone for the business and the industry as we continue implementing our ED&I strategy, 'Building a Better Workplace'.

We are continuing our preparation to report in line with European Sustainability Reporting Standards (ESRS) under the Corporate Sustainability Reporting Directive (CSRD) at year end.

Our ESG ratings remain positive with our Sustainalytics rating at 16.4 ('Low-risk'), our CDP rating at B and our MSCI rating at AA.

## **2. FINANCIAL REVIEW**

### **i. Group Performance**

Total Group revenue for the first half of the year was €152 million (H1 2023: €172 million). The Group's gross profit for the period was broadly unchanged at €27.7 million (H1 2023: €27.9 million) with an overall expansion in gross margin to 18.2% (H1 2023: 16.3%).

In the Suburban business segment, revenue of €102 million represents a modest decline of 7% versus the H1 2023 outturn. The Group delivered 294 core units in the first half (H1 2023: 333) at an Average Selling Price of approximately €329k (H1 2023: €324k). ASP increased by less than 2% as a result of portfolio mix and house price inflation in the period.

Group gross margin increased by 190bps to 18.2%. The most significant driver was in the Suburban business with a gross margin of 19.7% (H1 2023: 18.7%). The business benefitted from several operational improvements including increased product standardisation, our pricing power in the market and enhanced cost efficiencies from our manufacturing capabilities. We anticipate further progression in the underlying suburban margin to over 20% for FY 2024 as we deliver at increased scale and with a higher percentage of our product from our standardised house types and our manufacturing facilities.

We generated €32 million of revenue from our Partnerships business segment, reflecting significant progress made on both Partnership sites during the period. Given the structure of the Partnership transactions, we recognise revenue and profits on a percentage of completion basis and therefore the revenue and profits recognised in H1 2024 reflect the early stages of construction rather than any units being completed. The Partnership gross margin was 15.1%, consistent with our margin guidance for that business segment.

Our Urban business segment generated revenue of €18 million. This includes the completion of our forward funds in our apartment schemes in Citywest and Castleknock, the revenue from which was primarily recognised in prior reporting periods. Urban gross margin was 15.5% in H1 2024, ahead of the H1 2023 margin of 12.1%.

Group operating profit was €8.6 million (H1 2023: €8.9 million). The Group's administrative costs for the first half were €17.7 million (H1 2023: €17.9 million), which along with €1.4 million (H1 2023: €1.2 million) of depreciation and amortisation gives total administrative expenses of €19.1 million (H1 2023: €19.1 million).

Net finance costs for the period increased modestly to €7.7 million (H1 2023: €7.5 million), primarily impacted by a higher level of average debt during the period to support the growth trajectory of the business.

Overall, the Group delivered Earnings Per Share of 0.12 cent (H1 2023: 0.21 cent).

## **ii. Balance Sheet and Cash Flow**

In H1 2024 the business continued to manage balance sheet efficiency alongside delivery of its growth agenda.

The Property, Plant & Equipment balance of €63.2 million (FY 2023: €64.2 million) decreased modestly, reflecting the completion of our phase of significant investment in our off-site facilities and equipment.

The Group's land investment, excluding development rights, was €411.1 million at 30 June 2024 (31 December 2023: €403.8 million). Development rights decreased from €29.3 million in FY 2023 to €27.9 million in H1 2024 reflecting the utilisation of certain development rights associated with our partnership agreements for Balmoston and Oscar Traynor Road.

To facilitate the significant growth trajectory during FY 2024, the business has invested in work-in progress totalling €441.5 million at 30 June 2024 (FY 2023: €274.6 million). This incremental investment of over €160 million reflects the significant growth across the business in the first half, which will unwind as unit deliveries accelerate in H2. The work-in-progress balance also includes a combined investment of approximately €90 million representing our apartment scheme in Cluain Mhuire (scheduled to complete in FY 2024) and the non-core office development in the Dublin Docklands.

Net assets increased modestly to €681.6 million at 30 June 2024 (FY 2023: €678.2 million). The Group has returned over €300 million to shareholders since the beginning of our first share buyback programme in May 2021 and remains committed to returning surplus cash to shareholders, in line with our capital allocation framework. In this context we are pleased to announce the intention to commence on 6 September 2024 a €50 million share buyback programme.

Reflecting the phasing of investment in work in progress, which has peaked in H1 2024 and will deliver in FY 2024, the Group had an increased net debt position at 30 June 2024 of €244.1 million (FY 2023: €48.8 million). This remains a prudently managed debt level in the context of the overall scale of the business and is expected to fall to below €200m by the end of FY 2024, including the commencement of our share buyback programme and even if all anticipated land acquisitions materialise.

The Group recently finalised a €100 million expansion of its credit facilities with its existing syndicate of lenders. The overall facility now totals €450 million, comprising a €150 million term loan and a €300 million revolving credit facility. The tenure, interest rates and covenants associated with these enlarged facilities are unchanged.

