Results for the Year Ended 31 December 2023
Established and Scaled Platform With Significant Momentum

Dublin / London, 29 February 2024: Cairn Homes plc ("Cairn", "the Company" or "the Group") (Euronext Dublin: C5H / LSE: CRN) today announces its preliminary results for the year ended 31 December 2023.

Financial Highlights €'m	**2023**	2022	**Change**
Revenue	**666.8**	617.4	+8.0%
Gross margin	**22.1%**	21.7%	+40bps
Operating profit	**113.4**	103.0	+10.1%
Operating margin	**17.0%**	16.7%	+30bps
Basic earnings per share (cent)	**12.7c**	11.5c	+1.2c
Dividend per share (cent)[1]	**6.3c**	6.1c	+0.2c
Total equity	**757.2**	751.8	+€5.4m
ROE[2]	**11.3%**	10.8%	+50bps
Net debt	**148.3**	149.3	(€1.0m)

Sales Highlights	**As at 28 February 2024**	As at 1 March 2023	**Change**
Closed and forward sale order book (units)[3]	**2,473**	1,503	+65%
Closed and forward sale order book (value)	**€946m**	€534m	+77%
Average selling price (excluding VAT) (€'k)	**€383k**	€355k	+€28k

Key Financial and Operational Highlights

- Cairn had its strongest ever financial and operational performance in 2023, delivering 1,741 sales completions (2022: 1,526) and generating revenues of €666.8 million (2022: €617.4 million).
- Demand for Cairn new homes remains exceptionally high as evidenced by our pipeline of closed and forward sales as at 28 February 2024 of 2,473 new homes (€946 million), an increase of nearly 1,000 new homes (+€400 million) in twelve months.
- A record second half of the year delivered 1,206 sales completions, total revenue of €447.3 million, gross margin of 22.6% and operating cash flow[4] of €194.8 million, underpinning and driving the Company's growth into 2024.
- Construction work in progress ("WIP") investment of €439.9 million in 2023, illustrating our ongoing investment in construction activities, with over 2,100 new home commencements (a 21% increase from 2022), and active across 20 sites nationwide.
- Progressed our first three forward fund transactions[5] which will deliver nearly 1,300 much needed Social & Affordable new homes. These transactions will enable Cairn, as Ireland's largest self-build apartment developer, to further increase our delivery of apartments.

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[1] FY23 6.3 cent dividend represents 3.1 cent interim dividend per ordinary share paid in October 2023 and 3.2 cent proposed final dividend per ordinary share. FY22 dividend of 6.1 cent represents 3.0 cent interim dividend per ordinary share paid in October 2022 and 3.1 cent final dividend per ordinary share paid in May 2023.

[2] Defined as Profit after Tax divided by Total Equity at Year End.

[3] Represents the combined total of new home sales closings year-to-date and forward sales agreed as at the relevant date by number of units, total value (ex. VAT) and average selling price (ex. VAT).

[4] Defined as operating cash flow before strategic land acquisitions.

[5] Forward fund transactions involve Cairn delivering new homes under a contractual relationship where the land is sold up-front and the cost of delivering the new homes is paid on a phased basis.

- Commenced our first 598 unit Passive House apartment scheme at Piper's Square, Charlestown, which aligns to both our decarbonisation targets and our strategy of delivering the highest quality scaled apartment developments to State supported counterparties.
- Retained our A- Carbon Disclosure Project ("CDP") score and improved our rating across nearly all key metrics, including scope 3 emissions and targets.
- Announced as the title sponsor of Ireland's Community Games. Over 160,000 children participate annually in these games which will be renamed as Cairn Community Games.
- Completed €52.4 million of our €75 million share buyback programme and acquired 45.6 million shares, as at 28 February 2024. The Board is also proposing a final dividend of 3.2 cent, subject to shareholder approval at our AGM on 10 May 2024, for a total FY23 dividend of 6.3 cent per ordinary share.

