

CAIRN

Built For Good

Cairn Homes plc
2024 Interim Results Presentation





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01.
H1 2024
Highlights

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Key Financial & Operational Highlights

H1 2024 KPIs

Exceptional Market Demand for Cairn Homes⁽¹⁾

€1.32bn

Record multi-year closed and forward order book

3,450

New homes including 1,300 for delivery in FY25 and FY26

Mature Scaled Delivery Platform with Significant Momentum

894

Closed units⁽²⁾ in H1 2024 (67% growth)

c.1,300

Closed units forecast in H2 2024 to deliver c.2,200 unit forecast

Leading to Consistent Margins

22%

Gross margin in H1

16.8%

Operating margin in H1 2024 (+330bps H1 2023) reflecting benefits of scaled operating platform

Growing Profits and Progressing Balance Sheet Efficiency

€61.4m

Operating profit growing to c.€145m in FY24

15%

On track to achieve RoE target for FY24

4 (1) As at 3 September 2024.

(2) This comprises both closed sales units and equivalent units. Equivalent units relate to forward fund transactions and are calculated on a percentage completion basis based on the contracted value of work completed divided by total estimated cost.

Key Financial & Operational Highlights

H1 2024 KPIs

Market Demand Underpinning our Continued Investment

€346,000

Competitive Net ASP in our core starter homes market (1% movement year-on-year)

3.1x

€319m WIP investment is 3.1 times covered by our €973m forward order book

Operating Platform Growing Capacity

8

New site commencements planned in H2 2024

4,000+

Employed across Cairn active sites

Asset Backed Balance Sheet

€922.1m

Including €603.4m invested in our landbank and €318.6m in WIP across active sites

17,200

Unit landbank with 2024 land investment weighted to core FTB market and strategic land options

Consistently Delivering for Shareholders

3.8c

Interim dividend

€45m

Share buyback programme

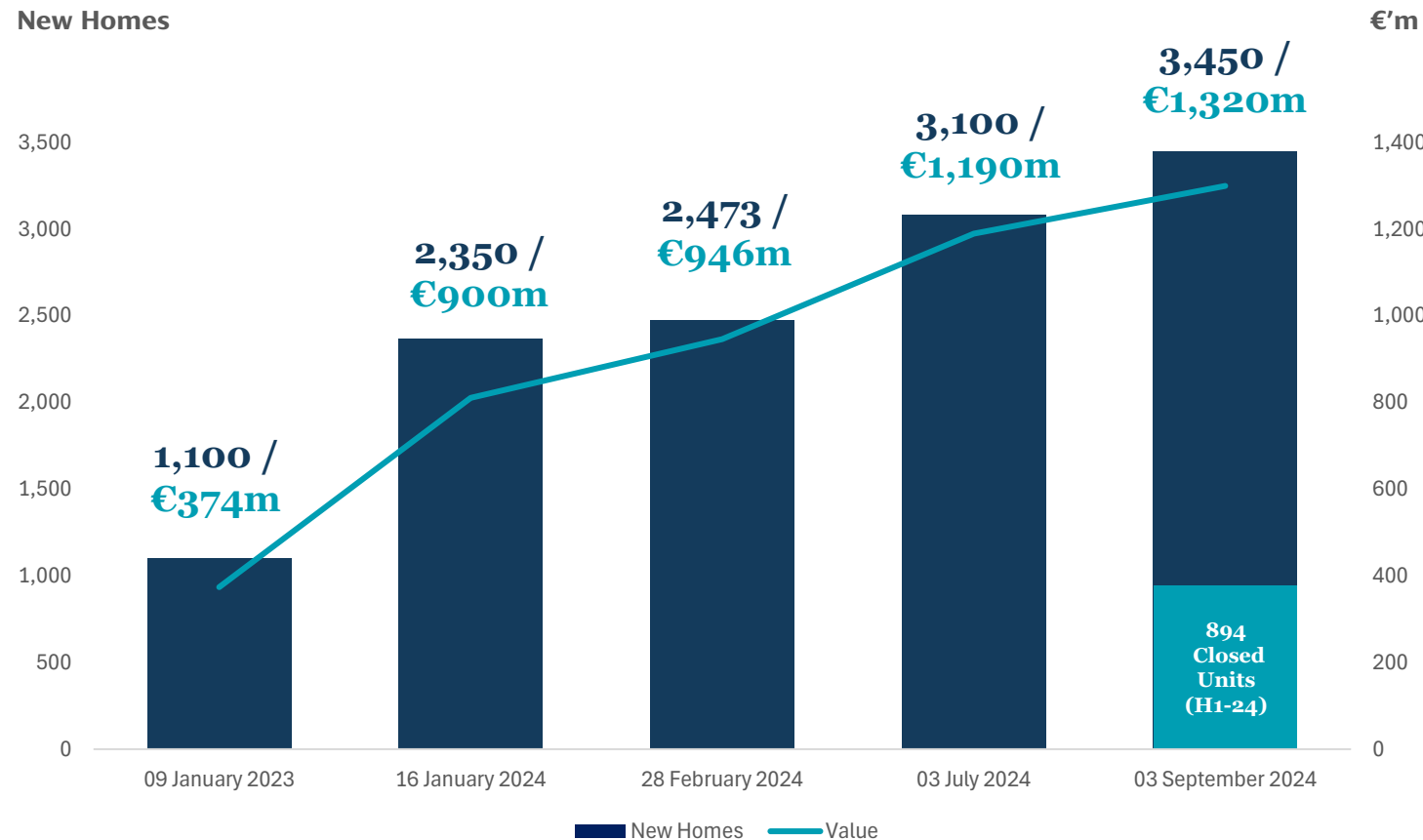
€115m+

Projected shareholder returns in 2024

Exceptional Demand and Momentum for Cairn New Homes

Demand for our energy efficient A rated homes across all buyer profiles is very strong

New Homes



Multi-year order book

+1,100 new homes

Increase in closed and forward order book since start of the year

€383,000

Net ASP in our closed and forward order book

Partnerships & JVs

Significant momentum in new partnerships and joint ventures for scaled delivery in urban areas



Bayly, Cork

Sales Pricing in H1 2024

New Homes Average Selling Prices

Period	Unit Closings	ASPs €'k (Net of VAT)			
		Starter Homes	Trade Up/Down	Apartments	Overall
H1 2024	894	346	630	390	388
H1 2023	535	342	458	400	406
Movement	+67%	+1%	+38%	-3%	-4%



Supply Chain Strategy, Innovation and Planning Progress

Leveraging our Scaled Platform

10 new sites and **10** new phases of existing sites in 2024
c.€1.25bn projected procurement spend 2024-2025

Established Subcontractor Base Underpins Growth

€2bn procured since 2015
 Average spend of **€57m** with each of our Top 20 subcontractors since 2015
 Multi-year, **multi-project** contracts

Forward Procurement - Margin protection⁽¹⁾

c.95%+ procured on current active sites for 2024
c.65%+ procured for 2025

Leading Sustainable Innovation

Established Cairn **Innovation Test Centre**
 Developed **Innovation House**
 Launched Cairn Design Tool Kits to enhance **standardisation and productivity**



Linden Demesne, Kildare

Continued Planning progress

Seven new grants of planning permission comprising nearly **1,500 new homes**

Cairn Apprenticeship Programme: Supporting Our Supply Chain & Our Industry

Leading the industry through the Cairn Apprenticeship Programme

Enhancing the **long-term health and viability** of the construction sector in Ireland