**Ends**

# Glenveagh Properties PLC

Condensed consolidated statement of profit or loss and other comprehensive income  
for the six months ended 30 June 2024

	Note	Unaudited 30 June 2024 €'000	Unaudited 30 June 2023 €'000
Revenue	8	152,186	171,581
Cost of sales		(124,480)	(143,647)
<b>Gross profit</b>		<b>27,706</b>	<b>27,934</b>
Administrative expenses		(19,063)	(19,088)
<b>Operating profit</b>		<b>8,643</b>	<b>8,846</b>
Finance expense		(7,654)	(7,462)
<b>Profit before tax</b>		<b>989</b>	<b>1,384</b>
Income tax	10	(319)	(129)
<b>Profit after tax</b>		<b>670</b>	<b>1,255</b>
<b>Items that are or may be reclassified subsequently to profit or loss:</b>			
Fair value movement on cashflow hedges		1,671	870
Cashflow hedges reclassified to profit or loss		(437)	5
<b>Total other comprehensive income</b>		<b>1,234</b>	<b>875</b>
<b>Total comprehensive profit for the period attributable of the owners of the Company</b>		<b>1,904</b>	<b>2,130</b>
<b>Basic earnings per share (cents)</b>		<b>0.12</b>	<b>0.21</b>
<b>Diluted earnings per share (cents)</b>		<b>0.12</b>	<b>0.21</b>

# Glenveagh Properties PLC

## Condensed consolidated balance sheet

as at 30 June 2024

		Unaudited 30 June 2024 €'000	Unaudited 31 December 2023 €'000
<b>Assets</b>	<i>Note</i>		
<b>Non-current assets</b>			
Goodwill		5,697	5,697
Property, plant and equipment	12	63,154	64,184
Intangible assets		2,875	2,781
Deferred tax asset	10	957	884
		<hr/>	<hr/>
		72,683	73,546
		<hr/>	<hr/>
<b>Current assets</b>			
Inventory	11	880,480	707,600
Trade and other receivables		97,868	77,974
Income tax receivable		4,355	3,901
Restricted cash		458	458
Cash and cash equivalents		40,690	71,863
		<hr/>	<hr/>
		1,023,851	861,796
		<hr/>	<hr/>
<b>Total assets</b>		<b>1,096,534</b>	<b>935,342</b>
		<hr/>	<hr/>
<b>Equity</b>			
Share capital	13	661	659
Share premium	13	179,757	179,719
Undenominated capital		399	399
Retained earnings		450,773	450,103
Cashflow hedge reserve		(389)	(1,623)
Share-based payment reserve		50,422	48,899
		<hr/>	<hr/>
<b>Total equity</b>		<b>681,623</b>	<b>678,156</b>
		<hr/>	<hr/>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Loans and borrowings	14	279,302	112,083
Lease liabilities		3,732	4,230
Derivative contracts		389	1,623
Trade and other payables		1,750	1,750
		<hr/>	<hr/>
		285,173	119,686
		<hr/>	<hr/>
<b>Current liabilities</b>			
Trade and other payables		127,559	132,719
Loans and borrowings	14	903	3,562
Lease liabilities		1,276	1,219
		<hr/>	<hr/>
		129,738	137,500
		<hr/>	<hr/>
<b>Total liabilities</b>		<b>414,911</b>	<b>257,186</b>
		<hr/>	<hr/>
<b>Total liabilities and equity</b>		<b>1,096,534</b>	<b>935,342</b>
		<hr/>	<hr/>

# Glenveagh Properties PLC

## Condensed consolidated statement of changes in equity

for the six months ended 30 June 2024

Unaudited	Share Capital			Share premium €'000	Share-based payment reserve €'000	Cashflow hedge reserve €'000	Retained earnings €'000	Total equity €'000
	Ordinary shares €'000	Deferred Shares €'000	Undenominated capital €'000					
Balance as at 1 January 2024	578	81	399	179,719	48,899	(1,623)	450,103	678,156
<b>Total comprehensive profit for the year</b>								
Income for the year	-	-	-	-	-	-	670	670
Fair value movement on cashflow hedges	-	-	-	-	-	1,671	-	1,671
Cashflow hedges reclassified to profit and loss	-	-	-	-	-	(437)	-	(437)
	-	-	-	-	-	1,234	670	1,904
<b>Transactions with owners of the Company</b>								
Equity-settled share-based payments	-	-	-	-	1,523	-	-	1,523
Exercise of options	2	-	-	38	-	-	-	40
Lapsed share options	-	-	-	-	-	-	-	-
Purchase of own shares (Note 13)	-	-	-	-	-	-	-	-
	2	-	-	38	1,523	-	-	1,563
Balance as at 30 June 2024	580	81	399	179,757	50,422	(389)	450,773	681,623

## for the six months ended 30 June 2023

	Share Capital				Share-based			
Unaudited	Ordinary shares €'000	Deferred Shares €'000	Undenominated capital €'000	Share premium €'000	payment reserve €'000	Cashflow hedge reserve €'000	Retained earnings €'000	Total equity €'000
Balance as at 1 January 2023	638	81	335	179,416	46,968	-	465,680	693,118
Total comprehensive profit for the period								
Profit for the period	-	-	-	-	-	-	1,255	1,255
Fair value movement on cashflow hedges	-	-	-	-	-	870	-	870
Cashflow hedges reclassified to profit and loss	-	-	-	-	-	5	-	5
	-	-	-	-	-	875	1,255	2,130
Transactions with owners of the Company								
Equity-settled share-based payments	-	-	-	-	1,042	-	-	1,042
Exercise of options	5	-	-	162	-	-	-	167
Purchase of own shares (Note 13)	(61)	-	61	-	-	-	(59,286)	(59,286)
	(56)	-	61	162	1,042	-	(59,286)	(58,077)
Balance as at 30 June 2023	582	81	396	179,578	48,010	875	407,649	637,171