Macroeconomic and Housing Backdrop

- Ireland entered 2024 with one of the strongest performing economies in the EU. Notwithstanding the current interest rate environment, there is a supportive macroeconomic backdrop with strong exchequer surpluses, falling inflation, record and near full employment, strong consumer spending and a growing population.
- Housing For All continues to target 300,000 new homes in Ireland by 2030, including 90,000 social and 54,000 affordable homes. This is supported by a general budget surplus of €8.4 billion forecast in 2024, with cumulative surpluses between 2023 – 2026 of over €46 billion forecast (source: Budget 2024).
- The Irish Government has committed over €5 billion in funding for housing in 2024 - an acknowledgement of housing as Ireland's number one societal issue and, more importantly, a commitment to an increasing role in solving this crisis. Ambitious housing targets are underpinned by impactful State supports for first time buyers in the private market and State supported counterparties in the Social & Affordable market.
- There continues to be a significant structural demand for new homes and despite the delivery of 32,695 new home completions in 2023, the highest since 2008, the Housing Commission estimates that c.42,000 – 62,000 new home completions are required per annum.

FY24 Outlook and Guidance

Cairn has continued our strong sales momentum with a closed and forward sales order book of 2,473 new homes with a net sales value of €946 million (as at 28 February 2024) illustrating the strong demand for our quality built and energy efficient new homes. This supports our FY24 outlook with the Company poised to deliver another year of exceptional growth in volumes, revenue and profitability. The Company expects to continue its strong medium and long-term cash generation and deliver our target of a 15% ROE in FY24, demonstrating our commitment to creating shareholder value and delivering strong returns.

With this growing level of confidence in our business, 2024 is expected to be another year of continued momentum and significant growth. The Company is positioned to grow our business by a further 30% in 2024 and from this strong base today re-confirms our FY24 guidance as follows:

- c.2,200 units[6];
- Operating profit of c.€145 million; and
- ROE of 15%.

The Company remains committed to distributing surplus cash to shareholders and our significant cash generation in 2024 and beyond will continue to fund consistent shareholder returns. The Company has returned over c.€315 million to shareholders since 2019, (c.30% of market capitalisation as at 28 February 2024), through a combination of progressive ordinary dividends and share buyback programmes. The remaining €22.6 million in the FY23 share buyback programme is expected to complete in the coming months, at which point the Company will issue a further capital allocation update.

Commenting on the results, Michael Stanley, CEO, said:

"Our sustained positive momentum has carried through into 2024 and strong sales since the beginning of the year has seen our closed and forward order book growing further to 2,473 new homes. We continue to invest heavily in work in progress as we ramp up delivery across our 20 active construction sites. Cairn will deliver another year of strong growth in volumes, revenue and profitability."

"Construction of homes for first time buyers is a core market for us, having delivered over 500 new starter homes at average competitive market prices of just under €400,000 last year."

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[6] 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.

"We are also now a well-established delivery partner for State-supported entities including the LDA, Approved Housing Bodies and Local Authorities, who urgently require delivery of new apartment developments situated close to multi-modal transport hubs, for social and affordable rental homes."

"The State currently owns less than 10% of the 2.1 million residential homes in Ireland, a level which materially lags many European peers where State ownership is typically closer to 20%. Added to this, the private rental sector is insignificant in scale and uninvestable at present. Unaddressed, this material difference will result in other economies out-competing Ireland, as they are much better positioned to offer secure and affordable rental accommodation to their working population. The success of State owned or funded affordable rental supply solutions like Cost Rental (CREL) is now critical to addressing Ireland's housing crisis today and into the future."

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An analyst and investor call will be hosted by Michael Stanley, CEO, and Shane Doherty, CFO, today 29 February 2024 at 8.30am (GMT). Please use the numbers below, quoting the access code 579710:

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Notes to Editors
Cairn Homes plc ("Cairn") is an Irish homebuilder committed to building high-quality, competitively priced, sustainable new homes and communities in great locations. At Cairn, the homeowner is at the very centre of the design process. We strive to provide unparalleled customer service throughout each stage of the home-buying journey. A new Cairn home is expertly designed, with a focus on creating shared spaces and environments where communities thrive. Cairn owns a c. 16,300 unit landbank across 35 residential development sites, over 90% of which are located in the Greater Dublin Area ("GDA") with excellent public transport and infrastructure links.