€10 million contribution over five years

Future proof industry **talent pipeline**



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Apprenticeship Programme



Monetary
Supports

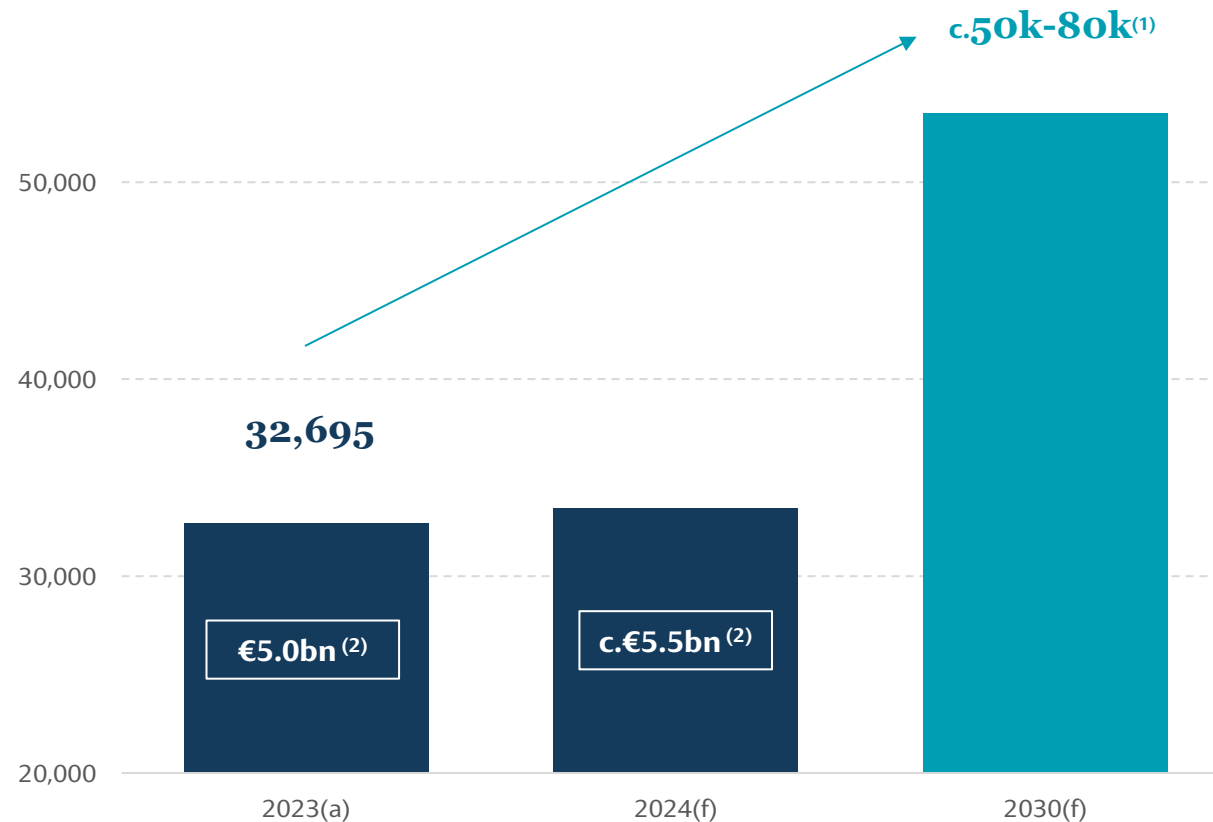
Learning &
Development

Graduate Apprentice
Scholarship

Professional
Apprentices

Supportive Environment for Increased Housing Output

New Home Completions



Strong Demographics

Near-record levels of net migration have helped push Ireland's population to 5.38 million people, up nearly 100,000 in the year to April

Employment

Nearly 2.8 million people were in employment in Ireland in Q2 2024, reflecting an economy at near full employment

Exchequer Returns

Ireland is forecasting a general government surplus of €8.6 billion in 2024 and a cumulative 2024 – 2027 surplus of €37.7 billion

Household Savings

Household deposits grew by €4.1bn in H1 2024 to nearly €140bn

Economic Growth

Growth in the Irish domestic economy is expected to pick up to 1.9% in 2024 and 2.3% in 2025, accelerating from 0.5% growth in 2023

Mortgage Market

FTB mortgage market remains strong with volumes increasing 5.5% YoY in Q2 2024

Supportive Government Policies

Over 300,000 new homes by 2030, including 142,000 Social & Affordable homes through Local Authorities, Approved Housing Bodies and the Land Development Agency

10 (1) Estimated annual housing requirement of between 49,400 – 81,400 new homes required to 2050 in a high population growth scenario (sources: CSO, Department of Housing, Heritage, and Local Government, Report of The Housing Commission)

(2) State Capital Funding

Progressing Delivery of Our €2bn GDV⁽¹⁾ Seven Mills Development

One of the largest housing developments in Europe



Seven Mills Since January 2023

Planning:

2,395 units granted full planning permission

Investment:

€284 million invested to date which will increase to over €500m in 2025

Employees:

2024 peak employees⁽³⁾ on site over 830 increasing to over 1,350 in 2025
Includes 80+ apprenticeships on site today

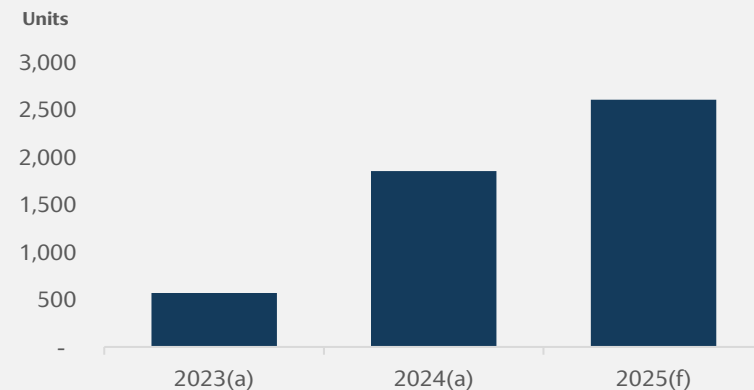
Infrastructure:

c.€200 million urban regeneration funding
Kishogue Train station opened in Aug-24

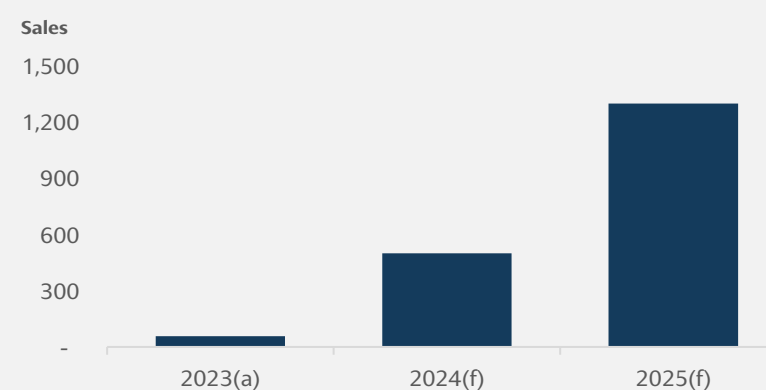
Community:

Over 300 families already living in Seven Mills within 18 months of commencement

Cumulative Commencements



Cumulative Sales Forecasts⁽²⁾



11 (1) Gross Development Value
(2) Includes forward fund units
(3) Includes direct and indirect employees



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02.

