3 September 2018

Glenveagh Properties PLC

Interim Results Statement

Glenveagh Properties PLC ("Glenveagh" or the "Group") a leading Irish homebuilder listed on Euronext Dublin and the London Stock Exchange today announces its interim results for the period ended 30 June 2018. This statement also comments on the Group's current trading and outlook for the financial year.

Group operational update

The Group continues to be ahead of schedule in delivering its key IPO targets, namely acquiring land for residential building, constructing and selling houses and apartments, and scaling its business as a PLC.

- Land Acquisitions
    - €479 million of capital has now been deployed in land assets since last October's IPO.
    - The Group's landbank is now 11,370 units, 31% of which are shovel-ready with 98% zoned residential[1]:
        - *Homes's* landbank comprises 9,520 units across 39 sites;
        - *Living's* landbank comprises 1,850 units across four sites.
    - Deployment of recent capital raise proceeds is a priority for the Group in light of a strong and attractive land pipeline.

- Construction
    - Construction has now commenced on 12 sites for *Homes* with c.800 units expected to be under construction during 2018.

- Sales
    - Sales activity has been strong with 278 units sold, signed or reserved from 1 January through to 31 August.
    - The Group is currently selling from seven sites, which will rise to eight sites during the remainder of 2018.
    - *Homes* continues to evaluate its sales options for its Herbert Hill, Dundrum site following reverse enquiries from institutional investors seeking yielding product in a scarce environment for quality, new build rental stock. A further update will be provided on or before our 2018 results announcement.

- Scaling the business as a PLC
    - Headcount has increased from 85 permanent employees at IPO, 148 employees at the March results, to 230 permanent employees today, with over 80% of recruitment in the construction, health and safety and commercial departments.

Group financial highlights

- Revenue of €1.3 million in the period relating primarily to the closing of six 2 & 3-bed starter homes in the GDA, as well as rental income from a number of our sites.
    - *Homes* remains on-track to deliver 250 units in the full-year to 31 December 2018 with 278 units sold, signed or reserved at 31 August.
- Underlying gross margin of 16.7% (excluding rental income of €0.1 million).

[1] As a proportion of acquisition cost.

Group financial highlights *(continued)*

- Administrative expenses (excluding depreciation and amortisation) of €8m for the period include certain non-recurring set-up costs. Previous guidance of c.€16 million for the financial year remains appropriate while the Group remains on track to meet its target of less than 5% of revenue once scale is achieved.
- Inventory of €470 million reflects the strong investment in our development land portfolio and WIP associated with the significant progress on site.
- In April 2018, the Group entered into a Revolving Credit Facility for a total of €250 million (of which €125 million is an accordion facility).

Subsequent to period end, the Group completed a Capital Raise for gross proceeds of approximately €213 million (approximately €205 million net of commissions, fees and expenses) from the issue of 185,291,388 new ordinary shares. The Group has c. €200 million of cash available to deploy on further land acquisitions.

Principal risks and uncertainties

The principal risks and uncertainties facing the Group in the short to medium term, as set out on pages 37 to 40 of the 2017 Annual Report (together with the key mitigating considerations), continue to be those sfor the remainder of the financial year.

Related party transactions

Detail in relation to related party transactions entered into by the Group in the period is set out in note 22 of the consolidated interim financial statements.

Outlook

The Group's market backdrop remains very favourable with significant demand for housing, particularly starter homes, clearly evident across the Group's selling sites, while the supply side remains fragmented and sub-scale, with other market participants having limited access to equity or appropriately priced debt.

Over the next six months, Glenveagh's goals will be to:

- Substantially deploy the proceeds from our recent capital raise on targeted land acquisitions
- Continue to open new construction sites further de-risking the Homes volume targets
- Continue to invest in our building operations, consistent with a volume homebuilder
- Continue to evaluate monetisation routes for Glenveagh Living's PRS portfolio and prioritise its mixed-tenure opportunity.

Glenveagh's Co-Founder and CEO Justin Bickle commented:

"The past 12 months have been very productive as we completed our IPO and then set out on our mission to create a volume homebuilder for the Irish market. We have carefully assembled a multi-year land bank for building, got off to a strong start in opening our sites and constructing houses and apartments, and grown our operations consistent with our business plan and longer-term financial targets. As a result of our recent capital raising we now have a stronger balance sheet to complement a market leading construction offering and are focussed on those segments in Irish residential: starter homes, PRS and mixed-tenure, which we believe will result in long term sustainable returns for our shareholders.

