

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document, or as to what action you should take, you are recommended to immediately consult your stockbroker, bank manager, solicitor, fund manager or other appropriate independent financial adviser being, if you are resident in Ireland, an organisation or firm authorised or exempted pursuant to the European Union (Markets in Financial Instruments) Regulations 2017 (as amended) or the Investment Intermediaries Act 1995 (as amended), if you are resident in the United Kingdom, a firm authorised under the Financial Services and Markets Act, 2000 (as amended) of the United Kingdom, or another appropriately authorised professional adviser if you are resident in a territory outside Ireland or the United Kingdom.

If you have sold or otherwise transferred your entire holding of Ordinary Shares in Cairn Homes p.l.c., please forward this Circular, together with the enclosed Form of Proxy, to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee as soon as possible.

Neither Euronext Dublin nor the London Stock Exchange has examined or approved the contents of this Circular.



CAIRN HOMES p.l.c.

(Incorporated and registered in Ireland under the Companies Act 2014, with registered number 552564)

Proposed acquisition by Cairn Homes Properties Limited of the Stillorgan Site from the Emerald Fund ICAV (acting on behalf of the Emerald Opportunity Investment Fund) and Notice of Extraordinary General Meeting

Your attention is drawn to the letter from the Chairman of the Company which is set out on pages 6 to 9 of this Circular and contains the recommendation of the Board to Shareholders to vote in favour of the Resolution to be proposed at the Extraordinary General Meeting referred to below. You should read this Circular in its entirety and consider whether or not to vote in favour of the Resolution to approve the Transaction in light of the information contained in this Circular.

Notice of an Extraordinary General Meeting to be held at 7 Grand Canal, Grand Canal Street Lower, Dublin 2, D02 KW81 at 11:00 a.m. on 12 October 2020 is set out at the end of this Circular. A Form of Proxy for use at the Extraordinary General Meeting is enclosed which, if you wish to appoint a valid proxy, should be completed and signed in accordance with the instructions printed thereon, and returned by post to the Company's Registrars, Computershare Investor Services (Ireland) Limited, 3100 Lake Drive, Citywest Business Campus, Dublin 24, Ireland or deposited by hand (during normal business hours only, being 9:00 a.m. to 5:00 p.m.) to Computershare Investor Services (Ireland) Limited, 3100 Lake Drive, Citywest Business Campus, Dublin 24, Ireland or submitted by fax (in legible form) to +353 (0)1 447 5572, in each such case as soon as possible but in any case so as to be received by the Company's Registrars no later than 11:00 a.m. on 10 October 2020. The completion and return of a Form of Proxy will not preclude you from attending and voting in person at the Extraordinary General Meeting, or any adjournment thereof, should you wish to do so.

In light of current and anticipated public health guidelines related to COVID-19 and the importance of the health and safety of Shareholders, staff and others, Shareholders are asked to comply with certain recommendations for the Extraordinary General Meeting and in particular to avail of the proxy voting service rather than physically attending the Extraordinary General Meeting in accordance with the instructions set out in the notes to the Notice of the Extraordinary General Meeting.

Goodbody Stockbrokers UC, trading as Goodbody (“**Goodbody**”) is regulated in Ireland by the Central Bank of Ireland. In the UK, Goodbody is also subject to regulation by the Financial Conduct Authority. Goodbody is acting exclusively for the Company and no one else in connection with the Transaction, and will not be responsible to anyone other than the Company for providing the protections afforded to its clients, for the contents of this Circular or for providing any advice in relation to this Circular, or the Transaction. Goodbody will not regard any other person (whether or not a recipient of this Circular) as a client in relation to the Transaction and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for the giving of advice in relation to the Transaction or any transaction, matter, or arrangement referred to in this Circular. Apart from the responsibilities and liabilities, if any, which may be imposed by the Central Bank of Ireland, the Financial Conduct Authority or the Financial Services and Markets Act, 2000 (as amended) or the regulatory regime established thereunder or under the regulatory regime of any jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither Goodbody nor any person affiliated with it, accepts any responsibility whatsoever for the contents of this Circular, including its accuracy, completeness and verification or for any other statement made or purported to be made by any of them, or on behalf of them, in connection with the Company, the Transaction or the Circular. Goodbody and each of its affiliates accordingly disclaims, to the fullest extent permitted by applicable law, all and any liability whatsoever, whether arising in tort, contract or otherwise (save as referred to above) which they might otherwise be found to have in respect of this Circular or any such statement. No representation or warranty express or implied, is made by any of Goodbody or any of its affiliates as to the accuracy, completeness, verification or sufficiency of the information set out in this Circular, and nothing in this Circular shall be relied upon as a promise or representation in this respect, whether or not to the past or future.

No person has been authorised to give any information or make any representations other than those contained in this Circular and, if given or made, such representations must not be relied on as having been so authorised. The delivery of this Circular shall not, under any circumstances, create any implication that there has been no change to the affairs of the Company or the Group since the date of this Circular or that the information is correct as of any subsequent time.

This Circular is a shareholder circular and is being sent to you solely for your information in connection with the Resolution to be proposed at the Extraordinary General Meeting of the Company. The Transaction is conditional on, amongst other things, the passing of the Resolution at the Extraordinary General Meeting. Capitalised terms used in this Circular shall, unless otherwise stated or defined, take their meaning from the Definitions section set out in Part III (*Definitions*) of this Circular.