# Glenveagh Properties PLC

## Condensed consolidated statement of cash flows for the six months ended 30 June 2024

		Unaudited 30 June 2024 €'000	Unaudited 30 June 2023 €'000
	Note		
<b>Cash flows from operating activities</b>			
Profit for the period		670	1,255
<i>Adjustments for:</i>			
Depreciation and amortisation		1,356	1,324
Finance costs		7,654	7,462
Profit on sale of property, plant and equipment		(27)	(216)
Equity-settled share-based payment expense	9	1,523	1,042
Tax expense	10	319	129
		<b>11,495</b>	<b>10,996</b>
<i>Changes in:</i>			
Inventories		(170,704)	(71,076)
Trade and other receivables		(19,980)	(17,600)
Trade and other payables		(6,135)	(8,294)
Cash used in operating activities		<b>(185,324)</b>	<b>(85,974)</b>
Interest paid		(8,066)	(2,790)
Proceeds from derivative settlements		523	-
Tax paid		(846)	(4,479)
<b>Net cash used in operating activities</b>		<b>(193,713)</b>	<b>(93,243)</b>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment	12	(1,646)	(11,825)
Acquisition of intangible assets		(405)	(115)
Proceeds from the sale of property, plant and equipment		225	954
<b>Net cash used in investing activities</b>		<b>(1,826)</b>	<b>(10,986)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		190,000	250,001
Repayment of loans and borrowings		(25,000)	(92,500)
Transaction costs related to loans and borrowings		-	(3,535)
Purchase of own shares		-	(59,061)
Proceeds from exercise of share options		40	167
Payment of lease liabilities		(674)	(181)
<b>Net cash from financing activities</b>		<b>164,366</b>	<b>94,891</b>
<b>Net decrease in cash and cash equivalents in the period</b>		<b>(31,173)</b>	<b>(9,338)</b>
Cash and cash equivalents at the beginning of the period		<b>71,863</b>	<b>71,085</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>40,690</b>	<b>61,747</b>



# Glenveagh Properties PLC

## Notes to the condensed consolidated interim financial statements

### 1 Reporting entity

Glenveagh Properties PLC ("the Company") is domiciled in the Republic of Ireland. The Company's registered office is Block C, Maynooth Business Campus, Straffan Road, Maynooth, Co. Kildare. These condensed consolidated interim financial statements comprise the Company and its subsidiaries (together referred to as "the Group") and cover the six month period ended 30 June 2024 ("the period"). The Group's principal activities are the construction and sale of residential houses and apartments for the private buyer, local authorities and institutional investors. The condensed consolidated interim financial statements for the six months ended 30 June 2024 are unaudited and do not constitute statutory financial statements as defined in the Companies Act 2014. A copy of the financial statements for the financial year ended 31 December 2023 are available on the Company's website (<https://glenveagh.ie/>) and are filed with the Companies Registration Office. The auditor's report accompanying those financial statements was unqualified.

### 2 Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the EU and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the financial year ended 31 December 2023 ("last annual financial statements") which have been prepared in accordance with IFRS as adopted by the EU. The interim financial statements do not include all of the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements. The accounting policies adopted are consistent with those of the previous accounting period.

### 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

In preparing these interim financial statements, management has made judgements and estimates that effect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. No individual judgment or estimate is deemed to have a significant impact upon the financial statements apart from those supporting the assessment of the carrying value of the Group's inventories as described below.

#### Critical accounting judgements

Management applies the Group's accounting policies when making critical accounting judgements, of which no individual judgement is deemed to have a significant impact upon the financial statements.

#### Key sources of estimation uncertainty

The key source of significant estimation uncertainty impacting these financial statements involves assessing the carrying value of inventories as detailed below.

#### **(a) Carrying value of work-in-progress, estimation of costs to complete and impact on profit recognition**

The Group holds inventories stated at the lower of cost and net realisable value. Such inventories include land and development rights, 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. These estimates impact

management's assessment of the net realisable value of the Group's inventory balance and also determine the extent of profit or loss that should be recognised in respect of each development in each reporting period.

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. The impact of sustainability and other macroeconomic factors have been considered in the Group's assessment of the carrying value of its inventories at 30 June 2024, particularly with regard to the potential implications for future selling prices, development expenditure and construction programming. Management has considered a number of scenarios on each of its active developments and the consequential impact on future profitability based on current facts and circumstances together with any implications for future projects in undertaking its net realisable value calculations.

## 5 New significant accounting policies

### New and amended standards adopted by the Group

#### *IAS 1 - Classification of Liabilities as Current and Non-Current Liabilities with Covenants*

The Group has adopted *Classification of Liabilities as Current and Non-Current Liabilities with Covenants – Amendments to IAS1*, as issued in 2020 and 2022 became effective in the current reporting period. The amendments apply retrospectively for annual reporting periods beginning on or after 1 January 2024. They clarify certain requirements for determining whether a liability should be classified as current or non-current and require new disclosures for non-current liabilities that are subject to covenants within 12 months after the reporting period. The Group's liabilities were not impacted by the amendments in the current and comparative financial periods.

This amended accounting standard will also apply to the Group's consolidated financial statements as at and for the year ending 31 December 2024 and the effect is not expected to be material.

#### *Standards issued but not yet effective*

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted. The Group has not early adopted any of the forthcoming new or amended standards in preparing these condensed consolidated interim financial statements and do not expect the impact of these to be material.

- *IAS 21 The Effects of Changes in Foreign Exchange Rates*: Lack of exchangeability (amendment)
- *IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures*: Sale or contribution of assets between an investor and its associate or joint venture (amendment)
- *IFRS 18 Presentation and Disclosure in Financial Statements* (amendment)

There have been no other changes to significant accounting policies during the period to 30 June 2024.

## 6 Going concern

The Group has recorded a profit before tax of €1.0 million (2023: €1.4 million). The Group has an unrestricted cash balance of €15.7 million (31 December 2023: €46.9 million) exclusive of the minimum cash balance of €25.0 million which the Group is required to maintain under the terms of its debt facilities. The Group has committed undrawn funds available of €68.3 million (31 December 2023: €233.3 million).