I am grateful for the support of our staff, industry partners and shareholders and for their belief in our business. We look forward to the future with confidence."

For further information please contact:

Investors:	**Media:**
Glenveagh Properties PLC Justin Bickle (CEO)	**Gordon MRM** Ray Gordon 087 241 7373

Michael Rice (CFO) Conor Murtagh (Director, Strategy & IR) investors@glenveagh.ie	David Clerkin 087 830 1779 glenveagh@gordonmrm.ie

Results Presentation

A conference call for analysts and investors will take place at 8.30am (GMT) this morning to present the financial and operational results followed by a Q&A session. Please dial: Ireland +353 (0) 1 2460271 / UK +44 (0) 20 3059 2697 / USA +1 347 532 1806; Conference PIN 9730744. Participant Pin *0.

A playback facility will be provided shortly after the presentation has finished.

Note to Editors

Glenveagh Properties PLC is a leading Irish homebuilder listed on Euronext Dublin and the London Stock Exchange. With a focus on strategically located developments in the Greater Dublin Area, Cork, Limerick and Galway, the Group comprises two complementary divisions, Glenveagh Homes and Glenveagh Living. Glenveagh Homes' delivers high quality starter homes to its private customers with selective developments of mid-size and executive houses and apartments in areas of high demand.

Glenveagh Living delivers houses and apartments for the public sector and institutional investors. Its Partnerships business focusses on mixed-tenure and joint venture opportunities with the public sector in Ireland, while its PRS business delivers large-scale private rental product for institutional investors.
www.glenveagh.ie

Glenveagh Properties PLC

Statement of directors' responsibilities in respect of the condensed consolidated interim financial statements

The Directors are responsible for preparing this interim management report in all material respects, in accordance with IAS 34 Interim Financial Reporting as adopted by the EU, the Transparency (Directive 2004/109/EC) Regulations 2007, and the Transparency Rules of the Central Bank of Ireland.

The directors are responsible for designing, implementing and maintaining such internal controls as they determine is necessary to enable the preparation of the interim financial information that is free from material misstatement whether due to fraud or error.

We confirm that to the best of our knowledge:

(1) the condensed set of financial statements in the half-yearly financial report of Glenveagh Properties PLC ("the Company") for the six months ended 30 June 2018 ("the interim financial information") which comprises condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated balance sheet, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows and the related explanatory notes, have been presented and prepared in accordance with International Accounting Standard 34, Interim Financial Reporting, as adopted by the European Union.

(2) The interim financial information presented, as required by the Transparency (Directive 2004/109/EC) Regulations 2007, includes:

a. an indication of important events that have occurred during the first six months of the financial year, and their impact on the condensed set of financial statements;
b. a description of the principal risks and uncertainties for the remaining six months of the financial year;
c. related parties' transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or the performance of the entity during that period; and
d. any changes in the related parties' transactions described in the last annual report that could have a material effect on the financial position or performance of the entity in the first six months of the current financial year.

On behalf of the board

Justin Bickle
Director

Stephen Garvey
Director

31 August 2018

Glenveagh Properties PLC

Independent auditor's review report on the condensed consolidated interim financial statements to the members of Glenveagh Properties PLC

Introduction

We have been engaged by the company to review the condensed set of consolidated financial statements in the half-yearly financial report for the six months ended 30 June 2018 which comprises condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated balance sheet, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows and the related explanatory notes. Our review was conducted having regard to the Financial Reporting Council's ("FRCs") International Standard on Review Engagements ("ISRE") (UK and Ireland) 2410, *'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'.*

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of consolidated financial statements in the half-yearly report for the six months ended 30 June 2018 is not prepared, in all material respects, in accordance with IAS 34 '*Interim Financial Reporting'* as adopted by the EU, the Transparency (Directive 2004/109/EC) Regulations 2007 ("Transparency Directive"), and the Transparency Rules of the Central Bank of Ireland.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Transparency Directive and the Transparency Rules of the Central Bank of Ireland. As disclosed in note 2, the annual financial statements of the group are prepared in accordance with International Financial Reporting Standards as adopted by the EU. The directors are responsible for ensuring that the condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU.