Forward looking statements

This Circular includes statements which are, or may be deemed to be, forward looking statements. These forward looking statements can be identified by the use of forward looking terminology, including the terms “anticipates”, “believes”, “estimates”, “expects”, “intends”, “targets”, “may”, “plans”, “projects”, “should” or “will”, or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward looking statements include all matters that are not historical facts. They appear in a number of places throughout this Circular and include, but are not limited to, statements regarding the Group’s intentions, beliefs or current expectations concerning, amongst other things, the Group’s results of operations, financial position, prospects, growth, target total shareholder returns, liquidity, investment strategy, financing strategies and expectations for the Irish property industry.

By their nature, forward looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward looking statements are not guarantees of future performance and the actual results of the Group’s operations, and the development of the markets and the industry in which the Group operates, may differ materially from those described in, or suggested by, the forward looking statements contained in this Circular. In addition, even if the Group’s results of operations, financial position and growth, and the development of the markets and the industry in which the Group operates, are consistent with the forward looking statements contained in this Circular, those results or developments may not be indicative of results or developments in subsequent periods. A number of factors could cause results and developments of the Group to differ materially from those expressed or implied by the forward looking statements including, without limitation, general economic and business conditions, Irish property market conditions, industry trends, competition, changes in law or regulation, changes in taxation regimes or development planning regime, the availability and cost of capital, currency fluctuations, changes in its business strategy and political and economic uncertainty.

Forward looking statements may, and often do, differ materially from actual results. Any forward looking statements in this Circular reflect the Group’s current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group’s operations, results of operations, growth strategy and liquidity.

Except as required by applicable law, the Listing Rules and other regulations, Euronext Dublin, the London Stock Exchange or by law or by any appropriate regulatory body, the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Event	Time and Date
Posting of this Circular and the Form of Proxy	11 September 2020
Latest time and date for receipt of Forms of Proxy or submission of proxy votes electronically	11:00 a.m. on 10 October 2020
Record Date for EGM	6:00 p.m. on 10 October 2020
Time and date of Extraordinary General Meeting	11:00 a.m. on 12 October 2020
Announcement of the results of the Extraordinary General Meeting	12 October 2020

The times and dates set out in the expected timetable and mentioned throughout this Circular may, in certain circumstances, be adjusted by the Company, in which event details of the new times and dates will be notified, as required, to Euronext Dublin and, where appropriate, Shareholders and an announcement will be made through a Regulatory Information Service and RNS. All references to times in this Circular are to Dublin time unless otherwise stated.

PART I

LETTER FROM THE CHAIRMAN

The logo for Cairn, featuring the word "CAIRN" in white, uppercase, sans-serif font, centered within a dark red rectangular background.

(Incorporated and registered in Ireland under the Irish Companies Act 2014 with registered number 552564)

Directors:

John Reynolds (Chairman)
Michael Stanley (Co-Founder & Chief Executive Officer)
Shane Doherty (Chief Financial Officer)
Alan McIntosh (Co-Founder)
Linda Hickey
Jayne McGivern
David O'Beirne
Gary Britton
Giles Davies
Andrew Bernhardt

Registered Office:

Cairn Homes p.l.c.
7 Grand Canal
Grand Canal Street Lower
Dublin 2
D02 KW81

Tel: + 353 (0)1 696 4600

11 September 2020

**Proposed acquisition by Cairn Homes Properties Limited of the Stillorgan Site from the Emerald Fund ICAV
(acting on behalf of the Emerald Opportunity Investment Fund)
and
Notice of Extraordinary General Meeting**

Dear Shareholder

1. INTRODUCTION

On 10 September 2020, the Board of the Company announced that its wholly-owned subsidiary, Cairn Homes Properties Limited, had entered into a conditional agreement to acquire the former Esmonde Motors Garage premises and adjoining land located at Stillorgan Road and the Hill, Stillorgan, Dublin (the “**Stillorgan Site**”) from the Emerald Fund ICAV acting on behalf of its sub-fund the Emerald Opportunity Investment Fund (“**Emerald**”) an entity ultimately beneficially owned by Alan McIntosh (the “**Transaction**”).

As required by Section 238 of the Companies Act 2014, by virtue of the relationship between Emerald and Alan McIntosh (in his capacity as the beneficiary, together with his spouse, of a discretionary trust that is the ultimate owner of Emerald) and the relationship between the Company and Alan McIntosh (in his capacity as co-founder, non-executive Director and Shareholder of the Company), the Transaction is conditional upon the passing of an ordinary resolution at an Extraordinary General Meeting of the Company (the “**Resolution**”). Section 238 of the Companies Act 2014 provides that a company shall not enter into any arrangement between a director (or a person connected with such a director) and the company (or of a subsidiary of the company), which involves the acquisition of any non-cash assets from that director (or person so connected) unless the arrangement is first approved by an ordinary resolution of Shareholders at a general meeting. In compliance with the requirements of Section 238 of the Companies Act 2014, a Notice convening the Extraordinary General Meeting, at which the Resolution will be proposed to approve the Transaction, is set out at the end of this Circular.