Management has prepared a detailed cash flow forecast in order to assess the Group's ability to continue as a going concern for at least a period of twelve months from the signing of these interim financial statements. The preparation of this forecast considered the principal risks facing the Group, including those risks that could threaten the Group's business model, future performance, solvency or liquidity over the forecast period.

The Group is forecasting compliance with all covenant requirements under the current facilities including the interest cover covenant which is based on earnings before interest, tax, depreciation and amortisation (EBITDA) excluding any non-cash impairment charges or reversals. Total debt must not exceed adjusted EBITDA by a maximum of 4 times, this is calculated on both a forward and trailing twelve-month basis. Other assumptions within the forecast include the Group's expected selling prices and sales strategies as well as its investment in work in progress which reflect updated development programmes.

Based on the forecasts modelled, the Directors have assessed the Group's going concern status for the foreseeable future. Having considered the Group's cash flow forecasts, the Directors are satisfied that the Group has the appropriate working capital management strategy, operational flexibility, and resources in place to continue in operational existence for the foreseeable future. Accordingly, these condensed consolidated interim financial statements have been prepared on a going concern basis.

## 7 Segmental information

### Segmental financial results

	30 June 2024 €'000	30 June 2023 €'000
<i>Revenue</i>		
Suburban	102,248	109,651
Urban	17,685	61,930
Partnerships	32,253	-
	<hr/>	<hr/>
<b>Revenue for reportable segments</b>	<b>152,186</b>	<b>171,581</b>
	<hr/> <hr/>	<hr/> <hr/>
	30 June 2024 €'000	30 June 2023 €'000
<i>Operating profit / (loss)</i>		
Suburban	13,293	13,477
Urban	1,459	6,076
Partnerships	3,891	(739)
	<hr/>	<hr/>
<b>Operating profit for reportable segments</b>	<b>18,643</b>	<b>18,814</b>
	<hr/> <hr/>	<hr/> <hr/>
<i>Reconciliation to results for the period</i>		
Segment results – operating profit	18,643	18,814
Finance expense	(7,654)	(7,462)
Directors' remuneration	(908)	(1,064)
Corporate function payroll costs	(2,690)	(2,874)
Depreciation and amortisation	(1,378)	(1,170)
Professional fees	(1,323)	(1,057)
Share-based payment expense	(1,523)	(1,042)
Profit on sale of property, plant and equipment	27	216
Other corporate costs	(2,205)	(2,977)
	<hr/>	<hr/>
<b>Profit before tax</b>	<b>989</b>	<b>1,384</b>
	<hr/> <hr/>	<hr/> <hr/>

## Segment assets and liabilities

	30 June 2024				31 December 2023			
	Suburban €'000	Urban €'000	Partnerships €'000	Total €'000	Suburban €'000	Urban €'000	Partnerships €'000	Total €'000
<i>Segment assets</i>	<b>636,161</b>	<b>249,788</b>	<b>97,220</b>	<b>983,169</b>	555,329	185,525	49,865	790,719
<i>Reconciliation to Consolidated Balance Sheet</i>								
Deferred tax asset				<b>957</b>				884
Trade and other receivables				<b>1,334</b>				1,010
Cash and cash equivalents				<b>40,690</b>				71,863
Property, plant and equipment				<b>63,154</b>				64,184
Income tax receivable				<b>4,355</b>				3,901
Intangible assets				<b>2,875</b>				2,781
				<b>1,096,534</b>				935,342
<i>Segment liabilities</i>	<b>82,378</b>	<b>13,691</b>	<b>27,514</b>	<b>123,583</b>	92,520	15,191	19,395	127,106
<i>Reconciliation to Consolidated Balance Sheet</i>								
Trade and other payables				<b>5,726</b>				7,363
Loans and borrowings				<b>280,205</b>				115,645
Derivative contracts				<b>389</b>				1,623
Lease liabilities				<b>5,008</b>				5,449
				<b>414,911</b>				257,186

## 8 Revenue

	30 June 2024 €'000	30 June 2023 €'000
<i>Suburban</i> Core	102,248	109,651
<i>Urban</i> Core	17,026	58,870
Non-core	659	3,060
	17,685	61,930
<i>Partnerships</i> Core	32,253	-
<b>Total Revenue</b>	<b>152,186</b>	<b>171,581</b>

As in the prior year, the Group expects significantly more closing activity (and consequently increased revenue) in the second half of the financial year as a result of the seasonality that currently exists within the Group's development cycle.

Core suburban product relates to affordable starter homes for first time buyers. Core urban product relates primarily to apartments suitable for institutional investors. Non-core urban product relates to high-end, private developments and sites. Core suburban and non-core urban revenue is recognised at a point in time. Income from the sale of land amounted to €4.1 million (30 June 2023: €Nil) in the period.

Urban core revenue includes income from the sale of land and development revenue from construction contracts that are recognised over time by reference to the stage of completion of the contract with the customer. Development revenue recognised in the period related to the development of the sites at Barn Oaks Apartments, Castleforbes and Carpenterstown and amounted to €13.3 million (30 June 2023: €58.9 million) with €17.8 million (31 December 2023: €25.5 million) outstanding in contract receivables at the period end. The payment terms for these contracts are between 30 and 90 days. Income from the sale of land amounted to €3.7 million (30 June 2023: €Nil) in the period.