Our responsibility

Our responsibility is to express to the company a conclusion on the condensed set of consolidated financial statements in the half-yearly financial report based on our review.

Scope of review

We conducted our review having regard to the Financial Reporting Council's International Standard on Review Engagements (UK and Ireland) 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We read the other information contained in the half-yearly financial report to identify material inconsistencies with the information in the condensed set of consolidated financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the review. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Independent auditor's review report on the condensed consolidated interim financial statements to the members of Glenveagh Properties PLC *(continued)*

The purpose of our review work and to whom we owe our responsibilities

This report is made solely to the company in accordance with the terms of our engagement to assist the company in meeting the requirements of the Transparency Directive and the Transparency Rules of the Central Bank of Ireland. Our review has been undertaken so that we might state to the company those matters we are required to state to it in this 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 for our review work, for this report, or for the conclusions we have reached.

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

31 August 2018

Glenveagh Properties PLC

Condensed consolidated statement of profit or loss and other comprehensive income
for the six months ended 30 June 2018

	Note	**Total €'000**
Revenue	*7*	**1,296**
Cost of sales		**(996)**
Gross profit		**300**
Administrative expenses		**(8,077)**
Operating loss		**(7,777)**
Finance expense		**(389)**
Loss before tax		**(8,166)**
Income tax credit	*11*	**1,007**
Loss after tax attributable to the owners of the Company		**(7,159)**
Other comprehensive income		**-**
Total comprehensive loss for the period attributable of the owners of the Company		**(7,159)**
Basic loss per share (cents)	*10*	**(1.07)**
Diluted loss per share (cents)	*10*	**(1.07)**

Glenveagh Properties PLC

Condensed consolidated balance sheet
as at 30 June 2018

	Note	**30 June 2018 €'000**	31 December 2017 €'000
Assets			
Non-current assets			
Property, plant and equipment	*12*	**9,092**	1,476
Intangible assets		**301**	75
Deferred tax asset	*11*	**1,168**	151
Restricted cash	*17*	**1,500**	1,500
		12,061	3,202
Current assets			
Inventory	*13*	**469,968**	228,089
Trade and other receivables	*14*	**28,562**	69,700
Cash and cash equivalents		**163,180**	351,796
		661,710	649,585
Total assets		**673,771**	652,787
Equity			
Share capital	*21*	**867**	867
Share premium	*21*	**666,381**	666,381
Retained earnings		**(81,271)**	(74,112)
Share-based payment reserve		**47,732**	47,548
Total equity		**633,709**	640,684
Liabilities			
Non-current liabilities			
Trade and other payables	*15*	**1,803**	1,903
Finance lease liability		**21**	170
		1,824	2,073
Current liabilities			
Trade and other payables	*15*	**27,882**	9,946
Loans and borrowings	*16*	**10,322**	-
Finance lease liability		**34**	84
		38,238	10,030
Total liabilities		**40,062**	12,103
Total liabilities and equity		**673,771**	652,787

Glenveagh Properties PLC

Condensed consolidated statement of changes in equity

for the six months ended 30 June 2018

	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 1 January 2018	**667**	**200**	**666,381**	**47,548**	**(74,112)**	**640,684**
Total comprehensive loss for the period						
Loss for the period	-	-	-	-	**(7,159)**	**(7,159)**
Other comprehensive income	-	-	-	-	-	-
	-	-	-	-	**(7,159)**	**(7,159)**
Transactions with owners of the Company						
Equity-settled share-based payments	**-**	**-**	**-**	**184**	**-**	**184**
	-	**-**	**-**	**184**	**-**	**184**
Balance as at 30 June 2018	**667**	**200**	**666,381**	**47,732**	**(81,271)**	**633,709**

Glenveagh Properties PLC

Condensed consolidated statement of cash flows
for the six months ended 30 June 2018