In addition to the above, under Chapter 11 of the Euronext Dublin Listing Rules, entering into the Transaction with Emerald constitutes a smaller “related party transaction”. Pursuant to the terms of Listing Rule 11.1.15, the Company has obtained written confirmation from its sponsor, Goodbody, that the terms of the Transaction are fair and reasonable as far as the Shareholders of the Company are concerned and has made an RIS announcement setting out the value of the consideration payable in respect of the Transaction together with a brief description of the Transaction.

This Circular sets out the proposed terms of the Transaction, including the background to and reasons for the Transaction; to explain why the Board (other than Alan McIntosh, who as a related party has recused himself from any such considerations) considers the Transaction to be in the best interests of the Shareholders as a whole; and to recommend that Shareholders vote in favour of the Resolution to be proposed to approve the Transaction at the Extraordinary General Meeting.

2. SUMMARY INFORMATION ON THE COMPANY

The Company is the leading Irish homebuilder committed to building high-quality, competitively priced, sustainable new homes in great locations. The Company owns a c. 17,000 unit land bank across 35 residential development sites, over 90% of which are located in the Greater Dublin Area with excellent public transport and infrastructure links. The Company is today building on 15 sites in the Greater Dublin Area, which will deliver over 6,750 new homes.

3. SUMMARY INFORMATION ON EMERALD

Emerald is an investment management firm which was founded in 2012 by Alan McIntosh, who is also a co-founder and non-executive Director of the Company. Emerald has interests in real estate, healthcare, biotech and technology in Europe and North America. The Stillorgan Site was acquired in 2015 by a company controlled by Alan McIntosh and was transferred to Emerald in 2016. It was acquired as a development site, originally part of Emerald's nursing home business with the intention of developing a new nursing home. However, the site was never developed as part of this business and was retained by Emerald after the disposal of its nursing home business.

4. BACKGROUND TO THE TRANSACTION

As outlined in the Company's 2019 Annual Report, since acquiring the majority of its c. 17,000 unit landbank within 12 months of its June 2015 IPO, the Company's acquisition strategy now focuses on strategic opportunities, including acquiring land adjoining existing sites and exploring further joint development and investment opportunities. In this context, the Company has successfully executed on this strategy as evidenced by completing a successful joint venture development with NAMA on a site adjoining its successful Parkside development off the Malahide Road and acquiring an additional 97 acres of development land within the Clonburris strategic development zone, adjacent to a large site already owned by the Company.

5. REASONS FOR THE TRANSACTION

The Company takes a disciplined approach in identifying opportunities to deploy capital to optimise the value of its existing landbank, and aligned with its acquisition strategy, where appropriate, in opportunistically acquiring further assets to drive growth and create value. The Board believes that the Transaction is consistent with this approach.

The 1.35 acre Stillorgan Site is a derelict brownfield site that is located in the centre of Stillorgan village, an established residential suburb in close proximity to Dublin City Centre and along the N11 corridor, which is one of the primary national roads in Ireland. It is also a strategic fit with the Group's existing landbank and in particular its adjoining 1.55 acre development site in Stillorgan, the Blakes Site, which was acquired by the Group as part of the Project Clear loan portfolio acquisition from Ulster Bank in 2016 (the "**Blakes Site**" and together with the Stillorgan Site, the "**Enlarged Site**").

Given the complementary location of the Stillorgan Site relative to the Blakes Site, the Board believes that the Transaction presents a significant opportunity to generate further value for Shareholders by combining the 2 sites which are underpinned by strong development fundamentals in an established and sought-after South Dublin residential suburb.

From a planning perspective, the Enlarged Site is expected to deliver a high quality residential development and to provide an enhanced set of social amenities. With its established track record and development capability, the Company will be able to deliver a substantial supply of new homes into the Stillorgan area, which benefits from excellent public transport links and is in close proximity to areas of considerable employment. The area is characterised by an undersupply of new homes relative to demand. It is anticipated that the Group will apply for planning permission for the Enlarged Site consisting of 464 apartments including commercial space, café units, amenity space and a crèche. The Board believes the combination of these neighbouring sites will make a positive contribution to the local community as a result of such ancillary commercial developments which will further add to the attractiveness of the developed Enlarged Site. The Stillorgan Site will provide the majority of parking,

amenity and open space in the Enlarged Site and is, as such, critical in unlocking the overall development potential.

The Enlarged Site is also expected to provide construction related economies of scale and enable the Company to deliver cost synergies by spreading fixed development costs across both sites which is expected to be accretive to margins and will increase expected returns for Shareholders. The expected margins and returns that the Company expect to generate are higher for the Enlarged Site relative to developing the Blakes Site on a standalone basis. As such the Transaction is expected to be value accretive for Shareholders. It is anticipated that the Enlarged Site will be a highly attractive residential property asset that would also be of interest to both domestic and international institutional investors.

6. **PRINCIPAL TERMS OF THE TRANSACTION**

The Group, acting through Cairn Homes Properties Limited, will acquire the Stillorgan Site from Emerald pursuant to the Property Acquisition Agreement for a headline consideration amount of €14,000,000 (excluding VAT) which is consistent with the red book valuation obtained by the Company from Hooke & MacDonald the property valuation advisors engaged by the Company. Under the terms of the Property Acquisition Agreement, the consideration payable by the Group to Emerald will be payable in 2 tranches, the deferred element of which will be supported by the Parent Company Guarantee from the Company. The Property Acquisition Agreement and the Parent Company Guarantee are in customary form for a transaction of this nature. The principal terms of the Property Acquisition Agreement and the Parent Company Guarantee are detailed in paragraph 1 of Part II (*Additional Information*).