H1 2024 Financial Results

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H1 2024 Financial Performance

	H1 2024 Unaudited	H1 2023 Unaudited	Movement
	€m	€m	
Revenue	366.1	219.5	67%
<i>Unit closings</i>	894	535	67%
Cost of sales	(285.7)	(173.1)	65%
Gross profit	80.4	46.5	73%
<i>Gross margin %</i>	22.0%	21.2%	+80bps
Opex	(19.0)	(16.8)	13%
EBIT	61.4	29.6	107%
<i>EBIT margin %</i>	16.8%	13.5%	+330bps
Finance costs	(6.8)	(5.4)	26%
PBT	54.4	24.3	124%
PAT	46.9	20.7	126%
EPS	7.2 cent	3.0 cent	+4.2 cent
Net assets	758.4	757.2⁽¹⁾	0.2%
NAV per share	1.180	1.156⁽¹⁾	+2.4c
Land at cost	603.4	609.2⁽¹⁾	(€5.8m)

Delivered a **record** first half year performance

Significant growth across all key metrics with unit closings **+67%** to **894** and EBIT **+107%** to **€61.4m**

EPS more than doubled to **7.2 cent**

NAV growth of **2.4 cent** per ordinary share after a **3.2 cent** final dividend payment during the period

FY24 will be another year of **exceptional growth** in volumes, revenue and profitability

Revenue and Sales Performance KPIs

Closed and Forward Sales Pipeline (as at 3 September 2024)	Units	Revenue (Net)
H1 2024 – unit closings	894	€347m
H2 2024 – forward sales	1,256	€478m
2025 & 2026 – forward sales	1,300	€495m
Total closed and forward sales pipeline	3,450	€1,320m

WIP Investment Underpinned by Forward Sales	H1 21	H1 22	H1 23	H1 24
Forward sales	1,347	1,441	2,195	2,556
Forward sales	€525m	€520m	€793m	€973m
Closing WIP (at period end)	€285m	€346m	€419m	€319m
Forward sales coverage of WIP	1.8x	1.5x	1.9x	3.1x

Nearly **€975m** of forward sales into H2 2024 and beyond

Sales strategy significantly **derisks WIP investment**

Forward funds supporting a lower carrying WIP investment and creating **additional capacity for growth** into the long-term

Significant pipeline into 2025 and 2026 with **more opportunities being actively pursued**

Balance Sheet as at 30 June 2024

	30 June 2024 Unaudited	31 December 2023 Audited	Change
	€m	€m	
Non-current assets	16.1	16.6	(€0.5m)
Land held for development	603.4	609.2	(€5.8m)
Construction work in progress	318.6	334.3	(€15.7m)
Trade & other receivables	95.1	54.4	
Total assets (excl. cash)	1,033.3	1,014.4	+€18.9m
Trade / other payables & other liabilities	(117.9)	(108.9)	
Net assets (excluding borrowings)	915.4	905.5	+€9.9m
Net debt	(157.0)	(148.3)	(€8.8m)
Net assets	758.4	757.2	+€1.2m
Balance sheet KPIs			
Shareholder distributions	48.1	84.6	(€36.5m)
Gross debt to GAV	28.0%	17.9%	(10.1%)
Net debt to inventory (land and WIP)	17.0%	15.7%	(1.3%)

Asset backed balance sheet with **€922m** investment in land and WIP

Conservative leverage with **HBFI** added to our increased **€327.5m** sustainability linked syndicate during the period

Committed debt facilities of **€385m** with an average maturity of **2.8 years** (from July 2024)

Strong liquidity at half year with net debt at **€157.0m** compared to **€228.6m** at H1 2023

Key Cash Flow Movements

	Jun-24	Jun-23	Movement
	€m	€m	
EBITDA	65.0	32.9	
Decrease/(Increase) in land held for development	5.8	(78.8)	
Decrease in construction work in progress	15.7	31.7	
Other working capital movements	(37.0)	(16.5)	
Operating cashflow generated (used)	49.5	(30.7)	€80.2m
Shareholder returns			
Dividends paid	(20.7)	(21.2)	
Share buyback programme	(27.4)	(22.3)	
Total shareholder returns	(48.1)	(43.5)	€4.6m
Net debt	(157.0)	(228.6)	€71.6m

Generated €49.5m in operational cash flow, a significant improvement from the €30.7m used in H1 2023 (net positive €80.2m)

Net debt of **€157.0m**, resulting in available liquidity of **€241.8m** at half year

Land reduced by **€5.8m** following the release of land held from our 894 unit closings, offset by **€26.1m** strategic land acquisitions

€15.7m net WIP reduction following the release of WIP held from our 894 unit closings of **€241.2m** offset by WIP investment of **€225.6m** including benefit of forward fund transactions

WIP investment is more than **3.1x** covered by our forward sales pipeline

Other working capital movements of **€37.0m** includes balances of **€64.8m** relating to funds due from Approved Housing Bodies which were subsequently received (post period-end)

Shareholder returns of **€48.1m**, including **€27.4m** relating to share buybacks

Capital Allocation Policy: Consistent Shareholder Value Creation

Shareholder returns (€m)	2021(a)	2022(a)	2023(a)	2024(f)
Dividends	€19.9m	€40.7m	€41.9m	€44.9m
Share buybacks	-	€75.1m	€42.7m	€72.4m
Total shareholder returns	€19.9m	€115.8m	€84.6m	€117.3m
<i>Cumulative shareholder returns</i>	<i>€19.9m</i>	<i>€135.7m</i>	<i>€220.3m</i>	<i>€337.6m</i>
Unit delivery (units)	1,120	1,526	1,741	c.2,200

Net investment in WIP (2021-H1 2024)	€40.8m
Gross land acquisitions (2021-H1 2024)	€159.4m
Total	€200.2m

FY24 Guidance

c.2,200 Closed Units

c.€145m Operating profit

15% ROE

Continued annual growth in **volumes, revenue and profitability** supported by timely and tactical land acquisitions

Focus on balance sheet efficiency and growing ROE to **15% in FY24**

We will continue to distribute surplus capital after investing in our business to shareholders through a combination of progressive ordinary dividends, share buybacks and/or special dividends

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community
games



03. Sustainability Update

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ESG – Tracking Progress

Environmental



Four Passive House developments under construction – c.1,750 units delivering lifetime energy savings of up to €60m+ and 75,000+tCO₂

First EU Taxonomy aligned development sold in H1 2024 – 210 units

Climate Transition Plan published to support SBTi Net Zero target setting

50%+ of commencements in 2024 target Biodiversity Net Gain

Social



Cairn Representative nominated to Board of Supply Chain Sustainability School Ireland

Cairn Community Games held in 430 towns with over 160,000 people taking part. We will invest €3m over 4 years

Launch of the Cairn Apprenticeship Programme in H2 2024

'Women in Cairn Network' Employee Resource Group (ERG) launched

Governance



Appointed a Director responsible for Sustainability and Environmental Impact to bolster Board oversight

Double Materiality Assessment undertaken for upcoming Corporate Sustainability Reporting Directive (CSRD)

New Supply Chain and Procurement policy published

Four sustainability performance targets met in our €327.5m sustainability linked facility



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Apprenticeship Programme



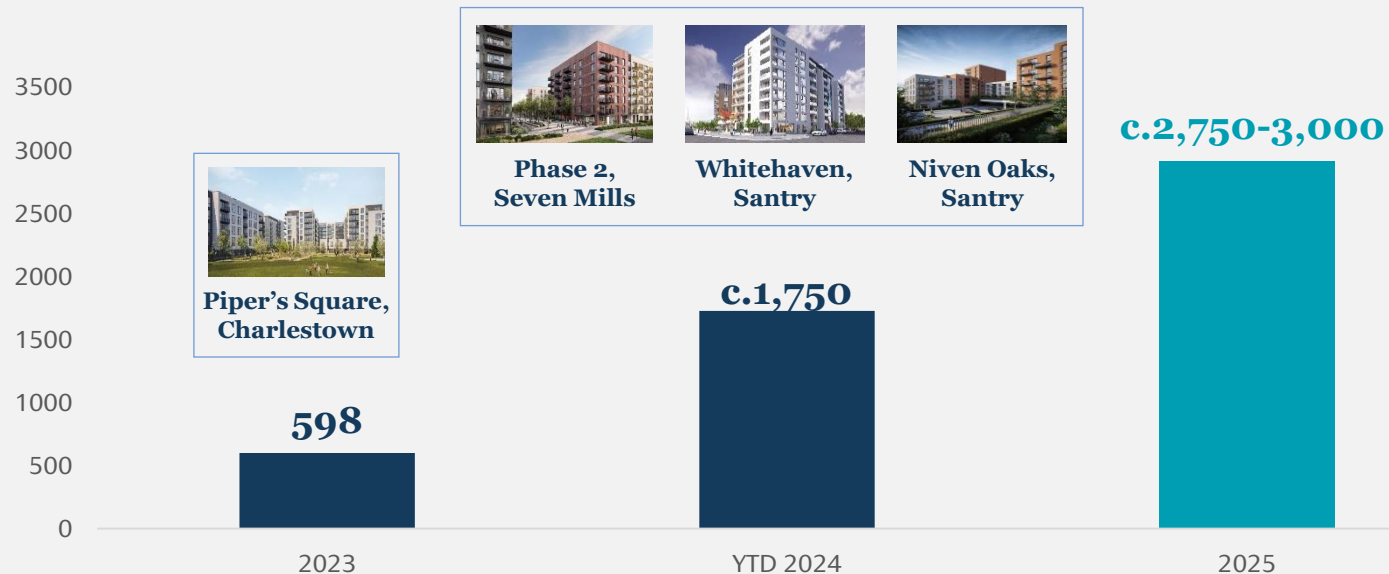
Leveraging our Proven Apartment Delivery Capability