Partnerships revenue includes income from the sale of units recognised at a point in time and development revenue from construction contracts that are recognised over time by reference to the stage of completion of the contract with the customer. Development revenue recognised in the financial period related to the development of the sites at Ballymastone and Oscar Traynor Road and amounted to €32.3 million (30 June 2023: €Nil) with €47.4 million (31 December 2023: €19.3 million) outstanding in contract assets at the year end. No units were sold during the current period.

## 9 Share-based payment arrangements

### (a) Description and reconciliation of options outstanding

	Number of Options 2024	Number of Options 2023
LTIP options in issue at 1 January	13,960,427	13,022,830
Granted during the period	6,037,690	5,515,311
Forfeited during the period	(1,952,697)	(1,448,503)
Exercised during the period	(1,820,872)	(3,226,235)
<b>LTIP options in issue at 30 June</b>	<b>16,224,548</b>	<b>13,863,403</b>
<b>Exercisable at 30 June</b>	<b>319,393</b>	<b>388,859</b>

### SAYE – reconciliation of options outstanding

	Number of Options 2024	Number of Options 2023
SAYE in issue at 1 January	231,000	755,220
Forfeited during the period	-	(1,167)
Lapsed during the period	-	(720)
Exercised during the period	(66,000)	(270,333)
<b>SAYE options in issue at 30 June</b>	<b>165,000</b>	<b>483,000</b>
<b>Exercisable at 30 June</b>	<b>-</b>	<b>48,000</b>

The options outstanding at 30 June 2024 had an exercise price €0.001 (2023: €0.001) and a weighted-average contractual life of 7 years (2023: 7 years).

### (b) Measurement of fair values

The EPS and ROE related performance conditions are non-market conditions and do not impact the fair value of the EPS or ROE based awards at grant date which is equivalent to the share price at grant date. Awards granted have a three year vesting period. The inputs used in measuring fair value at grant date were as follows:

	2024	2023
<b>Fair value at grant date</b>	<b>€1.30</b>	<b>€1.12</b>
Share price at grant date	€1.30	€1.12

The exercise price of all options granted under the LTIP to date is €0.001 and all options have a 7-year contractual life.

### (c) Expense recognised in profit or loss

The Group recognised an expense of €1.5 million (2023: €1.0 million) in the condensed consolidated statement of profit or loss in respect of options granted under the LTIP and SAYE arrangements.

## 10 Income tax

	30 June 2024 €'000	30 June 2023 €'000
Current tax charge for the period	392	750
Deferred tax credit for the period	(73)	(621)
<b>Total income tax charge</b>	<b>319</b>	<b>129</b>
<b>Movement in deferred tax balances</b>	<b>Balance At 1 January 2024 €'000</b>	<b>Recognised in the period €'000</b>
Expenses deductible in future periods	884	73
		<b>Balance at 30 June 2024 €'000</b>
		957

The expenses deductible in future periods arise in Ireland and have no expiry date. Based on profitability achieved in the period, the continued forecast profitability in the Group's strategic plan and the sensitivities that have been applied therein, 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.

### *Global minimum tax*

To address concerns about uneven profit distribution and tax contributions of large multinational corporations, various agreements have been reached at a global level, including an agreement by over 135 jurisdictions to introduce a global minimum tax rate of 15%. In December 2022, the Organisation for Economic Co-operation and Development ("OECD") released a draft legislative framework that is expected to be used by individual jurisdictions that signed the agreement to amend their local tax laws. Once changes to the tax laws in any jurisdiction in which the Group operates are enacted or substantively enacted, the Group may be subject to the top-up tax. Currently, the Group operates solely in the Republic of Ireland, based on current criteria there is no current tax impact in the period ended 30 June 2024 (*six months ended 30 June 2023: €Nil*).

## 11 Inventory

	30 June 2024 €'000	31 December 2023 €'000
Land	411,123	403,756
Development expenditure work in progress	441,482	274,592
Development rights	27,875	29,252
	<b>880,480</b>	<b>707,600</b>

### *(i) Employment cost capitalised*

€12.0 million of employment costs incurred in the period have been capitalised in inventory (*June 2023: €7.0 million*).

### *(ii) Development rights*

*Oscar Traynor Road, Coolock, Dublin 5*

In December 2022, the Company entered into a Development Agreement ("DA") with Dublin City Council ("DCC"). Under the terms of the DA and following planning permission being granted in February 2023, the Company acquired certain development rights in respect of the site at Oscar Traynor Road, Coolock, Dublin 5 for consideration of approximately €14.0m exclusive of stamp duty

and acquisition costs. Under the granted planning permission for the site, the development rights entitle the Company to develop approximately 850 residential units alongside commercial elements in accordance with the terms of the DA.

*Ballymastone, Donabate, Dublin*

In December 2021, the Company entered into a Development Agreement (“DA”) with Fingal County Council (“FCC”). Under the terms of the DA and following planning permission being granted in March 2023, the Company acquired certain development rights in respect of the site at Ballymastone, Donabate, Dublin for consideration of approximately €11.0m exclusive of stamp duty and acquisition costs. The development rights (subject to planning permission) entitle the Company to develop approximately 1,200 residential units in accordance with the terms of the DA.

## 12 Property, plant and equipment

During the period, the Group recognised total additions to property, plant and equipment of €2.4 million (*six months ended 30 June 2023: €11.8 million*) which included expenditure on land and buildings of €0.7 million (*six months ended 30 June 2023: €8.5 million*), with €1.7 million (*six months ended 30 June 2023: €3.3 million*) invested in plant and machinery, fixtures and fittings and computer equipment. Depreciation recognised in the period was €3.3 million (*six months ended 30 June 2023: €2.3 million*). Net disposals of plant and machinery in the period of €0.2m (*six months ended 30 June 2023: €0.6 million*).