7. **EXTRAORDINARY GENERAL MEETING**

A Notice convening the Extraordinary General Meeting to be held at 7 Grand Canal, Grand Canal Street Lower, Dublin 2, D02 KW81 at 11:00 a.m. on 12 October 2020 is set out at the end of this Circular. The purpose of the meeting is to consider and, if thought fit, pass the Resolution below.

Resolution

"THAT the Transaction (such term, and other capitalised terms set out in this resolution, being defined in the Circular within which is included the Notice of Extraordinary General Meeting at which this resolution is to be considered), be and is hereby approved, authorised, confirmed and ratified for the purposes of Section 238 of the Companies Act 2014 and otherwise, and any director of each of the Company and Cairn Homes Properties Limited respectively be and are hereby authorised to negotiate, settle, approve and take all such actions and execute and deliver all such documents (including without limitation, the Property Acquisition Agreement and the Parent Company Guarantee) necessary or desirable to complete and give full effect to the Transaction on behalf of the Company and Cairn Homes Properties Limited respectively."

The total number of Ordinary Shares in issue as of the date of this Circular is 749,334,063, excluding treasury shares (nil). On a vote by way of a show of hands every Shareholder who is present at the Extraordinary General Meeting has one vote and every proxy has one vote (but no individual shall have more than one vote). On a poll every Shareholder who is present in person or by proxy has one vote for every Ordinary Share of which he is the holder. The Resolution is an ordinary resolution and therefore requires a simple majority of votes cast by Shareholders voting in person or by proxy at the Extraordinary General Meeting to be in favour in order to be passed.

Emerald Everleigh Limited Partnership (the "LP") and Prime Developments Limited ("PDL") are the registered holders of the interests in the Ordinary Shares owned by Alan McIntosh and his spouse in the Company (the LP is ultimately owned by PDL and the shares in PDL are held in trust for a discretionary trust, constituted under English and Welsh law, and Alan McIntosh and his spouse are the beneficiaries of that trust) and will not vote on the Resolution at the Extraordinary General Meeting. In addition, Alan McIntosh has confirmed to the Company that he will take all reasonable steps to ensure that his associates (as defined under the Listing Rules) will not vote on the Resolution at the Extraordinary General Meeting.

8. **ACTION TO BE TAKEN**

At the Extraordinary General Meeting, the Resolution set out in the Notice of Extraordinary General Meeting on page 14 of this Circular will be proposed. A Form of Proxy for use at the Extraordinary General Meeting is enclosed.

In light of current and anticipated public health guidelines related to COVID-19 and the importance of the health and safety of Shareholders, staff and others, Shareholders are asked to not attend the Extraordinary General Meeting, but rather:

- i. **to vote:** avail of the proxy voting service rather than physically attending the Extraordinary General Meeting in accordance with the instructions set out in the notes to the Notice of the Extraordinary General Meeting;
- ii. **to raise questions:** that you submit any questions that you would like to raise and/or might otherwise have raised in person at the Extraordinary General Meeting in writing by email to company.secretary@cairnhomes.com no later than 12 noon on 11 October 2020 or by sending a letter and evidence of your shareholding at least four business days prior to the Extraordinary General Meeting by post to the Company Secretary at the Company's registered office. The procedures for doing so are described in more detail in the notes to the Notice of the Extraordinary General Meeting; and
- iii. **to listen to and/or participate in the business of the Extraordinary General Meeting:** avail of the teleconferencing facilities provided by the Company for this purpose. The details for accessing and registering for such facilities will be provided on the Company's website, <http://www.cairnhomes.com> in advance of the Extraordinary General Meeting. Please note that this facility will allow you to listen to the business of the Extraordinary General Meeting and raise questions or points only, you will not be able to use this facility to vote.

9. **RECOMMENDATION AND INTENTION OF DIRECTORS**

The Board, which has been so advised by Goodbody, considers the Transaction to be fair and reasonable so far as the Shareholders of the Company are concerned. In addition, the Board considers the Resolution to be in the best interests of the Shareholders as a whole. Accordingly, the Board unanimously recommends that you vote in favour of the Resolution. As a related party, Alan McIntosh has taken no part in the Board's consideration of the Transaction or the Resolution.

All members of the Board who hold beneficial interests in Ordinary Shares (other than Alan McIntosh who shall not be entitled to vote at the Extraordinary General Meeting and whose Ordinary Shares represent approximately 5.29 per cent. of the total Ordinary Shares in issue) and whose Ordinary Shares represent approximately 2.87 per cent. of the total Ordinary Shares in issue intend to vote in favour of the Resolution.