Delivering apartments at pace, scale and value for money

Transitioning to Passive House standard to meet our customer expectations

Cumulative commencements to the Passive House standard

New Homes



Benefits of Passive House standard

Dramatically reduced carbon footprint

75,000+ tCO₂ saved over four developments which is equivalent to 68 million airmiles or 125 million diesel car miles

Significantly lower overall energy usage & bills

€100m - €110m of lifetime⁽¹⁾ savings across our Passive schemes which we will commence by the end of 2025

c.40% reduction in annual costs of utility bills⁽²⁾

Benefits for residents

Improved thermal comfort and performance

Unmatched acoustic comfort

20 (1) As required under the Greenhouse Gas Protocol and SBTi reporting rules.

(2) Annual cost savings relative to an NZEB compliant unit (based on an average 70 sqm apartment). The costs have been calculated based on day and night electricity and gas rates from the SEAI (Sustainable Energy Authority of Ireland) and includes an allowance for unregulated energy (plug loads) but excludes standing charges.

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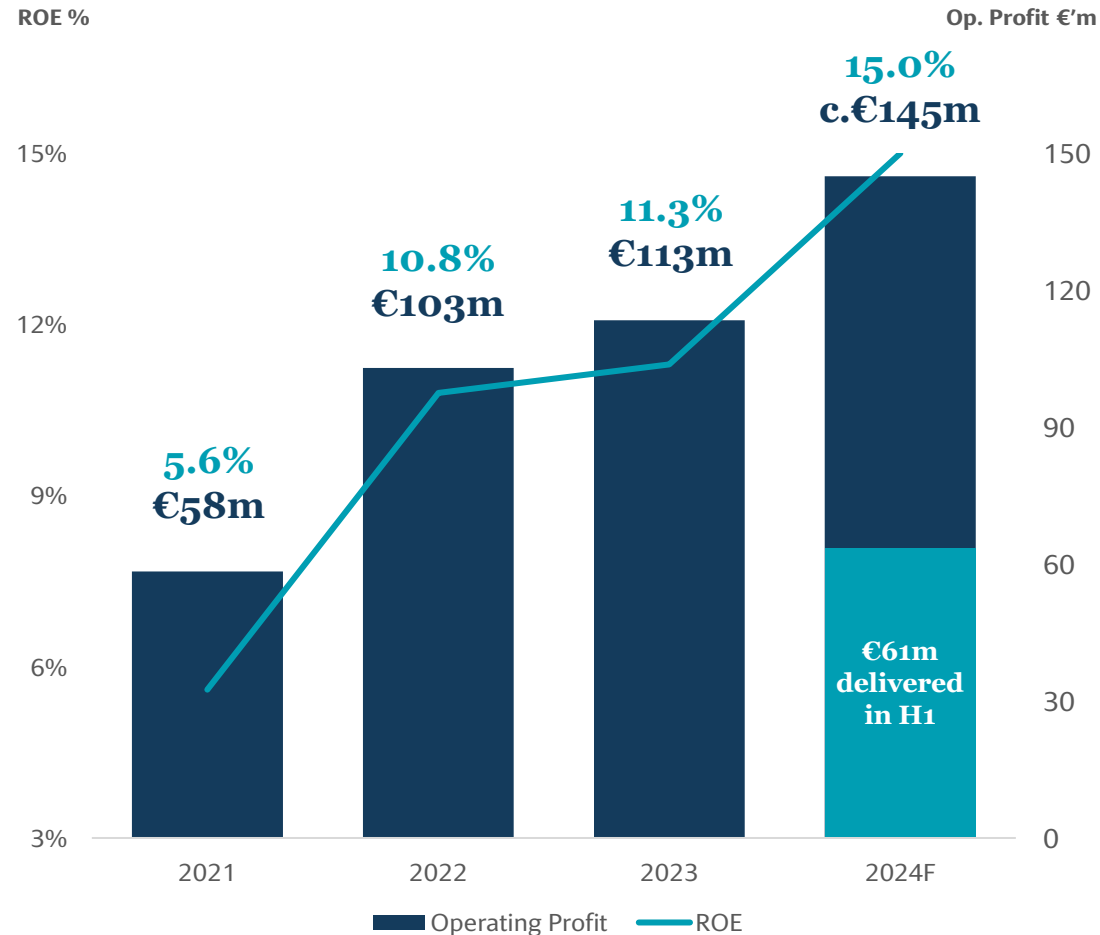


04. Outlook

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A Sustainable Business Delivering Value For All Stakeholders

Operating Profit and ROE Trajectory



<p>Mature and sustainable business with significant momentum</p>	<p>Exceptional demand for our quality built, energy efficient homes in great locations</p>	<p>Market leading position with significant scale supporting competitive pricing</p>
<p>Continued annual growth in volumes, revenue and profitability</p>	<p>Balance sheet discipline with ROE growing to 15% in FY24</p>	<p>Supportive environment for increased housing output</p>

Reaffirmed FY24 guidance and 2025 is expected to be another year of **strong volume, revenue and profit growth** as Cairn continues to leverage our **exceptional scaled operating platform**

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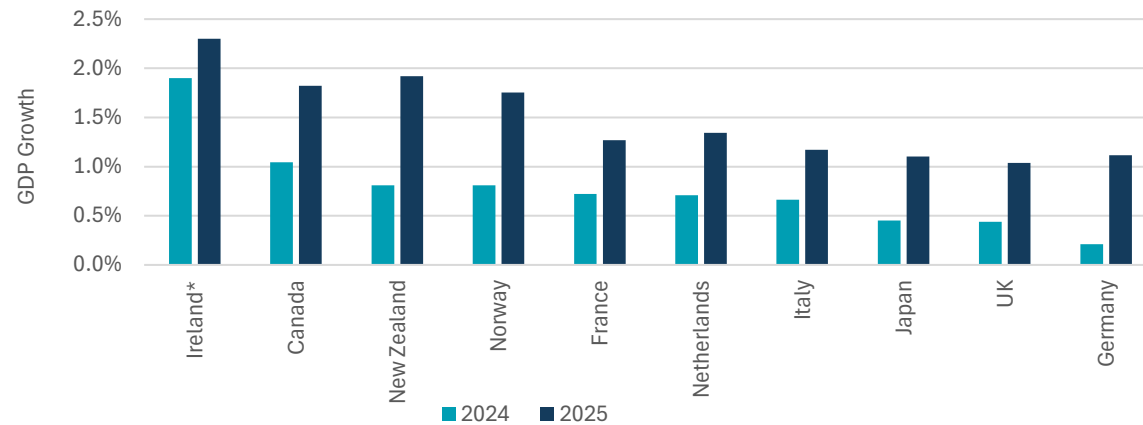