Note Regarding Forward-Looking Statements
Some statements in this announcement are, or may be deemed to be forward-looking with respect to the financial condition, results of operations, business, viability and future performance of Cairn Homes plc and certain plans and objectives of the Company. They represent our expectations for our business and involve risks and uncertainties. We have based these forward-looking statements on our current expectations and projections about future events. We believe that our expectations and assumptions with respect to these forward-looking statements are reasonable. However, because they involve known and unknown risks, uncertainties and other factors, which are in some cases beyond our control, and which include, among other factors policy, brand, economic, financial, development, compliance, people and climate risks, our actual results or performance may differ materially from those expressed or implied by such forward-looking statements. Past performance cannot be relied upon as a guide to future performance and should not be taken as a representation that trends or activities underlying past performance will continue in the future. These forward-looking statements are made as of the date of this document. Cairn Homes plc expressly disclaims any obligation or undertaking to publicly update or revise these forward-looking statements, other than as required by applicable law.

CHIEF EXECUTIVE STATEMENT

IMPLEMENTATION OF STRATEGY

Cairn is a home and community builder, leading the market in creating sustainable foundations upon which Ireland can thrive. Cairn's corporate objective is to deliver sustainable new homes, including houses, duplexes and apartments, to a broadening customer base. This is done at pace and scale whilst building communities that serve our country's present and future needs. These new communities are delivered from a scalable operating platform, through established supply chain partnerships and on development sites across our historic low-cost c.16,300 unit landbank. This, in our view, is the most immediate, direct and delivery-focused way to make a real and meaningful impact on the Irish housing market.

Cairn's historic approach to capital deployment, through a timely and well-executed land acquisition strategy together with the successful scaling of our business, has resulted in over 10,000 customers choosing a new Cairn home to date. These new homes are delivered on our current 35 site landbank which comprises suburban and commuter belt low-density housing sites (c.11,500 units at an average historic site cost of c.€24,000 per unit) and city centre, suburban and commuter belt high-density apartment sites (c.4,800 units at an average historic site cost of c.€66,000 per unit).

The Company is focused on sustainably building and investing in the capability and capacity of the three key components of our operating model – our people, our operating platform and our supply chain. This will enable us to execute our strategic priorities in these critical areas as well as supporting our ambitious growth strategy. It also sets us up for scale and optimises our product delivery through a combination of:

- **The Strength of our Team:** we continue to invest in our people and extend our capacity and capability. Our team continues to grow across all areas of our business.
- **Better Ways to Build:** our continuous improvement programme which focuses on digital construction, innovation, productivity and scaled efficiencies to drive operational excellence and maintain our competitive and market advantage.
- **Apartment Delivery Expertise:** as Ireland's largest self-build apartment developer[7], we will continue to leverage the knowledge capture and experience from our proven scaled delivery capability with over 4,500 apartments delivered or under construction to date in areas of high employment.
- **Regional Expansion:** extending our development footprint beyond the Greater Dublin Area ("GDA") with initial new site commencements in Cork, Limerick and Kilkenny. This will be followed by further potential expansion in other regional locations.

Our ambitious growth strategy allows us to respond to the continuing strong demand for new homes across all tenures and multiple routes to market, including:

- **Business to Customer:** well-located, energy efficient, A-rated starter homes on multimodal transport links in areas of proven demand for our core first time buyer ("FTB") market and the higher price point trade-up/down market;
- **Business to Government:** partnerships with different State supported counterparties, including the Land Development Agency ("LDA"), Approved Housing Bodies ("AHB"), and Local Authorities in delivering Social & Affordable homes. With Cairn's scale, capability and low-cost landbank, we will continue to explore opportunities where we can deliver high-quality new homes at scale, pace and value for money for State housing partners; and
- **Business to Business:** appropriately designed multi-family apartments for domestic and international institutional investors who are seeking a stable, long-term exposure to the Irish residential sector.

Cairn's strategic objectives and scaling ambitions are fully aligned with the Government's supportive and fully funded Housing For All strategy with a target of delivering 300,000 new homes in Ireland by 2030, including 90,000 social and 54,000 affordable homes. This plan recognises the important role the private sector will play in the delivery of this much-needed affordable ownership and rental housing for the 375,000 households in Ireland earning between €50,000 and €80,000 who cannot access social housing and have limited access to mortgage finance. Various State agencies have entered the market seeking in particular to acquire scaled, high-density apartment developments for the Social & Affordable rental market.