Yours faithfully

John Reynolds
Chairman

PART II

ADDITIONAL INFORMATION

1. PRINCIPAL TRANSACTION TERMS

The principal terms of the Property Acquisition Agreement and the Parent Company Guarantee are detailed below:

1.1. Consideration and Payment

1.1.1. The consideration payable by the Group to Emerald for the Stillorgan Site will be an amount of €14,000,000 (excluding VAT) (the “**Consideration**”), which shall be payable as follows: (i) 50% shall be payable on Completion; and 50% (the “**Deferred Consideration**”) shall be payable on 1 July 2021, or such earlier date as the Group may determine in its sole discretion (the “**Due Date**”).

1.1.2. As is customary for transactions of this kind, the Group is required to account for VAT on the Consideration, calculated in accordance with the provisions of the VAT Act; and, based on the prevailing rates, stamp duty in an amount equal to €1,050,000 will be payable by the Group to the Revenue Commissioners within 30 days of Completion.

1.2. Parent Company Guarantee

The payment of the Deferred Consideration is secured by the Parent Company Guarantee provided by the Company to Emerald. The Parent Company Guarantee provides that in the event of any default in payment of the Deferred Consideration (or part thereof) when due and payable by Cairn Homes Properties Limited, that the Company shall forthwith discharge and pay such amount to Emerald.

1.3. Due Diligence

1.3.1. The Group has conducted due diligence in relation to the Stillorgan Site. In doing so, the Group has relied in part on third parties to conduct a portion of this due diligence, including in respect of legal and property matters. The Group's solicitors have carried out an investigation of title and obtained replies from Emerald's solicitors to detailed title and related due diligence queries, including Law Society requisitions on title. Furthermore, the Group has engaged a number of third parties to undertake surveys, assessments and investigations on its behalf.

1.3.2. The title to the Stillorgan Site is unregistered freehold with the exception of four parcels where Emerald has a possessory interest which is not an uncommon feature of sites acquired for development in Ireland. As is customary, the Group's solicitors have received affidavits and declarations which confirm that these areas have been in the sole and undisputed possession and occupation of Emerald and its predecessors in title for upwards of twenty-five years. The Company believes, and has been advised by Hooke & MacDonald, that this will not have any material adverse impact on the value of the Stillorgan Site nor on its ability to develop the Enlarged Site for subsequent sale in the open market.

1.4. Condition to Completion

The Transaction is subject to and conditional upon the Resolution being passed on or before 30 October 2020, or such later date as may be agreed by the Group and Emerald in writing (the “**Longstop Date**”). In the event the condition is not fulfilled on or before the Longstop Date, either the Group or Emerald shall be entitled, on 3 business days' notice, to rescind the Transaction. Completion shall take place on the tenth business day after the passing of the Resolution.

1.5. Pre-Completion Planning Applications

In anticipation of Completion of the Transaction, the Company has commenced work on applications for planning permissions in respect of the Enlarged Site, and further adjoining sites, pursuant to the Strategic Housing Development process (the “**Planning Applications**”). In the event that the Planning Applications are submitted prior to Completion and the Transaction is rescinded due to the condition to Completion not being fulfilled, either the Group or Emerald shall be entitled to have the Planning Applications withdrawn. Emerald has agreed that neither it, nor any person connected with it, shall directly or indirectly appeal or object to or make any submission

or observation in relation to the Planning Applications or any further or other application for planning permission lodged by or on behalf of the Group, its successors or assigns in respect of any development of or to the Stillorgan Site or any part of it and/or any lands adjoining or neighbouring the Stillorgan Site which the Group now owns or may at any time acquire.

1.6. **Title Registration**

Following Completion, the Group is required to lodge first registration applications for the Stillorgan Site with the Property Registration Authority.

2. **CONSENT**

Goodbody has given and not withdrawn its written consent to the issue of this Circular with the inclusion herein of the references to its name in the form and context in which they appear.

3. **DOCUMENTS ON DISPLAY**

Copies of the documents referred to below will be available in electronic form on the Company's website <http://www.cairnhomes.com> and for inspection in physical form between the hours of 9:30 a.m. and 5:30 p.m. on any business day from the date of this Circular until the Extraordinary General Meeting, at the offices of the Company at 7 Grand Canal, Grand Canal Street Lower, Dublin 2, D02 KW81:

- 3.1. this Circular;
- 3.2. the Memorandum and Articles of Association of the Company;
- 3.3. the consolidated financial statements of the Group for the period ended 31 December 2019 and the Annual Report of the Group for the year ended 31 December 2019;
- 3.4. the Form of Proxy; and
- 3.5. the consent letter referred to in paragraph 2 above.

PART III
DEFINITIONS

In this Circular (including the Notice of Extraordinary General Meeting and the Form of Proxy), the following expressions shall have the following meanings, unless the context otherwise requires, or unless it is otherwise specifically provided in this Circular, the Notice of Extraordinary General Meeting or the Form of Proxy:

“€” or “euro” or “euro cent”	the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the Treaty establishing the European Community as amended;
“business day”	a day (excluding Saturday, Sunday and public holidays) on which banks generally are open for business in Ireland and the City of London for the transaction of normal banking business;
“Cairn Homes Properties Limited”	Cairn Homes Properties Limited, a company incorporated under the laws of Ireland (registered under the number 552325) with its registered office at 7 Grand Canal, Grand Canal Street Lower, Dublin 2, D02 KW81;
“certificated” or “in certificated form”	where a share or other security is not in uncertificated form;
“Chairman”	the chairman of the Board for the time being;
“Circular”	this document dated 11 September 2020, including the Notice convening the Extraordinary General Meeting, which comprises a circular to Shareholders pursuant to the Section 238 of the Companies Act 2014;
“Companies Act 2014”	the Irish Companies Act 2014;
“Company”	Cairn Homes p.l.c., a company incorporated under the laws of Ireland (registered under the number 552564) with its registered office at 7 Grand Canal, Grand Canal Street Lower, Dublin 2, D02 KW81;
“Company Secretary”	Tara Grimley of 7 Grand Canal, Grand Canal Street Lower, Dublin 2, D02 KW81;
“Completion”	completion of the Transaction in accordance with the terms of the Property Acquisition Agreement and the Parent Company Guarantee;
“Consideration”	shall bear the meaning assigned to such term in paragraph 1.1.1 of Part II (<i>Additional Information</i>) of this Circular;
“CREST”	the system of paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear UK in accordance with the Uncertificated Securities Regulations;
“CREST Manual”	the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline Rules, CCSS Operations Manual, Daily Timetable, CREST Application Procedures and CREST Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by Euroclear UK on 15 July 1996 and as amended since that date);
“CREST Proxy Instruction”	the appropriate CREST message for a Shareholder holding Ordinary Shares in CREST to appoint a proxy or proxies utilising the relevant procedures described in the CREST Manual;
“CREST Regulations” or “Uncertificated Securities Regulations”	the Companies Act 1990 (Uncertificated Securities) Regulations 1996 (S.I. No. 68 of 1996);
“Deferred Consideration”	shall bear the meaning assigned to such term in paragraph 1.1.1 of Part II (<i>Additional Information</i>) of this Circular;
“Director” or “Board”	the board of directors of the Company, or, as the context may require, any member thereof, whose names are set out on page 6 of this Circular;
“Due Date”	shall bear the meaning assigned to such term in paragraph 1.1.1 of Part II (<i>Additional Information</i>) of this Circular;
“Emerald”	shall bear the meaning assigned to such term in paragraph 1 of Part I (<i>Letter from the Chairman</i>) of this Circular;
“Enlarged Site”	shall bear the meaning assigned to such term in paragraph 5 of Part I (<i>Letter from the Chairman</i>) of this Circular;
“EU”	the European Union;
“Euroclear UK”	Euroclear UK & Ireland Limited (formerly named CRESTCo Limited), the operator of CREST;

“Euronext Dublin”	the Irish Stock Exchange plc, a company incorporated under the laws of Ireland (registered under the number 539157) and whose registered office is at 28 Anglesea Street, Dublin 2, trading as Euronext Dublin;
“Euronext Dublin Listing Rules”	the listing rules of Euronext Dublin;
“Extraordinary General Meeting”	the extraordinary general meeting of the Company to be held at 7 Grand Canal, Grand Canal Street Lower, Dublin 2. D02 KW81 at 11:00 a.m. on 12 October 2020 including any adjournment thereof, and notice of which is set out at the end of this Circular;
“Form of Proxy”	the form of proxy for use by Shareholders in connection with the Extraordinary General Meeting;
“Goodbody”	Goodbody Stockbrokers UC of Ballsbridge Park, Ballsbridge, Dublin 4 or, as the context so requires, any affiliate of Goodbody Stockbrokers or a company within its group;
“Group”	the Company and its subsidiaries and any other subsidiary undertaking of the Group (including without limitation, Cairn Homes Properties Limited);
“IFRS”	International Financial Reporting Standards as adopted in the EU;
“Ireland”	the island of Ireland, excluding Northern Ireland, and the word “Irish” shall be construed accordingly;
“Listing Rules”	the Euronext Dublin Listing Rules and/or, where appropriate, the LSE Listing Rules;
“London Stock Exchange”	London Stock Exchange plc., a company incorporated and registered in England and Wales (registered number 02075721) and whose registered office is at 10 Paternoster Square, London EC4M 7LS, United Kingdom;
“Longstop Date”	shall bear the meaning assigned to such term in paragraph 1.4 of Part II (<i>Additional Information</i>) of this Circular;
“LSE Listing Rules”	the listing rules of the London Stock Exchange;
“Notice”	the notice of Extraordinary General Meeting set out at the end of this Circular;
“Ordinary Shares”	the ordinary shares of nominal value €0.01 each in the capital of the Company;
“Parent Company Guarantee”	the parent company guarantee to be entered into by the Company in connection with the Transaction;
“Planning Applications”	shall bear the meaning assigned to such term in paragraph 1.5 of Part II (<i>Additional Information</i>) of this Circular;
“Property Acquisition Agreement”	the agreements to be entered into by Cairn Homes Properties Limited and Emerald in connection with the Transaction;
“Record Date”	the date on which the entitlement to vote at the Extraordinary General Meeting will be determined by reference to the register of members of the Company, expected to be 6:00 p.m. on 10 October 2020;
“Registrar”	Computershare Investor Services (Ireland) Limited, 3100 Lake Drive, Citywest Business Campus, Dublin 24, Ireland;
“Resolution”	shall bear the meaning assigned to such term in paragraph 1 of Part I (<i>Letter from the Chairman</i>) of this Circular;
“Shareholder”	a holder of Ordinary Shares in the Company;
“Stillorgan Site”	shall bear the meaning assigned to such term in paragraph 1 of Part I (<i>Letter from the Chairman</i>) of this Circular;
“Transaction”	shall bear the meaning assigned to such term in paragraph 1 of Part I (<i>Letter from the Chairman</i>) of this Circular;
“Transaction Documents”	the agreements to be entered into by the Company or Cairn Homes Properties Limited (as the case may be) in connection with the Transaction, including the Property Acquisition Agreement, the Parent Company Guarantee and any other documents or agreements referred to therein;
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland;
“uncertificated” or “in uncertificated form”	the Ordinary Shares recorded on the register of members as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations may be transferred by means of an instruction issued in accordance with the rules of CREST;
“VAT”	Value Added Tax; and
“VAT Act”	the Value-Added Tax Consolidation Act 2010 and related VAT regulations.