05.
Appendices

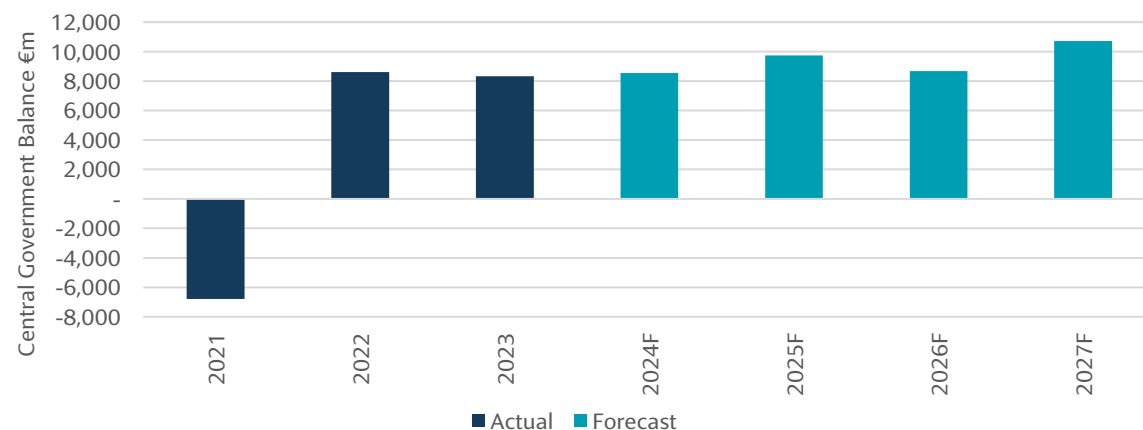
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Strong Macroeconomic Backdrop

Ireland's forecast growth continues to outpace peers



Surpluses of up to €37bn predicted over the coming years



Accelerating Economic Growth

Growth in the Irish domestic economy is expected to pick up to 1.9% in 2024 and 2.3% in 2025, accelerating from 0.5% growth in 2023

Demographics Support Housing Demand

Near-record levels of net migration have helped push Ireland's population to 5.38 million people, up nearly 100,000 in the year to April. Ireland's population is projected to show 4th fastest growth rate to 2030 out of the EU27

Sustained Record Levels of Employment

Nearly 2.8 million people were in employment in Ireland in Q2 2024, reflecting an economy at near full employment and a continued moderation of consumer price inflation to 2.2% in July 2024 (from a high of 9.6% in June 2022)

Strengthening Personal Balance Sheets

Household deposits grew by €4.1bn in H1 2024

Mortgage Backdrop

FTB mortgage market remains strong with volumes increasing 5.5% YoY in Q2 2024

Strong Public Finances

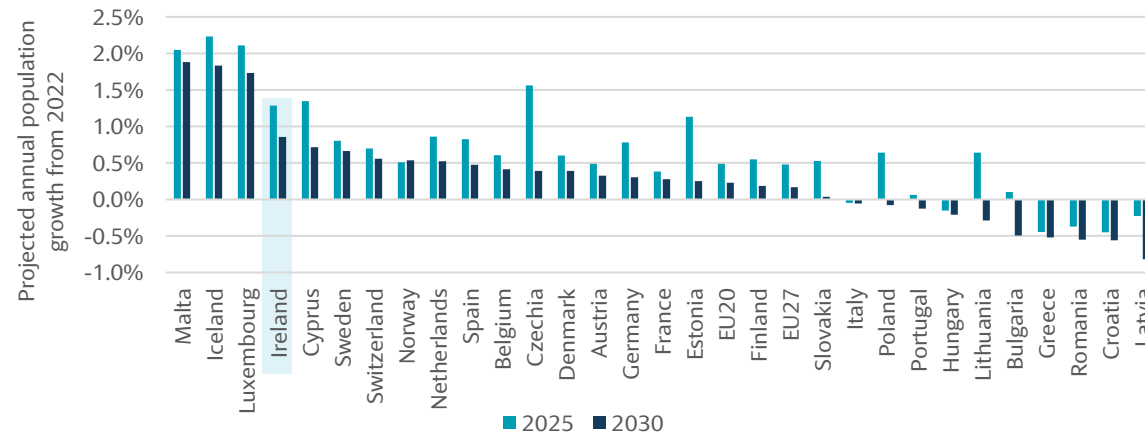
Ireland is forecasting a general government surplus of €8.6 billion in 2024 and a cumulative 2024 – 2027 surplus of €37.7 billion. Annualised tax revenues grew 3.5% in Q1 2024, to €94.4bn

All Supporting Ambitious Housing for All Targets

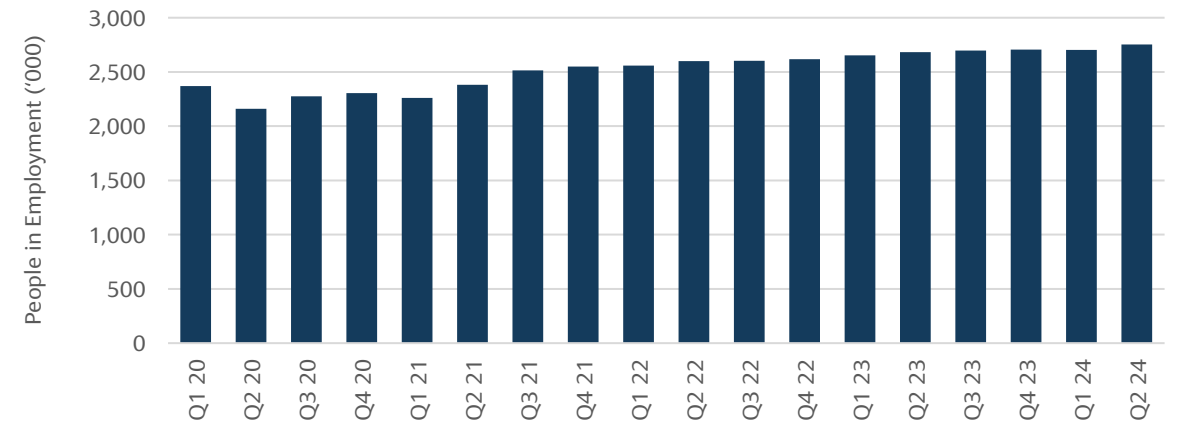
Over 300,000 new homes by 2030, including 142,000 Social & Affordable homes through Local Authorities, Approved Housing Bodies and the Land Development Agency underpinned by €21 billion capital funding to 2025

Growing population & employment driving strong personal finances

Ireland's projected population growth among fastest in the EU



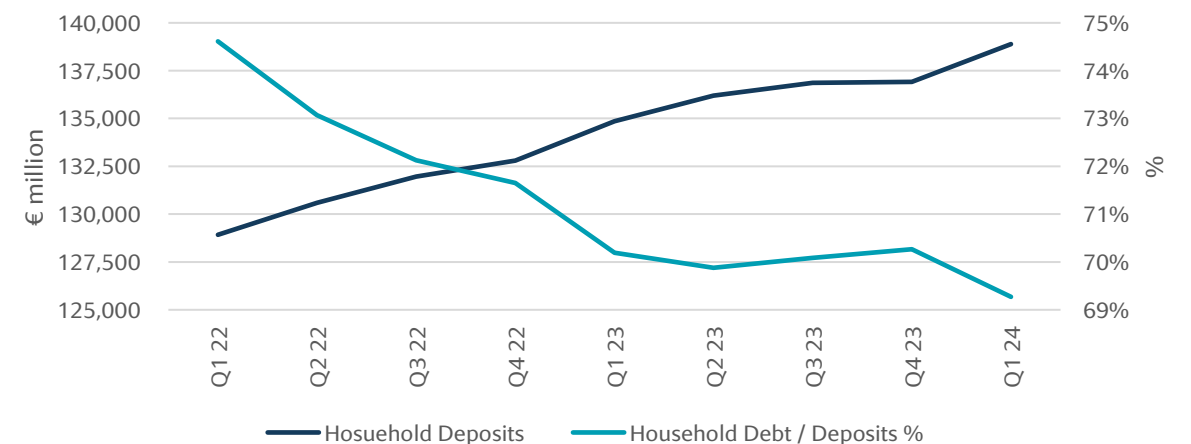
Record 2.8 million people in employment in Q2 24