	Note	2018 €'000
Cash flows from operating activities		
Loss for the period		**(7,159)**
Adjustments for:		
Depreciation and amortisation	*9*	**91**
Finance costs		**389**
Equity-settled share-based payment expense	*20*	**184**
Tax credit	*11*	**(1,007)**
		(7,502)
Changes in:		
Inventories		**(183,637)**
Trade and other receivables		**(3,441)**
Trade and other payables		**17,538**
Cash used in operating activities		**(177,042)**
Interest paid		**(109)**
Tax paid		**-**
Net cash used in operating activities		**(177,151)**
Cash flows from investing activities		
Acquisition of plant, property and equipment		**(7,352)**
Acquisition of intangible assets		**(226)**
Acquisition of subsidiary, net of cash acquired	*18*	**(13,663)**
Net cash used in investing activities		**(21,241)**
Cash flows from financing activities		
Proceeds from borrowings	*16*	**11,000**
Transaction costs related to loans and borrowings		**(1,025)**
Payment of finance lease liabilities		**(199)**
Net cash from financing activities		**9,776**
Net decrease in cash and cash equivalents in the period		**(188,616)**
Cash and cash equivalents at 1 January 2018		**351,796**
Cash and cash equivalents at 30 June 2018		**163,180**

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 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 2018 ("the period"). 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. The financial information for the six months ended 30 June 2018 does not constitute statutory accounts as defined in the Companies Act 2014. A copy of the financial statements for the period ended 31 December 2017 are available on the Company's website. The auditor's report on those financial statements was not qualified.

2 Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the period ended 31 December 2017 ("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 except for those set out in Note 5.

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 affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

5 New standards and interpretations and adoption of new accounting policies

The following new standards became effective in the period:

(a) IFRS 15 Revenue from Contracts with Customers

From 1 January 2018, IFRS 15, *Revenue from Contracts with Customers* replaced IAS 18 *Revenue* and IAS 11 *Construction Contracts*, setting out new revenue recognition criteria particularly with regard to performance obligations and assessment of when control of goods or services passes to the customer.

The Group has adopted IFRS 15 using the cumulative effect method (without practical expedients), with the effect of initially applying this standard recognised at the date of initial application 1 January 2018. Adoption of IFRS 15 had no impact on the prior period financial statements.

5 New standards and interpretations and adoption of new accounting policy *(continued)*

The Group's new revenue accounting policy is as follows:

Revenue recognition

The Group develops and sells residential properties. Revenue is recognised when control over the property has been transferred to the customer, which occurs at legal completion. Revenue is measured at the transaction price agreed under the contract.

(b) IFRS 9 Financial Instruments

IFRS 9 *Financial Instruments* came into effect on 1 January 2018 replacing IAS 39 *Financial Instruments: Recognition and Measurement* and requires changes to the classification and measurement of certain financial instruments from that under IAS 39. On review, the majority of the Group's financial basis will continue to be accounted for on an identical basis under IFRS 9 as they were under IAS 39.

There were also two other changes to the Group's significant accounting policies since the last annual financial statements which were adopted due to specific transactions entered into in the period. The first change is the adoption of an accounting policy in respect of joint operations in accordance with IFRS 11 *Joint Arrangements.* This was required as a result of the transaction described in Notes 13 and 22 in respect of the Group's interests in sites at The Square Shopping Centre, Tallaght and Gateway Retail Park, Knocknacarra, Co. Galway. The following accounting policy has been adopted by the Group:

Joint operations

Joint operations arise where the Group has joint control of an operation with other parties, in which the parties have rights to the assets and obligations of the operation. The Group accounts for its share of the jointly controlled assets and liabilities and income and expenditure on a line by line basis in the consolidated financial statements.

The second change was the adoption of the below accounting policy in respect of interest bearing loans and borrowings following the execution of a revolving credit facility in the period as set out in Note 16.

Interest bearing loans and borrowings

All loans and borrowings are initially recorded at the fair value of the consideration received net of directly attributable transaction costs. Subsequent to initial recognition, interest bearing loans and borrowings are measured at amortised cost using the effective interest rate method.

6 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 interim financial statements on a going concern basis.

7 Revenue

	2018 €'000
Residential property sales	**1,194**
Income from property rental	**102**
	1,296

8 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 is organised into two key reportable segments, being Glenveagh Homes and Glenveagh Living. Internal reporting to the Chief Operating Decision Maker ("CODM") is provided on this basis. The CODM has been identified as the Executive Committee.

Glenveagh Homes

Homes develops and builds starter, mid-size and executive and high-end homes (both houses and apartments) for the private residential market in Ireland, with a focus principally on the Greater Dublin Area, as well as the Cork, Limerick and Galway regions on its own behalf.