During the period, the Group entered into new lease agreements for the use of motor vehicles €0.2 million (*six months ended 30 June 2023: €0.2 million*).

## 13 Share capital and share premium

### (a) Authorised share capital

As at 30 June 2024 and 31 December 2023	Number of shares	€'000
Ordinary shares of €0.001 each	1,000,000,000	1,000
Deferred shares of €0.001 each	200,000,000	200
	<hr/>	<hr/>
	1,200,000,000	1,200
	<hr/>	<hr/>

### (b) Issued and fully paid share capital and share premium

As at 30 June 2024	Number of shares	Share capital €'000	Share premium €'000
Ordinary shares of €0.001 each	579,935,991	580	179,757
Deferred shares of €0.001 each	81,453,077	81	-
	<hr/>	<hr/>	<hr/>
	661,389,068	661	179,757
	<hr/>	<hr/>	<hr/>
As at 31 December 2023	Number of shares	Share capital €'000	Share premium €'000
Ordinary shares of €0.001 each	578,049,119	578	179,719
Deferred shares of €0.001 each	81,453,077	81	-
	<hr/>	<hr/>	<hr/>
	659,502,196	659	179,719
	<hr/>	<hr/>	<hr/>



On 6 January 2023, a fourth share buyback programme commenced to repurchase up to 10% of the Group's issued share capital such that the maximum number of shares which can be repurchased under this buyback is 63,813,172. As at 30 June 2023 the total number of shares purchased under the fourth buyback programme was 60,552,834 at a total cost of €59.3 million. On 2 August 2023, the Group completed the fourth share buyback programme repurchasing 63,813,172 shares for a cost of €62.7 million. All repurchased shares were cancelled.

## 14 Loans and Borrowings

### (a) Loans and borrowings

The Group is party to a five-year sustainability linked finance facility of €350.0 million (Term loan: €116.7m, Revolving Credit Facility: €233.3m), with a syndicate of domestic and international financial institutions, at an interest rate of one-month EURIBOR (subject to a floor of 0 per cent) plus a margin of 2.7-2.8%. The debt facility interest rates are linked to the Group meeting certain sustainability performance targets aligned to its sustainability strategy. The sustainability performance targets are in respect of decarbonisation and the Group's Equity, Diversity and Inclusion strategy. The term loan is repayable in full in February 2028. €281.7 million has been drawn on the debt facility (31 December 2023: €116.7 million). Pursuant to the debt facility agreement, there are fixed and floating charges and assignments in place over all the assets of the Group as continuing security for the discharge of any amounts drawn down. The assets' carrying value at the end of the period is €1,096.5 million (31 December 2023: €935.3 million).

	30 June 2024 €'000	31 December 2023 €'000
Debt facilities	281,667	116,667
Unamortised transaction costs	(3,253)	(3,697)
Interest accrued	1,791	2,675
<b>Total loans and borrowings</b>	<b>280,205</b>	<b>115,645</b>
<b>Loans and borrowings are payable as follows:</b>	<b>30 June 2024 €'000</b>	<b>31 December 2023 €'000</b>
Less than one year	1,791	2,675
Between one and two years	-	-
More than two years	281,667	116,667
<b>Total loans and borrowings</b>	<b>283,458</b>	<b>119,342</b>

The Group's debt facilities were entered into with AIB, Bank of Ireland, Barclays and Home Building Finance Ireland and are subject to primary financial covenants calculated on a bi-annual basis:

- A maximum total debt to gross asset value ratio of 40%;
- Loans to eligible assets value does not equal or exceed 65%;
- The Group is required to maintain a minimum cash balance of €25.0 million throughout the term of the debt facility;
- EBITDA must exceed net interest costs by a minimum of 3 times and is calculated on a trailing twelve-month basis.
- Total debt must not exceed adjusted EBITDA by a minimum of 4 times, this is calculated on a trailing twelve-month basis, and;
- Total debt must not exceed projected adjusted EBITDA by a minimum of 4 times, this is calculated on a forward twelve-month basis.

All covenants have been complied with in the 6-month period and in financial year 2023.

**(b) Net funds reconciliation**

	30 June 2024 €'000	31 December 2023 €'000
Restricted cash	458	458
Cash and cash equivalents	40,690	71,863
Loans and borrowings	(280,205)	(115,645)
Lease liabilities	(5,008)	(5,449)
	<hr/>	<hr/>
<b>Total net debt</b>	<b>(244,065)</b>	<b>(48,773)</b>
	<hr/>	<hr/>

**15 Financial instruments and financial risk management****(a) Accounting classification and fair value**

The Group classifies and discloses the fair value for each class of financial instrument based on the fair value hierarchy in accordance with IFRS 13. The fair value hierarchy distinguishes between market value data obtained from independent sources and the Group's own assumptions about market value. The hierarchy levels are defined below:

- Level 1 - Inputs based on quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs based on factors other than quoted prices included in Level 1 and may include quoted prices for similar assets and liabilities in active markets, as well as inputs that are observable for the asset or liability (other than quoted prices), such as interest rates and yield curves that are observable at commonly quoted intervals; and
- Level 3 - Inputs which are unobservable for the asset or liability and are typically based on the Group's own assumptions as there is little, if any, related market activity. The Group's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgement and considers factors specific to the asset or liability.

The Group's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgement and considers factors specific to the asset or liability.

The following table presents the Group's estimates of fair value on a recurring basis based on information available at 30 June 2024, aggregated by the level in the fair value hierarchy within which those measurements fall.