Strong population growth continues in 2024

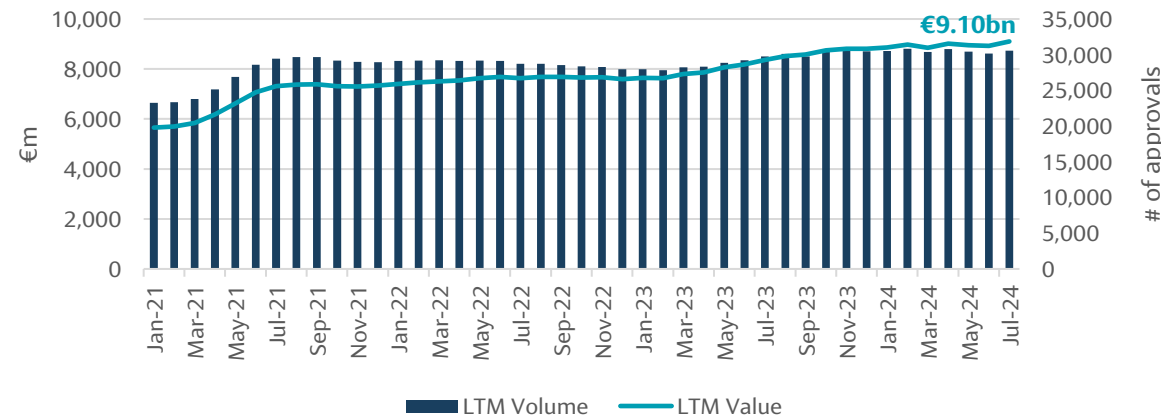


Strengthening household finances

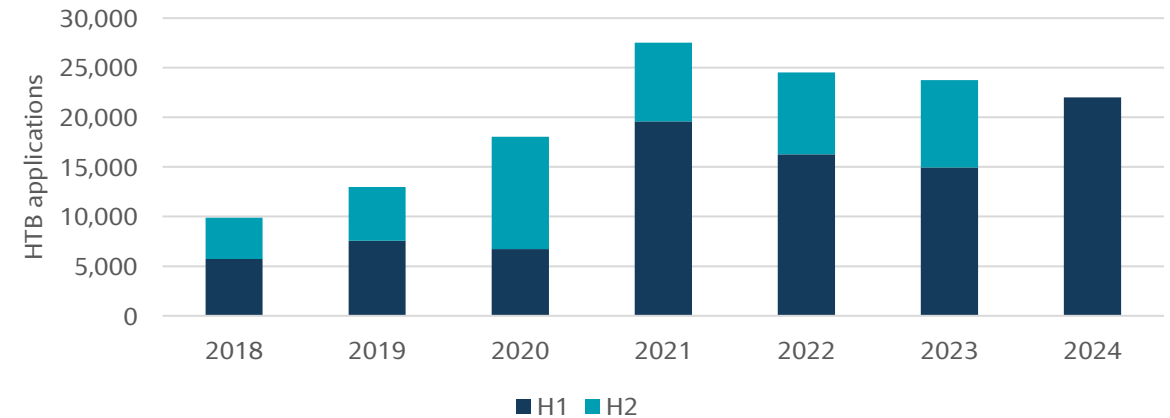


Government Incentives Continue to Support FTB Demand

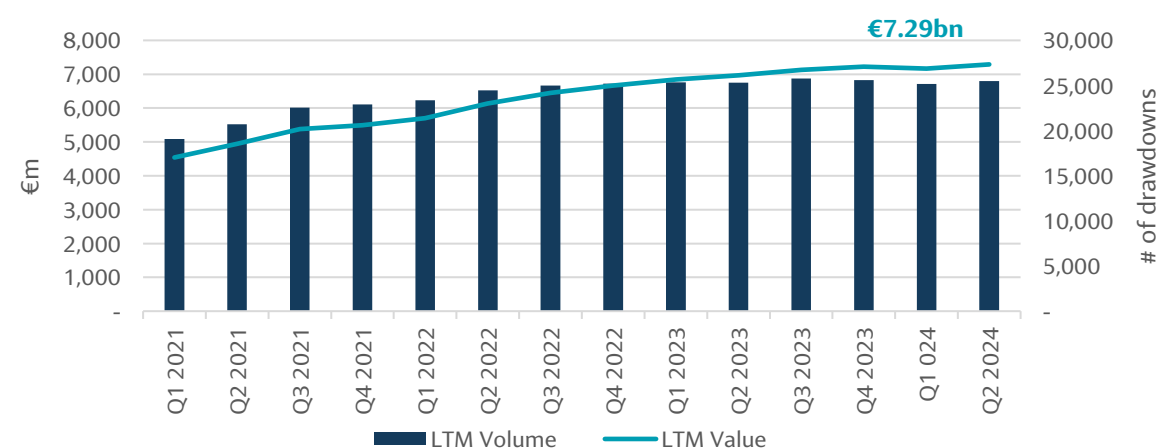
FTB mortgage approvals steadily increase



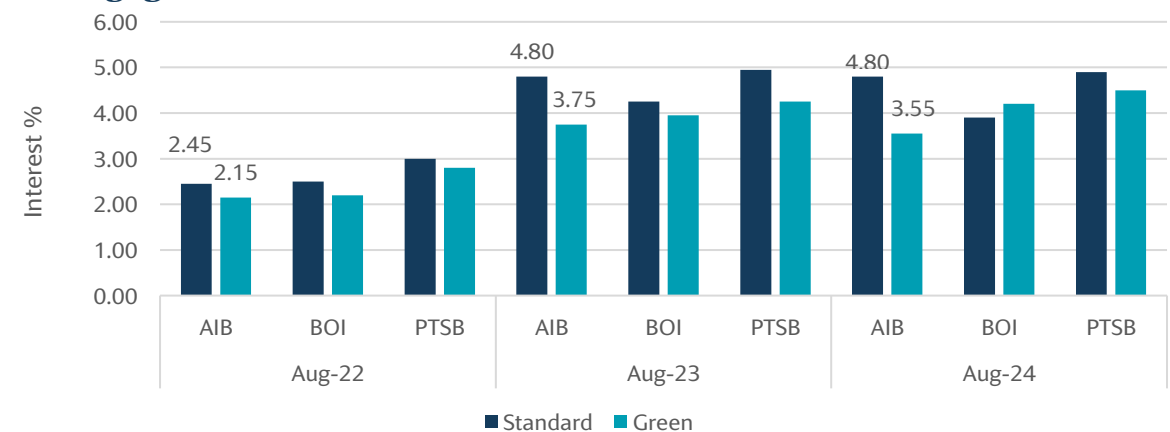
Help to Buy Applicants at record high in H1



FTB mortgage drawdowns continue to grow in Ireland



Green mortgages continue to offer large discounts to standard mortgages



Annual Housing Need Far Exceeds Current 50,000 Target

Sustained Population Growth

Ireland's population reached 5.38 million in 2024, an annual increase of almost 100,000 (1.87%). This significantly exceeds the upper end of the CSO's population projections

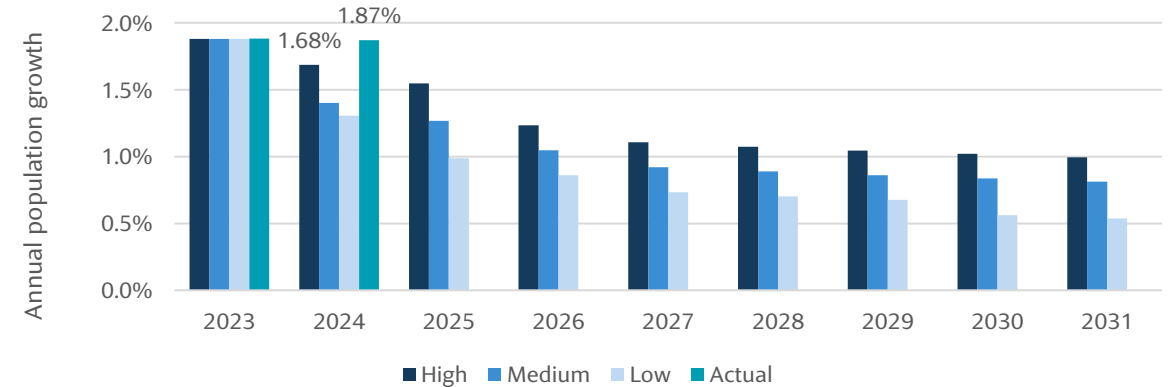
Actual Housing Need Likely to Exceed 50,000 Target