Glenveagh Living

Living's strategic focus is on designing, developing and delivering residential solutions for institutional investors, social and affordable landlords, government entities and strategic landowners. Glenveagh Living intends to augment its operations with joint venture and partnership arrangements to design, develop and deliver residential schemes for purchase by institutional investors, approved housing authorities and governmental and local authorities in Ireland. Glenveagh Living is also the Group's delivery platform for Private Rental Sector ("PRS") projects, which are housing projects to increase the supply of properties in the build-to-rent market. Glenveagh Living develops residential schemes for private sector investors in PRS projects.

8 Segmental information *(continued)*

Segmented analysis by assets is presented below:

As at 30 June 2018

	Glenveagh Homes €'000	Glenveagh Living €'000	Total €'000
Segment Assets	**451,792**	**72,477**	**524,269**
Reconciliation to Group Balance Sheet			
Deferred tax asset			**72**
Trade and other receivables			**1,732**
Cash and cash equivalents			**147,698**
			673,771

As at 31 December 2017

	Glenveagh Homes €'000	Glenveagh Living €'000	Total €'000
Segment Assets	260,237	44,621	304,858
Reconciliation to Group Balance Sheet			
Deferred tax asset			14
Trade and other receivables			8,769
Cash and cash equivalents			339,146
			652,787

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

9 Other information

	2018 €'000
Amortisation of intangible assets	**16**
Depreciation of property, plant and equipment	**244**
Operating lease rentals	**229**
Employment costs	**5,646**

All of the above expenses (with the exception of €0.2 million of depreciation which is capitalised within inventory) are included within administration expenses.

10 Loss per share

The calculation of basic loss per share is based on the loss attributable to ordinary shareholders and the weighted average numbers of shares outstanding for the period. There were 667,049,000 shares in issue at 31 December 2017 and there have been no share transactions in the period to 30 June 2018 (with the exception of the grant of LTIP options noted in Note 20 which do not impact the number of shares in issue in the period) meaning the weighted average number of shares in issue for the period is 667,049,000. Ordinary shares potentially issuable from share-based payment arrangements are anti-dilutive due to the loss in the period accordingly there is no difference between basic and diluted loss per share. The number of potentially issuable shares in the Company held under option or Founder Share arrangements at 30 June 2018 is 201,907,680.

	2018
Loss for the period attributable to ordinary shareholders (€'000)	**(7,159)**
Weighted average number of shares for the period	**667,049,000**
Basic and diluted loss per share (cents)	**(1.07)**

11 Income tax

	2018 €'000
Current tax charge for the period	**10**
Deferred tax credit for the period	**(1,017)**
Total income tax credit	**(1,007)**

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

	2018 €'000
Loss before tax for the period	**(8,166)**
Tax credit at standard Irish income tax rate of 12.5%	**(1,021)**
Tax effect of:	
Income taxed/expenses deductible at the higher rate of corporation tax	**(2)**
Non-deductible expenses	**(2)**
Prior period under accrual	**9**
Other adjustments	**9**
Total income tax credit	**(1,007)**

11 Income tax *(continued)*

Movement in deferred tax balances	Balance at 1 January 2018 €'000	Recognised in the period €'000	Balance at 30 June 2018 €'000
Tax losses carried forward	**151**	**1,017**	**1,168**

The tax losses arise in Ireland and have 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.

12 Property, plant and equipment

During the period, the Group recognised total additions to property, plant and equipment of €7.8 million which included expenditure on land and buildings of €6.3 million, with the remainder invested in plant and machinery and computer equipment. Depreciation recognised in the period was €0.2 million.

13 Inventory

	30 June 2018 €'000	31 December 2017 €'000
Land held for development (i)	**390,564**	216,964
Development rights acquired in respect of interest in joint operations (ii)	**13,924**	-
Development expenditure	**65,480**	11,125
	469,968	228,089

(i) Development land acquisitions completed in the period

East Road

The Group entered into an unconditional contract to acquire a 2-hectare site in North Docklands, County Dublin known as "East Road" in December 2017. At 31 December 2017 an amount of €44.6 million was recognised within trade and other receivables reflecting the payment of full consideration and related stamp duty and acquisition costs at that date. The transaction completed in January 2018 resulting in the transfer of this amount to inventory.