Cairn has delivered significant operational scaling and financial growth, in particular since 2020 where a Covid disrupted year saw a fall to 743 sales completions, and we will continue to grow our annual volumes, profitability and return on equity ("ROE") targeting our guided 15% in 2024. Our differentiated strategy has delivered and with our strong forward looking performance outlook, Cairn will continue to:

- Deliver high-quality, well-located houses, duplexes and apartments at pace, scale and value for money;

[7] Per Building Control Management System ("BCMS") commencement notices

- Play a leading role at the forefront of our industry in making a meaningful contribution to Irish society; and
- Generate significant free cashflow, reward shareholders and reinvest in our longer-term, sustainable growth.

SUSTAINABILITY AGENDA

2023 was a year in which Cairn sought to further embed our sustainability objectives into our ways of working and use our leading position to demonstrate how the construction industry can improve its processes to be more sustainable. We have taken a significant step on our journey to achieve our ambitious decarbonisation targets by launching our first two Passive House apartment schemes, with over 1,200 apartments to be built to this standard, delivering the highest levels of energy efficiency and lowered operational carbon usage. These apartments will typically require half the heating energy of other new NZEB (nearly zero energy building) homes, and will deliver significant cost savings for our customers over the long-term.

We also made significant progress in reducing our direct impact on nature loss by targeting Biodiversity Net Gain ("BNG") across an increased number of our developments. We have linked our BNG targets to our remuneration framework, ensuring that biodiversity is at the centre of all our corporate decisions and actions.

Other 2023 sustainability highlights include:

- Founding Partner of the Supply Chain Sustainability School ("SCSS") in Ireland in partnership with our peers in the Irish Construction Industry. The SCSS is a free online learning platform to support all members of the construction industry supply chain to upskill, educate and work together to deliver a sustainable built environment;
- We committed to achieving Net Zero by 2050 following the validation of our science-based decarbonisation targets by SBTi across scope 1, 2 & 3 emissions. We will publish our Climate Transition Plan in 2024 which will detail how we intend to deliver these ambitions; and
- Retained our CDP A- rating, increasing our scoring across nearly all measured metrics. This is reflective of our focus on implementing best practice frameworks, including the Task Force on Climate-related Financial Disclosures (TCFD).

FINANCIAL REVIEW

In 2023, the Group continued its strong growth trajectory, achieving yet another record trading year in delivering 1,741 sales completions, an increase from 1,526 sales completions in 2022 and building upon the Group's results from the previous year. Revenues amounted to €666.8 million, up from €617.4 million in 2022. Of this, €649.9 million came from residential closed sales, compared to €610.8 million in 2022, while development site and other sales contributed €16.9 million, up from €6.5 million in 2022.

Gross profit for the year amounted to €147.6 million, up from €134.2 million in 2022, resulting in a gross margin of 22.1%, compared to 21.7% in 2022. The increase in gross margin was due to product mix, supply chain and construction efficiencies and improved pricing. However, the impact of build cost inflation partially offset these gains. The Company is actively working to mitigate the effects of a sustained period of build cost inflation through the implementation of supply chain and procurement strategies and progressing both our digital construction and innovation agendas.

Operating profit for the year was €113.4 million, up from €103.0 million in 2022, resulting in an operating margin of 17.0%, compared to 16.7% in 2022. Operating expenses amounted to €34.2 million, up from €31.2 million in 2022, reflecting the ongoing reinvestment in the business to support our growth objectives and a €1.9 million charge relating to the new CEO stretch long-term incentive plan ("LTIP").

Finance costs for the year were €14.1 million, up from €9.6 million in 2022. As the business continues to grow and expand, there was an increase in working capital investment throughout the year. This resulted in higher average drawings with an increase in variable borrowing costs during the year due to the higher interest rate environment, compared to 2022.

Profit after tax was €85.4 million (2022: €81.0 million), equating to earnings per share of 12.7 cent (2022: 11.5 cent).