Notes:

- Unless otherwise stated in this Circular, all references to statutes or other forms of legislation shall refer to statutes or forms of legislation of Ireland. Any reference to any provision of any legislation shall include any amendment, modification, consolidation, re-enactment or extension thereof.
- Words importing the singular shall include the plural and vice versa, and words importing the masculine shall include the feminine or neutral gender.

APPENDIX

NOTICE OF AN EXTRAORDINARY GENERAL MEETING OF

CAIRN HOMES p.l.c.

(the "Company")

(Incorporated and registered in Ireland under the Companies Act 2014, under registered number 552564)

NOTICE is hereby given that an Extraordinary General Meeting ("EGM") of the Company will be held at 7 Grand Canal, Grand Canal Street Lower, Dublin 2. D02 KW81 at 11:00 a.m. on 12 October 2020 for the following purposes:

To consider and, if thought fit, to pass the following resolutions as an **ordinary resolution**:

"THAT the Transaction (such term, and other capitalised terms set out in this resolution, being defined in the Circular within which is included the Notice of Extraordinary General Meeting at which this resolution is to be considered), be and is hereby approved, authorised, confirmed and ratified for the purposes of Section 238 of the Companies Act 2014 and otherwise, and any director of each of the Company and Cairn Homes Properties Limited respectively be and are hereby authorised to negotiate, settle, approve and take all such actions and execute and deliver all such documents (including without limitation, the Property Acquisition Agreement and the Parent Company Guarantee) necessary or desirable to complete and give full effect to the Transaction on behalf of the Company and Cairn Homes Properties Limited respectively."

By order of the Board

Tara Grimley
Company Secretary
Registered Office of the Company:
7 Grand Canal,
Grand Canal Street Lower,
Dublin 2,
D02 KW81,
Ireland
Dated: 11 September 2020

EGM NOTICE: NOTES

The following information is provided to members in accordance with Section 1103 of the Companies Act 2014.

Voting rights and total number of issued shares

As a Shareholder, you have several ways of exercising your vote:

- a. by attending the EGM in person (having due regard to public health guidelines related to COVID-19);
- b. by appointing a proxy to attend and vote on your behalf; or
- c. by appointing a proxy via the CREST system if you hold your Ordinary Shares in CREST.

In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other registered Shareholders and for this purpose seniority shall be determined by the order in which the names stand in the register of shareholders in respect of the joint holding.

The total number of issued Ordinary Shares on the date of this Notice of EGM is 749,334,063. Each Ordinary Share carries one vote. On a vote on a show of hands, every Shareholder present in person and every proxy has one vote (but no individual shall have more than one vote). On a poll every Shareholder shall have one vote for every Ordinary Share of which he or she is the holder. The resolution to be proposed at the EGM will be determined on a poll and will require to be passed by a simple majority of votes cast by those Shareholders who vote in person or by proxy.

Teleconference service

For your convenience and safety, we will conduct the EGM proceedings via teleconference. Details on how to access and register for such facilities will be provided on the Company's website, <http://www.cairnhomes.com> in advance of the EGM.

Entitlement to attend and vote

Only those members registered in the register of members of the Company at 6:00 p.m. on 10 October 2020 or if the EGM is adjourned, at 6:00 p.m. on the day that falls 48 hours before the time appointed for the adjourned meeting shall be entitled to attend, speak, ask questions and in respect of the number of Ordinary Shares registered in their name, vote at the meeting, or if relevant, any adjournment thereof. Changes in the register after that time and date will be disregarded in determining the right of any person to attend and/or vote at the meeting or any adjournment thereof.

Appointment of proxies

A member who is entitled to attend, speak, ask questions and vote at a general meeting of the Company is entitled to appoint a proxy to attend, speak, ask questions and vote on his or her behalf at the EGM and may appoint more than one proxy to attend on the same occasion in respect of Ordinary Shares held in different securities accounts. Only Shareholders shall have the right to appoint a proxy to attend, speak, ask questions and vote on his/her behalf at the EGM and at any adjournment thereof. Such a member acting as an intermediary on behalf of one or more clients may grant a proxy to each of its clients or their nominees and such intermediary may cast votes attaching to some of the Ordinary Shares differently from other Ordinary Shares held by it. The appointment of a proxy will not preclude a Shareholder from attending, speaking, asking questions and voting at the EGM should such Shareholder subsequently wish to do so. A proxy shall be bound by the constitution of the Company. A proxy need not be a member of the Company. Any Shareholder wishing to appoint more than one proxy should contact the Registrars of the Company, Computershare Investor Services (Ireland) Limited, by telephone on +353 (0)1 447 5566.