Millennium Park, Naas, Co. Kildare

On 22 December 2017, the Group announced it had entered into an unconditional contract to acquire a development site at Millennium Park, Naas, Co. Kildare. At 31 December 2017 an amount of €2.1 million was recognised within trade and other receivables reflecting a deposit paid. This transaction completed in January 2018 resulting in a further payment of €20.5 million bringing total consideration including stamp duty and acquisition costs to €22.6 million.

13 Inventory *(continued)*

Hollystown Golf & Leisure Limited

The acquisition of Hollystown Golf & Leisure Limited on 28 February 2018 resulted in an increase in inventory of €14.6 million at the date of acquisition reflecting fair value of development land acquired at that date. Further detail in relation to this transaction is outlined in Note 18.

Project Quattro

On 13 March 2018 the Group entered into a contract to acquire four sites in the Greater Dublin Area ("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 involved cash consideration of €90 million (including fees and stamp duty) and completed in April 2018.

(ii) Development rights acquired in respect of interest in joint operations

On 12 March 2018, the Group entered into an Acquisition and Profit Share Agreement ("APSA") with Targeted Investment Opportunities ICAV ("TIO"), a wholly owned subsidiary of OCM Luxembourg EPF III S.a.r.l. Under the terms of the APSA, the Group acquired certain development rights in respect of sites at The Square Shopping Centre, Tallaght, Dublin 24 and Gateway Retail Park, Knocknacarra, Co. Galway for aggregate consideration of approximately €14 million (including stamp duty and acquisition costs). The development rights will (subject to planning) entitle the Group to develop at least 750 residential units under two joint business plans to be undertaken with Sigma Retail Partners (on behalf of TIO) which will also entitle TIO to control and benefit from any retail development at both sites. The Directors have determined that joint control over both sites exists and the arrangements have been accounted for as joint operations in accordance with IFRS 11 *Joint Arrangements.* For further information regarding the APSA, see Note 22 of these financial statements.

(iii) Employment cost capitalised

€3.7 million of employment costs have been capitalised in inventory at 30 June 2018 *(2017: €1.0 million)*.

14 Trade and other receivables	**30 June 2018 €'000**	31 December 2017 €'000
Trade receivables	**52**	-
Trade receivables from related party	**-**	1,192
Prepayments and other receivables	**2,843**	599
VAT recoverable	**999**	16,912
Construction bonds	**1,758**	1,139
Deposits for sites	**22,584**	4,953
Payment in respect of site acquisition and associated fees	**-**	44,579
Income tax receivable	**326**	326
	28,562	69,700

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

15 Trade and other payables

	30 June 2018 €'000	31 December 2017 €'000
Trade payables	**6,142**	3,036
Trade payables due to related party	**20**	1,434
Payroll and other taxes	**758**	922
Inventory accruals	**18,845**	4,057
Other accruals	**3,920**	2,400
	29,685	11,849
Non-current	**1,803**	1,903
Current	**27,882**	9,946
	29,685	11,849

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

16 Loans and Borrowings

In April 2018, the Group entered into a Revolving Credit Facility for a total of €250 million (of which €125 million is committed with a mechanism through which the committed amount can be increased up to €250 million) with a syndicate of domestic and international banks for a term of 3 years at an interest of EURIBOR (subject to a floor of 0 per cent.) plus a margin. €11.0 million had been drawn on the facility at 30 June 2018.

	30 June 2018 €'000	31 December 2017 €'000
Revolving Credit Facility	**11,000**	-
Unamortised transaction costs	**(958)**	-
Interest accrued	**280**	-
Total loans and borrowings	**10,322**	-

The facility is secured by a fixed charge over certain assets of the Group and a fixed and floating charge over the assets of certain of its wholly owned subsidiaries.

17 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 and is not expected to complete for approximately 5 years.

18 Business Combination

On 28 February 2018, Glenveagh Homes Limited (a subsidiary of the Company) acquired 100 per cent. of the share capital of Hollystown Golf and Leisure Limited (HGL). The table below summarises the fair value of consideration transferred and assets and liabilities assumed at that date.

	€'000
Property, plant and equipment	**62**
Intangible assets	**149**
Inventory	**14,654**
Trade and other receivables	**102**
Cash and cash equivalents	**15**
Trade and other payables	**(1,319)**
Fair value of net assets acquired	**13,663**
Consideration	
Cash consideration	**13,663**
Total consideration	**13,663**

Consideration of €13.7 million was paid in respect of this acquisition which was primarily executed to access the development potential of land owned by 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. It will be remeasured to fair value at each reporting date until the contingency is settled.