With population growth far exceeding projections, Ireland's housing need will be commensurately higher

Widening Housing Supply Shortfall

The Housing Commission estimated Ireland's housing shortfall was between 212,500 and 256,000 in 2022. Following two years of strong population growth and insufficient housing delivery, we estimate the shortfall has since increased by 36,480

Actual population growth well in excess of the CSO's highest-growth projection

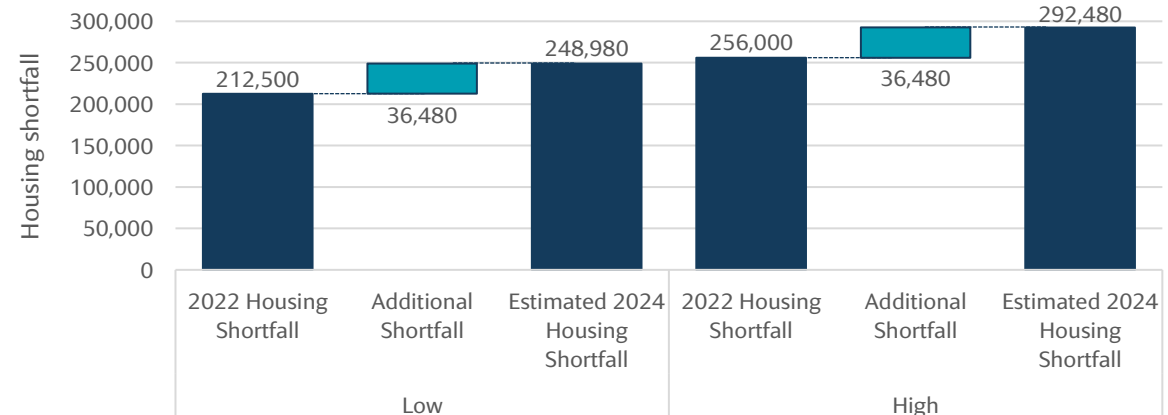


Current growth trajectory suggests far higher housing need than budgeted

Aligns with CSO's "high migration" scenario
More plausible scenario based on current trajectory

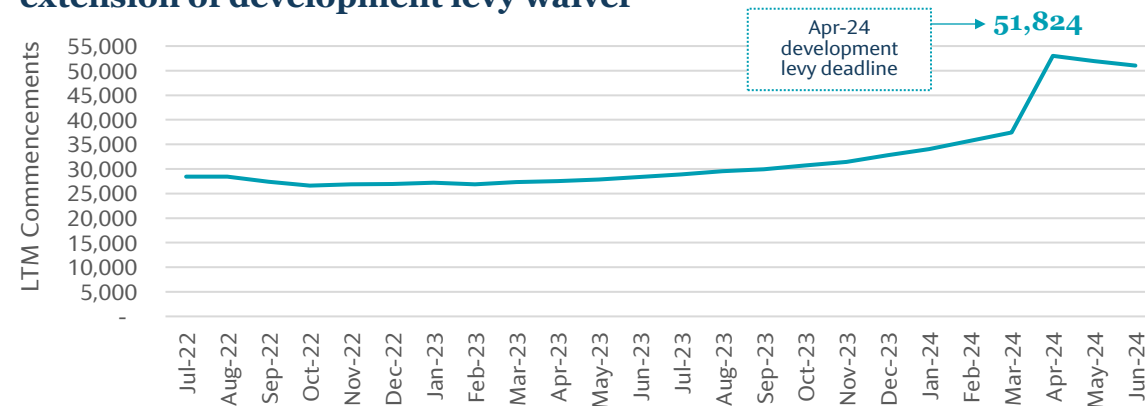
	Population in 2050				
	6.25 million	6.50 million	6.75 million	7.00 million	7.25 million
Household size 2050	6.25 million	6.50 million	6.75 million	7.00 million	7.25 million
Implied annual growth	0.67%	0.81%	0.95%	1.08%	1.21%
2.4	33,400	37,600	41,700	45,800	49,900
2.3	37,900	42,200	46,500	50,800	55,100
2.2	42,800	47,300	51,800	56,300	60,800
2.1	48,200	52,900	57,600	62,300	67,000
2.0	54,100	59,000	64,000	68,900	73,800
1.9	60,600	65,800	71,000	76,200	81,400

Recent population growth relative to housing delivery has widened Ireland's housing shortfall to nearly 300,000

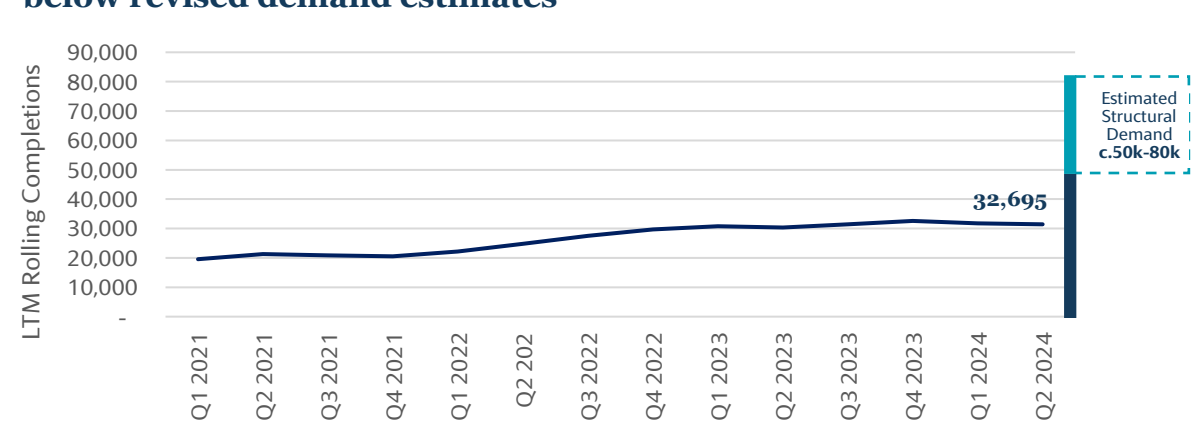


Supply is Still Significantly Below Structural Demand

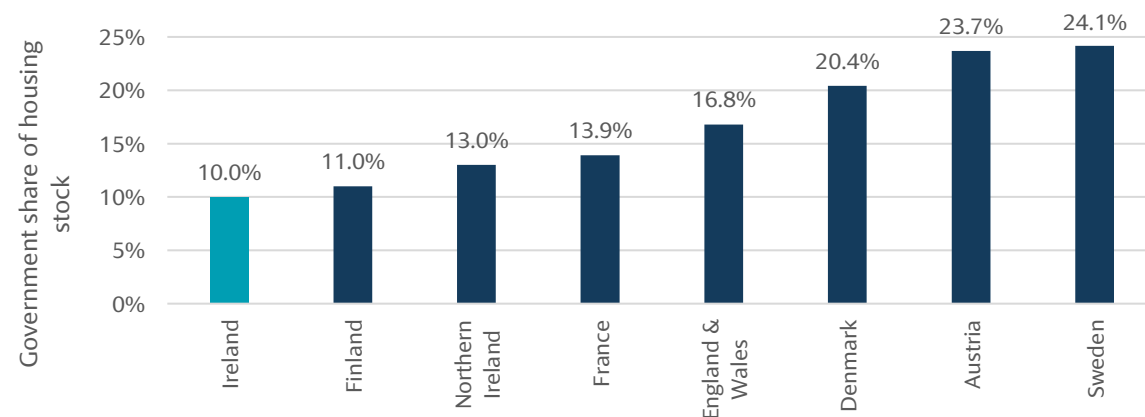
Spike in commencements driven by extension of development levy waiver