As at 31 December 2023, the Company had inventories totalling €943.4 million, down from €967.3 million as at 31 December 2022. This included €609.2 million in land held for development, down from €628.3 million as at 31 December 2022, and €334.3 million in construction work-in-progress ("WIP"), down from €339.0 million as at 31 December 2022. The €4.7 million decrease in WIP was primarily due to the release of costs associated with the sale of 1,741 closed sales, totalling €444.7 million, offset by an investment of €439.9 million in WIP during the year. The decrease in land held for development was due to the release of land from the 1,741 sales completions in 2023, totalling €77.1 million, offset by strategic land acquisitions during the year, totalling €57.9 million.

Operating cash flow for the year was €164.9 million, which includes €107.0 million in net cash from operating activities and €57.9 million invested in strategic land acquisitions. In 2022, operating cash flow was €125.9 million, which included €93.9 million in net cash from operating activities and €32.1 million invested in accretive strategic land acquisitions. Operating cash flow for the second half of 2023 was €194.8 million, compared to €129.6 million in H2 2022. The Group has a total debt facility of €350.0 million, of which €277.5 million is a syndicated facility with a Sustainability Linked term loan and revolving credit facility with Allied Irish Banks plc, Bank of Ireland, and Barclays Bank Ireland plc, maturing in June 2027. These green facilities are underpinned by four sustainability performance targets linked directly to key elements of the Group's sustainability strategy, including decarbonization, biodiversity, and people. The balance of €72.5 million in our total debt facility of €350.0 million relates to a private placement of loan notes with Pricoa Private Capital, maturing in July 2024 (€15.0 million), July 2025 (€15.0 million) and July 2026 (balance of €42.5 million).

As at 31 December 2023, the Company had available liquidity, including cash and undrawn facilities, of €200.6 million, compared to €199.2 million as at 31 December 2022. Net debt of €148.3 million was similar to the net debt of €149.3 million as at 31 December 2022.

The Board has recommended a final dividend of 3.2 cent per ordinary share, which, combined with the interim dividend of 3.1 cent per ordinary share, results in a total dividend of 6.3 cent per ordinary share for the year (2022: 6.1 cent per share). The proposed final dividend of 3.2 cent per ordinary share will be paid on 17 May 2024 to ordinary shareholders on the Company's register at 5:00 p.m. on 26 April 2024, subject to shareholder approval at the Company's Annual General Meeting on 10 May 2024. Additionally, during 2023, the Company completed €42.7 million of our €75.0 million share buyback programme and acquired 38.7 million shares. All repurchased shares have been cancelled and the remaining share buyback is expected to be completed subject to market conditions.

DELIVERING HOMES TO OUR NEW CUSTOMERS

The Company delivered 1,741 sales completions in 2023 across 20 residential developments (2022: 1,526 closed sales across 17 residential developments).

Cairn has a proven track record in the Irish new homes market in delivering award-winning schemes to our broadening customer base. This diverse buyer pool is fully aligned to the national locations and breadth of our product offering across our c.16,300 unit landbank. New home commencements continue to focus on our core starter homes market and scaled apartment developments. Over 80% of Cairn’s starter homes are available to our customers at prices which are below State support pricing caps. This allows more of our prospective customers to qualify for the State’s impactful initiatives including Help to Buy (income tax rebate of the lower of €30,000 or 10% of the purchase price of a new home) and the First Home shared equity scheme (funding for up to 30% of a new home purchase price). Our mature business platform and low land cost allow the delivery of competitively priced homes for First Time Buyers (“FTBs”) in locations of proven demand, in developments such as Seven Mills (Clonburris, Dublin 22) and Sorrell Wood (Blessington, Co. Wicklow).

We are an established delivery partner for various State supported entities, including the LDA, AHBs and Local Authorities from whom the demand for new apartment developments on multimodal transport links and in areas of high employment remains exceptionally strong for the Social & Affordable rental market. With our proven operating platform, established subcontractor base, supply chain and pipeline of active and future development apartment sites, we will continue to deliver apartments to these State supported counterparties at pace, scale and value for money. In 2023, the Company was approved for our first forward fund transactions with a number of State supported counterparties. Construction is underway on three separate developments at Seven Mills (Clonburris – 318 new homes), Parkside (Dublin 13 – 368 new homes) and Piper’s Square, Charlestown (Dublin 11 – 598 new homes). This new funding mechanism on transactions which were historically concluded on a forward sale basis, will enable us to materially increase our delivery of Social & Affordable apartments in a capital efficient manner in the coming years. We completed the third and final phase of our Citywest apartment development in November 2023, delivering 369 apartments in under two years to the LDA, evidencing our market leading pace and delivery output.