30 June 2024	Level 1 Quoted prices in active markets for identical assets & liabilities €'000	Level 2 Significant other observable inputs €'000	Level 3 Significant unobservable inputs €'000	Total €'000
<b>Recurring Measurement Liabilities</b>				
Contingent consideration	-	-	3,500	3,500
Derivative contracts	-	389	-	389
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>-</b>	<b>389</b>	<b>3,500</b>	<b>3,889</b>
	<hr/>	<hr/>	<hr/>	<hr/>

31 December 2023	Level 1 Quoted prices in active markets for identical assets & liabilities €'000	Level 2 Significant other observable inputs €'000	Level 3 Significant unobservable inputs €'000	Total €'000
<b>Recurring Measurement Liabilities</b>				
Contingent consideration	-	-	3,500	3,500
Derivative contracts	-	1,623	-	1,623
<b>Total</b>	<b>-</b>	<b>1,623</b>	<b>3,500</b>	<b>5,123</b>

The following table shows the carrying amounts and fair values of financial assets and financial liabilities.

	Carrying Amount Financial assets at amortised cost	
	30 June 2024 €'000	31 December 2023 €'000
<b>Financial assets not measured at fair value</b>		
Trade receivables	2,046	9,765
Amounts recoverable on construction contracts	18,144	25,540
Contract assets	47,411	16,996
Other receivables	3,629	3,475
Construction bonds	17,346	15,924
Deposits for sites	2,552	5,168
Cash and cash equivalents	40,690	71,863
Restricted cash (current)	458	458
<b>Total financial assets</b>	<b>132,276</b>	<b>149,189</b>

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

	Carrying amount Other financial liabilities	
	30 June 2024 €'000	31 December 2023 €'000
<b>Financial liabilities not measured at fair value</b>		
Trade payables	28,910	7,875
Lease liabilities	5,008	5,449
Inventory accruals	79,136	64,921
Other accruals	14,557	26,651
Contingent consideration	3,500	3,500
Loans and borrowings*	280,205	119,617
<b>Total financial liabilities</b>	<b>411,316</b>	<b>228,013</b>

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

\*The fair value of the group's loans and borrowings is €278.3m at 30 June 2024 (31 December 2023: 119.6m)

## (b) 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;
- market risk – the risk that changes in market prices, such as interest rates will affect the Group's income or the value of its holdings of financial instruments; and
- credit risk – the risk that a counter-party will default on their contractual obligations resulting in a financial loss to the Group.

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. The Group's liquidity forecasts consider all planned development expenditure.

The Group is party to a five-year sustainability linked finance facility of €350.0 million with a syndicate of domestic and international financial institutions, at an interest rate of one-month EURIBOR (subject to a floor of 0 per cent) plus a margin of 2.7-2.8%. The debt facility interest rates are linked to the Group meeting certain sustainability performance targets aligned to its sustainability strategy. The sustainability performance targets are in respect of decarbonisation and the Group's Equity, Diversity and Inclusion strategy. €281.7 million has been drawn on the debt facility (31 December 2023: €116.7 million). The Group has an exposure to cash flow interest rate risk where there are changes in the EURIBOR rates.

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. Set out below are details of the Group's contractual cash flows arising from its financial liabilities and funds available to meet these liabilities.

<b>Funds available</b>	<b>30 June 2024 €'000</b>	<b>31 December 2023 €'000</b>
Debt facilities (undrawn committed)	68,333	233,333
Cash and cash equivalents*	40,690	71,863
Restricted cash	458	458
	<hr/>	<hr/>
	<b>109,481</b>	<b>305,654</b>
	<hr/>	<hr/>

\*Includes €25.0 million (31 December 2023: €25.0 million) of restricted cash.

The Group's RCF is subject to the following primary financial covenants on a bi-annual basis:

- A maximum total debt to gross asset value ratio of 40%;
- Loans to eligible assets value does not equal or exceed 65%;
- The Group is required to maintain a minimum cash balance of €25.0 million throughout the term of the debt facility;
- EBITDA must exceed net interest costs by a minimum of 3 times and is calculated on a trailing twelve-month basis.
- Total debt must not exceed adjusted EBITDA by a minimum of 4 times, this is calculated on a trailing twelve-month basis, and;
- Total debt must not exceed projected adjusted EBITDA by a minimum of 4 times, this is calculated on a forward twelve-month basis.

	30 June 2024				
	Carrying amount €'000	Contractual cash flows €'000	Less than 1 year €'000	1 year to 2 years €'000	More than 2 years €'000
Lease liabilities	5,008	5,517	1,370	1,354	2,793
Trade payables	28,910	28,910	28,910	-	-
Inventory accruals	79,136	79,136	79,136	-	-
Other accruals	14,557	14,557	14,557	-	-
Contingent consideration	3,500	3,500	3,500	-	-
Derivative contracts	389	389	(318)	63	644
Loans and borrowings	280,205	338,093	20,036	18,245	299,812
	<u>411,705</u>	<u>470,102</u>	<u>147,191</u>	<u>19,662</u>	<u>303,249</u>

	31 December 2023				
	Carrying amount €'000	Contractual cash flows €'000	Less than 1 year €'000	1 year to 2 years €'000	More than 2 years €'000
Lease liabilities	5,499	6,005	1,314	1,303	3,388
Trade payables	7,875	7,875	7,875	-	-
Inventory accruals	64,921	64,921	64,921	-	-
Other accruals	26,651	26,651	26,621	-	-
Contingent consideration	3,500	3,500	1,750	1,750	-
Derivative contracts	1,623	1,623	(362)	569	1,416
Loans and borrowings	115,645	134,725	13,018	10,343	111,364
	<u>225,714</u>	<u>245,300</u>	<u>115,167</u>	<u>13,965</u>	<u>116,168</u>

### Market risk

Interest rate risk reflects the Group's exposure to changes in interest rates and stems predominantly from its debt obligations. Interest rate risk reflects the Group's exposure to fluctuations in interest rates in the market. This risk arises from bank loans that are drawn under the Group's debt facilities with variable interest rates based upon EURIBOR. At the period ended 30 June 2024 it is estimated that an decrease of 100 basis points to EURIBOR would have increased the Group's profit before tax by €1.1 million (2023: decrease of €1.1 million) assuming all other variables remain constant, and the rate change is only applied to the loans that are exposed to movements in EURIBOR.