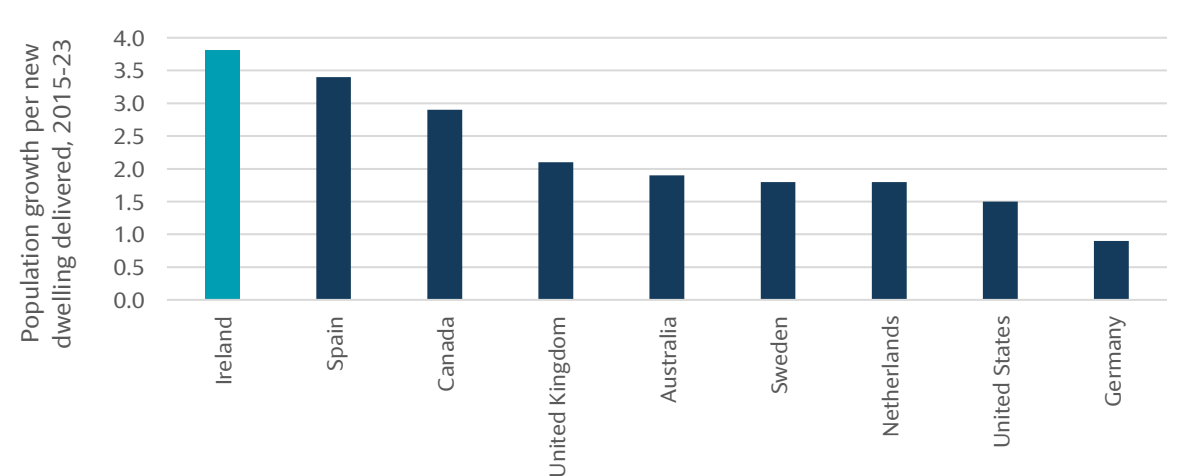
Annual completions still significantly below revised demand estimates



Government ownership of housing in Ireland lower than in benchmark countries



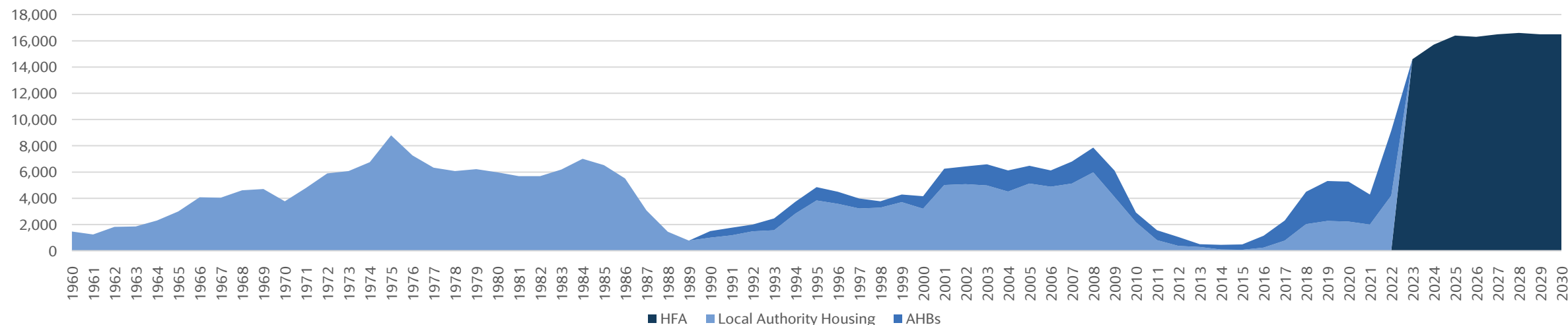
Census data confirms fall in home-ownership across age cohorts



Housing for All

Ambitious Plan to Deliver 140,000+ Social & Affordable New Homes

Historic delivery of social housing in Ireland highlights the ambitions of Housing for All



Annual Social & Affordable targets to 2030

Tenure	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
Social Homes	9,000	9,100	9,300	10,000	10,200	10,200	10,200	10,200	10,200	88,400
Affordable & Cost Rental Homes	4,100	5,500	6,400	6,400	6,100	6,300	6,400	6,300	6,300	53,800
Total	13,100	14,600	15,700	16,400	16,300	16,500	16,600	16,500	16,500	142,200
Units Delivered	9,190	12,121								

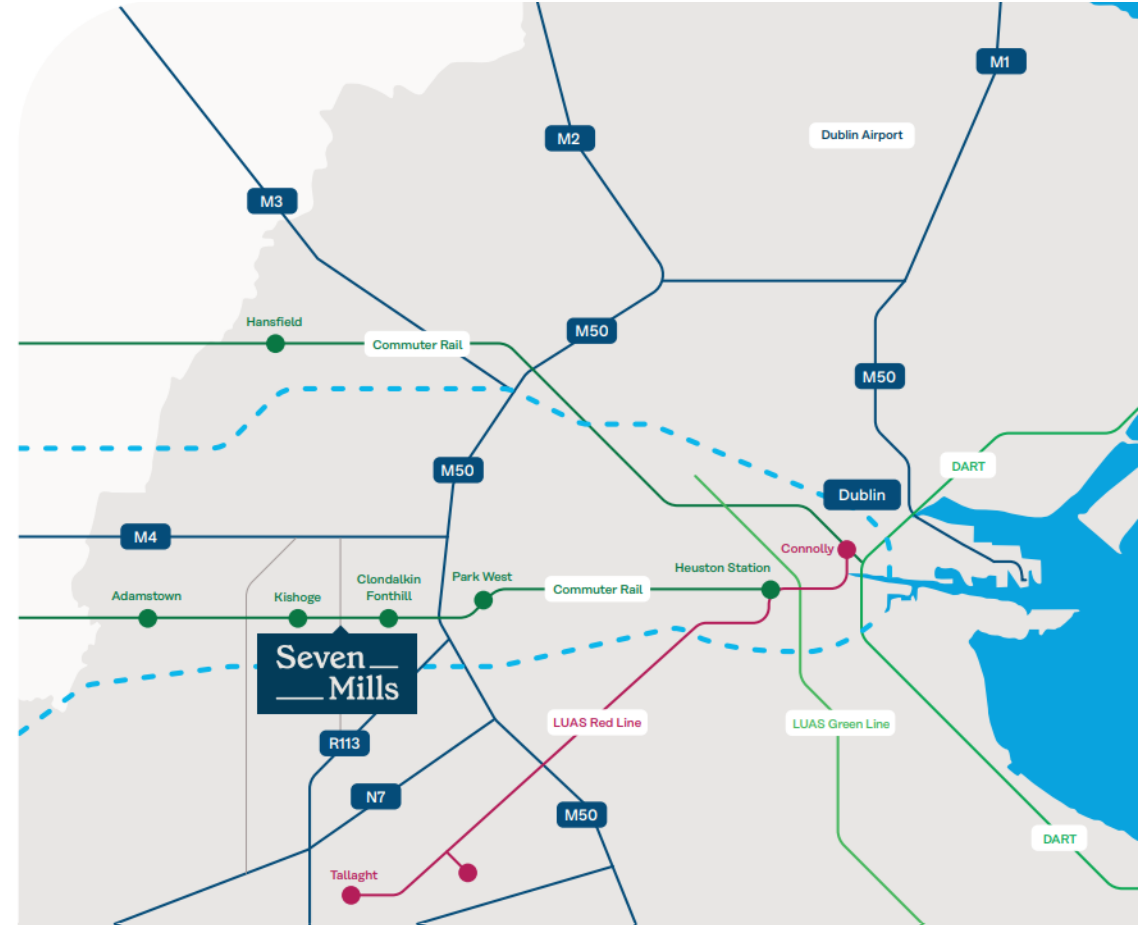
Seven Mills



25,000 Residents to be housed	9,000 Mixed tenure homes	10,000 Jobs in commercial and retail	13km From Dublin City Centre
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Seven Mills in Context

Building a new suburb in Dublin which will have the same population as existing and established towns in Ireland such as Naas, Kilkenny, Ennis and Portlaoise



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