The demand for new homes in Ireland remains exceptionally strong across all tenures and product types. Cairn had our strongest period to date for sales agreed in 2023, with 2,800 units agreed for sale. Demand for our product has continued in the early months of 2024 with successful private launches across starter homes in developments such as Sorrell Wood, continuing the sales momentum from H2 2023 into the 2024 spring selling season. As at 28 February 2024, we had 2,473 units in our closed and forward sales pipeline with a net sales value of €946 million.

INCREASED INVESTMENT IN DELIVERING MORE HIGH QUALITY NEW HOMES

The Company’s sustainable and growing profitability is supporting significant investment in our construction activities. Our WIP spend of €439.9 million in 2023 drove activity across 20 sites nationwide and underpins our growth into 2024.

Cairn commenced construction on four new sites in 2023 including the first phase of 569 new homes at our landmark mixed-tenure Seven Mills development at Clonburris (Dublin 22), in addition to new developments at Sorrell Wood (Blessington), Piper's Square (Charlestown) and Bayly (Douglas, Cork). We also commenced new phases of housing and scaled apartment developments at six of our existing developments including Parkside (Balgriffin), Nyne Park (Kilkenny), Castletroy (Limerick), Mercer Vale (Cherrywood), Swanbrook (Navan) and Citywest (Dublin 24).

Having delivered 1,741 closed sales in 2023, we will continue to leverage our mature platform and established supply chain partnerships to grow our output to c.2,200 units in 2024, an expected 26% increase in delivery. We have consistently increased our new home delivery at a faster pace than the wider industry, growing by 14% in 2023 against an overall industry increase of 10%. Our expected 26% growth in delivery in 2024, compares to a Housing For All target growth of 15%[8]. Notwithstanding the delivery of 32,695 new home completions in 2023, the highest since 2008, the Housing Commission estimates that c.42,000 – 62,000 new home completions per annum will be required in the long-term to address the historical undersupply in the Irish housing market. As one of Ireland's largest housebuilders, we will continue to play a leading role in driving new home supply.

Our dedicated pre-construction design and development teams continue to progress design team appointments, construction programme planning, phasing plans and procurement across our future sites. Our construction teams have already commenced enabling works across a number of scheduled 2024 site commencements, with up to nine new sites and new phases across five of our existing large-scale, multi-year, developments planned.

PRODUCTIVITY, EFFICIENCES AND INNOVATION IN OUR DELIVERY PLATFORM

Cairn is at the forefront of our industry in sustainable innovation, leading through continuous improvement by focusing on standardisation, productivity and scaled efficiencies. Key areas of progress in 2023 included:

- Developed a detailed quality framework with integrated live Power Business Intelligence ("BI") Dashboards - this real time reporting facilitates detailed benchmarking and scoring across all Cairn developments;
- Refined category plans for key categories of spend analysis, project mapping resource and capacity analysis enhancing our already established category management system;
- Appointed a new Head of Procurement and established a central procurement team with deep business and industry knowledge. Framework agreements across key product categories and group tendering are now an integral part of how Cairn operates, with well-defined processes and procedures being used on all new projects;
- Greater use of fully sustainable construction materials. In partnership with one of our timber frame partners, we developed a muti unit timber frame structure, and delivered the first duplex units in Ireland with this system;
- Established a dedicated Innovation Team, which project manages our Strategic Innovation Evaluation Framework; and
- Developed our ways of working to support our sustainability agenda including founding and operating Ireland's Supply Chain Sustainability School, introduced a supplier code of conduct (which all of our subcontractors must sign before working on any Cairn developments) and increased our focus on responsible sourcing.

SUPPLY CHAIN STRATEGY

Our supply chain strategy continues to focus on leveraging our scaled platform as one of our industry's largest procurers of labour and materials, achieved by securing, supplementing and where necessary, substituting across our supply chain. We continue to expand and develop our supply chain management and relationships in addition to our materials category management and subcontractor tiering. Cairn established a group procurement team during 2023, focused on centralising our procurement activity to realise greater supply chain planning across our portfolio. Cairn has a current procurement order book of c.€600 million on active sites (orders placed and prices fixed on labour and materials). Our top 20 subcontractors account for 59% of all procurement since 2015 (an average in excess of €50 million each), working across an average of 20 developments each, illustrating the strength and depth of our supply chain relationships.