If you intend to appoint a proxy other than the Chairman of the EGM, we would ask that, as a contingency measure, you would additionally appoint the chair of the EGM as an alternative in the event the initially intended proxy is unable to attend for any reason (and does not appoint a substitute). This will facilitate your vote being included in a wider range of contingent scenarios.

A Form of Proxy for use by Shareholders is enclosed with the Notice of EGM. To be effective, the Form of Proxy duly completed and executed, together with any original power of attorney or other authority under which it is executed, or a copy of such authority certified notarially or by a solicitor practicing in the Republic of Ireland, must be deposited with

the Registrars of the Company, either by post (or by hand during normal business hours only being 9:00 a.m. to 5:00 p.m.) to Computershare Investor Services (Ireland) Limited, 3100 Lake Drive, Citywest Business Campus, Dublin 24, Ireland, so as to be received in any case no later than 48 hours before the time appointed for the EGM or adjourned EGM or (in the case of a poll taken otherwise than at or on the same day as the EGM or adjourned EGM) at least 48 hours before the taking of the poll at which it is to be used. Any alteration to the Form of Proxy must be initialed by the person who signs it.

Alternatively, subject to the constitution of the Company and provided it is received not less than 48 hours before the time appointed for the holding of the EGM or adjourned EGM or (in the case of a poll taken otherwise than at or on the same day as the EGM or adjourned EGM) at least 48 hours before the taking of the poll at which it is to be used, the appointment of a proxy may:

- a. be submitted by fax to +353 (0)1 447 5572, provided it is received in legible form; or
- b. be submitted electronically, subject to the terms and conditions of electronic voting, via the internet by accessing the Company's Registrar's website, www.eproxyappointment.com. You will need your Shareholder Reference Number (SRN), PIN and Control Number, all of which are printed on your Form of Proxy; or
- c. be submitted through CREST in the case of CREST members, CREST sponsored members or CREST members who have appointed voting service providers. Transmission of CREST Proxy instructions must be done and authenticated in accordance with Euroclear specifications as set out in the CREST Manual and received by the Registrar under CREST Participant ID 3RA50.

In the case of a corporation, the Form of Proxy must be either executed under its common seal, signed on its behalf by a duly authorised officer or attorney, or submitted electronically in accordance with note (b) above.

On any other business or matters which may properly come before the EGM, or any adjournment thereof, and whether procedural or substantive in nature (including without limitation any motion to amend a resolution or adjourn the meeting) not specified in this Notice of EGM, the proxy will act at his/her discretion.

Questions at the EGM

We plan to have the facility to be able to take questions during the EGM for those shareholders who are registered for that purpose in advance. Details for registering for such facilities will be provided on the Company's website, <http://www.cairnhomes.com> in advance of the EGM. Please note that this facility will allow you to listen to the business of the EGM and raise questions or points only, you will not be able to use this facility to vote.

While we plan to have the facility to take some live questions on the day of the EGM, we also invite you to submit, in advance, any questions you would like to have asked at the EGM in writing by email to company.secretary@cairnhomes.com no later than 12 noon on 11 October 2020 or by sending a letter and evidence of your shareholding at least four business days prior to the EGM by post to the Company Secretary at the Company's registered office.

Under Section 1107 of the Companies Act 2014, the Company must answer any question which a member may ask relating to the business being dealt with at the EGM unless:

- a. answering the question would interfere unduly with the preparation of the EGM or the confidentiality and business interests of the Company; or
- b. the answer has already been given on a website in a question and answer format; or
- c. it appears to the Chairman of the EGM that it is undesirable in the interests of good order of the meeting that the question be answered.

Other resolutions

The EGM is being convened to consider the specific resolution as incorporated in this Notice of EGM. As the text of this resolution is set out in this Notice of EGM, Section 1104(1)(b) of the Companies Act 2014 (which provides that a member or a group of members holding three per cent. of the issued share capital, representing at least three per cent. of the total voting rights of all members who have a right to vote at the meeting, have a right to table a draft resolution for an item on the agenda of an extraordinary general meeting) is accordingly inapplicable.

Subject to the Companies Act 2014 and any provision of the Company's constitution, where a resolution is proposed an ordinary resolution, no amendment to the resolution (other than an amendment to correct a patent error) may be considered or voted upon unless either at least 48 hours prior to the time appointed for holding the general meeting or adjourned meeting at which the ordinary resolution is to be proposed, notice in writing of the terms of the amendment and intention to move same has been lodged with the Company Secretary or the Chairman in his absolute discretion decides that it may be considered or voted upon.

Information regarding the EGM

Information regarding the EGM, including information required by Section 1103 of the Companies Act 2014, is available from <http://www.cairnhomes.com>.

The Company will take all appropriate safety measures as the Directors may in their absolute discretion determine from time to time, and in any individual case, to be necessary or desirable at, during or prior to the EGM to ensure the safety of any attendees and others involved with it. Such measures may include, without limitation, the restriction of the number of attendees, and health and/or compliance related checks and requirements.