HGL has not had a material impact on the consolidated loss for the post acquisition period and had the acquisition taken place at beginning of the period the impact would still not have been material.

19 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 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).

19 Financial instruments and financial risk management *(continued)*

Financial instruments: financial assets The Group's financial assets can be summarised as follows:	**30 June 2018 €'000**	31 December 2017 €'000
Trade receivables from related party	**-**	1,192
Other receivables	**59**	107
Cash and cash equivalents	**163,180**	351,796
Restricted cash (non-current)	**1,500**	1,500
Total financial assets	**164,739**	354,595

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

Financial instruments: financial liabilities	**30 June 2018 €'000**	31 December 2017 €'000
Trade payables	**6,142**	3,036
Loans and borrowings	**10,322**	-
Amounts due to related party	**20**	1,434
Finance lease obligation	**55**	254
Total financial liabilities	**16,539**	4,724

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

Interest rate risk

In April 2018, the Group entered in to a Revolving Credit Facility for a total of €250 million (of which €125 million is committed with a mechanism through which the committed amount can be increased up to €250 million) with a syndicate of domestic and international banks for a term of 3 years at an interest of EURIBOR (subject to a floor of 0 per cent.) plus a margin. €11.0 million had been drawn on the facility at 30 June 2018. The Group has an exposure to cash flow interest rate risk where there are changes in the EURIBOR rates.

20 Share-based payment arrangements

(a) Description

The Group operates two equity-settled share-based payment arrangements being the Founder Share scheme and the Long-Term Incentive Plan ("LTIP"). Both arrangements are described in detail in the annual financial statements.

LTIP Grant in the period

On 19 April 2018, the Remuneration and Nomination Committee approved the grant of 319,180 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 3-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 30 June 2018.

	Number of instruments	**Expiry date**
Options in issue at January 2018	1,588,500	13 October 2024
Issued in the period	319,180	19 April 2025
Balance as at 30 June 2018	**1,907,680**	

(b) Measurement of fair values

The fair value of LTIP options granted in the period 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:

Fair value at grant date	**€0.64**
Share price at grant date	€1.18
Exercise price	€0.001
Expected volatility	36.63%
Expected life	3 years
Expected dividend yield	0%
Risk free rate	-0.088%

The 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

There was no impact on profit or loss relating to the Founder Shares in the period. A charge of €0.2 million was recognised in the period in respect of options granted under the LTIP.

21 Share capital and share premium

(a) Authorised share capital

As at 30 June 2018 and 31 December 2017	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

As at 30 June 2018 and 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**

22 Related party transactions

As set out in Note 13 above, the Group entered into the APSA with TIO, a wholly owned subsidiary of OCM Luxembourg EPF III S.a.r.l. (OCM) (and an entity in which John Mulcahy and Justin Bickle are directors) on 12 March 2018.

Under the terms of the APSA, the Group acquired certain development rights in respect of sites at The Square Shopping Centre, Tallaght, Dublin 24 and Gateway Retail Park, Knocknacarra, Co. Galway for aggregate consideration of approximately €14 million (including stamp duty and transaction costs). The development rights will (subject to planning) entitle the Group to develop at least 750 residential units under two joint business plans to be undertaken with Sigma Retail Partners (on behalf of TIO) which will also entitle TIO to control and benefit from any retail development at both sites. The Directors have determined that joint control over both sites exists and the arrangements have been accounted for as joint operations in accordance with IFRS 11 *Joint Arrangements.*

The APSA also stipulates certain profit sharing arrangements in relation to the residential development opportunity at both sites together with a third site at Bray Retail Park, Bray, Co. Wicklow under which TIO would be entitled to a share of profit on any residential development should certain returns be achieved. The fair value of the contingent consideration at the acquisition date was initially recognised at €nil. The contingent consideration will be remeasured to fair value at each reporting date until the contingency is settled.

The agreement defines certain default events including TIO not possessing good and marketable title over the development sites and TIO not transferring good and marketable title over the development sites. On the occurrence of a default event, the Group shall be entitled to recover the aggregate purchase consideration in respect of the development rights. OCM has agreed to guarantee this obligation of TIO.