Build cost inflation ("BCI") continued to moderate throughout the second half of 2023, in line with our expectations, to less than €10,000 per new home built or c.4% of hard build costs (2022: €20,000 and 8%). Materials including concrete (5% government concrete levy introduced in September 2023) and masonry (concrete levy equates to c.3.5% on masonry bricks) increased in cost throughout 2023, with pressure on labour rates and other materials moderating throughout the year. With twelve new site commencements since the start of 2022 and over 4,000 people (including direct employees, subcontractors and other sector professionals) working across our active sites on a daily basis, we continue to leverage our scaled platform and deep supply chain to manage the ongoing inflationary environment.

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[8] 2023 new home completion target of 29,000 to 2024 new home completion target of 33,450

PLANNING

We successfully applied for nine new grants of planning permission during 2023, obtaining permissions for over 2,350 new homes. All of our forecasted 2,200 units in 2024 have full planning permission. Cairn currently has planning applications across all planning systems including the single-step Strategic Housing Development ("SHD"), the fast-track Strategic Development Zone ("SDZ") and the Large Scale Residential Development ("LRD").

HEALTH AND SAFETY

Our number one priority at Cairn has always been operating and maintaining safe environments for our employees, subcontractors, suppliers, customers and the communities in which we live and work. The Company continued to invest heavily in health and safety during 2023 and retained our externally accredited Grade A Safe-T rating. In the context of a year where hours worked increased by 15% and Cairn commenced four new sites and six new phases on existing multi-phase developments, our Accident Frequency Rate decreased by 16% and our Lost Time Incident Rate reduced by 19%. This is testament to the significant resources and importance which we place on promoting, progressing and enhancing our health and safety agenda.

The Company continually promotes the importance of a safe working environment with each active site having a dedicated health and safety officer, ensuring that our health and safety policies are both understood and implemented. As a scaled homebuilder with ambitious growth targets, increased construction activity levels increase the risk of accidents on active sites. Health & Safety is a standing agenda item at all Board and Audit & Risk Committee meetings. Specific and measurable KPIs are presented ensuring the regular review, oversight and assessment of health and safety practices. Regular internal audits of health and safety practices are supplemented by targeted external audits, with all relevant recommendations adopted across all sites. We successfully passed all four external health and safety audits during 2023.

In 2023, we continued to operate our Health & Safety Initiative Awards, which aim to recognise and reward our subcontractors for excellence in health and safety and environmental practices. Weekly and monthly winners are chosen across all of our active sites, ensuring that health and safety remains at the forefront of everyone's work.

INVESTING IN OUR TEAM

The Company's direct headcount as at 31 December 2023 was 351 (31 December 2022: 347). Cairn is committed to continuing to invest in our employee value proposition – to connect, develop and inspire our workforce. Our reward and benefits portfolio remains a key strength in attracting and retaining employees, with continued benchmarking against industry standard ensuring we provide the best reward and support to our employees, particularly evident throughout the recent cost of living crisis. In addition to a one-off payment of €3,500 to all employees below senior management level in 2023, we are introducing inflationary linked 5% pay rises for all staff in 2024, critical to supporting an engaged and productive workforce.

We invested heavily in supporting growth and building talent from within through development programs, functional support and employee training throughout the year. We expanded the scope of our top talent development to include senior managers, in addition to our mentorship cohort. Our employee and engagement scores improved again during the year. In addition to being recognised as a Top 20 Large Best Workplace for the first time, we were delighted to retain our Great Place to Work award in 2023 and were new recipients of the Irish Centre for Diversity Silver award. These accreditations validate the initiatives and work which the Company is implementing around our culture, employee offering and benefits.

With a workforce of over 4,000 people on Cairn projects we recognise the importance of mental health and our responsibility in providing innovative and diverse methods of support. We continue to partner with the Lighthouse Club (a construction industry mental health charity) and have increased the number of Mental Health First Aiders across our active sites to 38.