As part of the Group's strategy to manage our interest rate risk, the Group entered into an interest rate swap on 28 February 2023 to hedge the interest rate risk associated with the €100.0 million term loan element of our new debt facilities. The interest rate swap is in place for the 5-year period of the facility agreement. The nominal amount hedged for years one and two is €100.0 million with this stepping down to €50.0 million for the remaining three years of the facility agreement.

The Group is also exposed to interest rate risk on its cash and cash equivalents. These balances attract low interest rates and therefore a relative increase or decrease in their interest rates would not have a material effect on the Group's profit.

## Interest rate risk

The amounts relating to items designated as hedging instruments and hedge ineffectiveness were as follows:

	<u>As at 30 June 2024</u>			<u>For the six months ended 30 June 2024</u>			
	Carrying amount			Changes in the value of hedging instruments recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Line items in profit or loss that includes hedge ineffectiveness	Amount reclassified from hedging reserve to profit or loss
	Nominal amount (€'000)	Assets (€'000)	Liability (€'000)	(€'000)	(€'000)	(€'000)	(€'000)
Interest rate swap	100,000	-	(389)	1,671	-	Loss on derivative financial instruments	(437)
							Financing costs

  

	<u>As at 31 December 2023</u>			<u>For the year ended 31 December 2023</u>			
	Carrying amount			Changes in the value of hedging instruments recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Line items in profit or loss that includes hedge ineffectiveness	Amount reclassified from hedging reserve to profit or loss
	Nominal amount (€'000)	Assets (€'000)	Liability (€'000)	(€'000)	(€'000)	(€'000)	(€'000)
Interest rate swap	100,000	-	(1,623)	(1,240)	-	Loss on derivative financial instruments	(383)
							Financing costs

The Group held the following instruments to hedge exposures to changes in interest rates.

	30 June 2024	31 December 2023
<b>Interest rate swaps</b>		
Net exposure (€'000)	388	1,535
Average fixed interest rate	3.035%	3.035%

The amounts at the reporting date relating to items designated as hedged items were as follows:

<u>As at 30 June 2024</u>	Change in value used for calculating hedge ineffectiveness €'000	Cashflow hedge Reserve €'000
Interest rate swap	-	(389)
	-	(389)

As at 31 December 2023

	Change in value used for calculating hedge ineffectiveness €'000	Cashflow hedge Reserve €'000
Interest rate swap	-	(1,623)
	<hr/>	<hr/>
	-	(1,623)
	<hr/>	<hr/>

## Credit risk

The Group's exposure to credit risk encompasses the financial assets being: trade and receivables, contract assets and cash and cash equivalents. Credit risk is managed by regularly monitoring the Group's credit exposure to each counter-party to ensure credit quality of customers and financial institutions in line with internal limits approved by the Board.

There has been no impairment of trade receivables in the year presented. The impairment loss allowance allocated against trade receivables, contract assets, cash and cash equivalents and restricted cash is not material. The credit risk on cash and cash equivalents is limited because counter-parties are leading international banks with minimum long-term BBB+ credit-ratings assigned by international credit agencies. The maximum amount of credit exposure is the financial assets in this note.

## 16 Commitments and contingent liabilities

### *Hollystown Golf and Leisure Limited ("HGL")*

During 2018, the Group acquired 100 per cent of the share capital of HGL. Under the terms of an overage covenant signed in connection with the acquisition, the Group has committed to paying the vendor an amount equal to an agreed percentage of the uplift in market value of the property should any lands owned by HGL, that are not currently zoned for residential development be awarded a residential zoning. This commitment has been treated as contingent consideration and the fair value of the contingent consideration at the acquisition date was initially recognised at €nil. At the reporting date, the fair value of this contingent consideration was considered insignificant.

### *Contracted acquisitions*

At 30 June 2024, the Group had contracted to acquire development sites; one in County Galway, one in County Meath and one in County Cork for an aggregate consideration of approximately €11.8 million (excluding stamp duty and legal fees). Deposits totalling €2.6 million were paid pre-period end and are included within trade and other receivables at 30 June 2024.

## 17 Subsequent events

In August 2024, the Group finalised an expansion of the existing sustainability linked finance facility to €450.0m (Term Loan: €150.0m, Revolving Credit Facility €300.0m) with the existing syndicate of domestic and international financial institutions. All other terms and conditions agreed at the commencement of the facility remain the same as at the commencement in February 2023.

A third Partnerships contract with revenue of approx. €50 million for a site adjacent to our Balmoston site is now signed, with construction anticipated to begin by year end.

## 18 Goodwill

No indicator of impairment existed at reporting date in respect of goodwill.

## 19 Related party transactions

There were no related party transactions in the current or prior reporting period.

## **20 Approved condensed consolidated interim financial statements**

The Directors approved the condensed consolidated interim financial statements on 4 September 2024.