23 Commitments and contingent liabilities

In addition to the contingent liabilities outlined in Notes 18 and 22 above, the Group had the following commitments at 30 June 2018 relating to contracted development land acquisitions:

Citywest

In January 2018, the Group exchanged contracts to acquire a development site at Citywest Road, Dublin 24 which has the capacity to deliver 195 residential units, subject to planning. The transaction is conditional upon registration of the underlying security to which the property being disposed of is subject. Completion shall occur 14 days after all conditions are satisfied. There is a long-stop date of 31 July 2019 in relation to this arrangement.

Land acquisition subject to re-zoning

In April 2018, the Group contracted to acquire 66 acres of currently unzoned land in the Greater Dublin Area subject to appropriate residential zoning being awarded in the next local authority development plan on at least 30 acres of the site. Once this minimum threshold is achieved, the Group has committed to acquiring the entire site at a fixed price per acre on land zoned for residential development with the remaining land to be acquired at market value.

Other sites under contract

In June 2018, the Group has contracted to acquire three sites for an aggregate consideration of €55.2 million (which includes stamp duty at six per cent and other costs). These proposed acquisitions were announced by the Company on 29 June 2018 and consist of Project Bill under the terms of the Project Bill Acquisition Agreement signed on 28 June 2018; Project Hector under the terms of the Project Hector Acquisition Agreement signed on 29 June 2018 and the Cork Docklands site acquisition under the terms of the Cork Docklands Acquisition Agreement signed on 18 June 2018.

Castleforbes, North Docklands, Dublin

In June 2018, the Group contracted to acquire a loan secured against Castleforbes Business Park for total consideration of €59.9 million *(*which includes stamp duty and other costs) together with the separate acquisition of common areas and roads on the site for €5.4 million (which includes stamp duty and other costs) which were obtained through the Group's acquisition of Bulwark Limited. The purchase completed on 9 July 2018.

24 Subsequent events

In addition to the completion of the Castleforbes Business Park, Project Bill and Project Hector acquisitions described in Note 23, the following events have taken place since the balance sheet date:

Substantial site acquisition

In July 2018, the Group contracted to acquire a c. 113-hectare site (39 hectares of which are zoned residential) in Tyrellstown, Dublin 15 which has the potential to deliver over 1,250 residential units subject to planning. The exact purchase price is commercially sensitive but is in excess of €65 million.

24 Subsequent events *(continued)*

Founder Share Scheme

The first Test Period of the Founder Share Scheme completed on 30 June 2018 and the Performance Condition for that Test Period was satisfied during the period. An exercise to calculate the Founder Share Value in respect of the first Test Period was subsequently undertaken in accordance with the terms of the scheme. As a result, the Company elected to convert Founder Shares into such number of Ordinary Shares having an aggregate value equal to the Founder Share Value. The Company converted 18,993,162 Founder Shares to Ordinary Shares of the Company on 9 August 2018 in line with the terms and conditions of the scheme.

The Founders will be subject to lock up restrictions in respect of all Ordinary Shares resulting from conversion of their Founder Shares, which shall apply in respect of fifty per cent. of such Ordinary Shares for the period ending one year from conversion and, in respect of the remaining fifty per cent. of such Ordinary Shares for a period ending two years from conversion, subject to customary exceptions.

Capital raise and secondary sale

Subsequent to period end, the Group completed a firm placing and open offer which raised gross proceeds of approximately €213 million (approximately €205 million net of commissions, fees and expenses) from the issue of 185,291,388 new ordinary shares. The admission date for the new ordinary shares was 14 August 2018 and these new shares represented 21.7% of the enlarged issued share capital of the Company immediately following the completion of the transaction.

In parallel to the capital raise OCM Luxembourg EPFIII QIF Holdings S.a.r.l. (an entity controlled by Oaktree Capital Management L.P.) sold 55 million shares in the Company which represented 50% of its shareholding at the date of the transaction. This reduced OCM’s shareholding to approximately 6.3% (*31 December 2017: 16.5%)* of the Company’s enlarged issued share capital immediately following the capital raise once the conversion of the Founder Shares noted above is considered.

25 Approved financial statements

The Directors approved the condensed consolidated interim financial statements on 31 August 2018.