We also announced the establishment of the Cairn Apprenticeship Scheme in November 2023 which will see us contribute €10 million over the coming years. The Apprenticeship Scheme will help to enhance the long-term health and viability of the construction sector in Ireland, by ensuring future pipelines of staff and addressing the significant skill shortage in the industry. In addition to financial and educational supports, Cairn will also provide employment to many participants of the scheme, supporting our goal of trebling our graduate intake in 2024.

ENGAGING WITH OUR INVESTORS

Cairn recognises the importance of regular communication and interaction with shareholders, potential investors and the international financial and investment community. Executive Directors and the Investor Relations team proactively engage with investors throughout the year through financial results, presentations, meetings, roadshows, conferences, site visits, telephone and conference calls. We also engage via our regulatory reporting through our annual report, sustainability report, full year results, half year results, trading updates and our Annual General Meeting. We conducted a comprehensive programme of investor engagement throughout 2023, with over 160 investor meetings and site visits attended by Executive Management and the Investor Relations team.

BOARD AND COMMITTEE CHANGES

In October 2023, Shane Doherty informed the Board of his intention to step down from his role as Executive Director and Chief Financial Officer ("CFO") of Cairn. Shane will leave Cairn in the second half of 2024, after serving more than four years in his role. Following an extensive search process, the Board appointed Richard Ball as CFO. Richard will join the Company as CFO on 10 April 2024 and will seek election to the Board as an Executive Director at the Annual General Meeting ("AGM") on 10 May 2024.

In January 2024, Alan McIntosh stepped down from his role as Non-Executive Director. Alan and Michael Stanley co-founded the business in 2014, listing in 2015, with Alan playing a pivotal role in creating and supporting the development of our business. The Board expresses their gratitude to Alan for his significant contribution to the Company and wish him the very best for the future.

In addition, Gary Britton informed the Board of his intention to step down at the end of 2024, having served as a Non-Executive Director since our initial public offering. Orla O'Gorman will succeed Gary as Audit & Risk Committee Chair upon his departure. The following Committee changes also took place with effect from 25 January 2024:

- Giles Davies assumed the role of Non-Executive Director with responsibility for Sustainability and Environmental Impact;
- Linda Hickey was appointed as the Senior Independent Director (succeeding Giles Davies); and
- Julie Sinnamon replaced Giles Davies as Chair of the Nomination Committee.

ECONOMY

Ireland's domestic economy remains in a strong position entering 2024, with record employment, strong consumer spending growth and healthy public finances, despite the recent impacts of inflation and rising interest rates. The most recent available forecasts for 2023 expect Modified Domestic Demand ("MDD") growth of 0.6% in the year, with strong expansion expected in consumer spending (+3.2%) and recorded in employment (+3.4%) (source: ESRI, CSO).

With a record 2.71 million people working (+3.4% or +89,600 annually) in Q4 2023 and an unemployment rate of 4.2%, Ireland was at close to full employment in 2023 (source: CSO). Growing employment and incomes helped drive total tax revenue to €88 billion, 6% ahead of 2022 levels (source: Department of Finance). The Government is forecasting a general budget surplus of €8.4 billion in 2024, with cumulative surpluses between 2023 – 2026 of over €46 billion forecast, and has published legislation to establish a long-term savings fund to manage these budget surpluses (source: Budget 2024). As well as establishing this fund, an additional €2.25 billion has been allocated to support critical infrastructure projects between 2024 and 2026.

32,695 new homes were delivered in 2023, up 10% year-on-year and the highest level since 2008 (source: CSO). Similarly, there were 32,801 new homes commenced in 2023, up 22% year-on-year (source: Department of Housing). The significant momentum in these two indicators of supply reflect homebuilders responding to meet strong pent-up demand. However, both completions and commencements remain significantly below long-term structural demand levels, with the Housing Commission suggesting that c.42,000 – 62,000 new homes will be required every year until at least 2030.

The mortgage market in Ireland continues to support First Time Buyers ("FTBs") in realising their housing needs, with 8,606 FTB mortgage drawdowns for new homes in 2023, valued at €2.7 billion, up 4% in volume and 12.8% in value year-on-year (2022: 8,263, €2.4 billion). FTB mortgage approvals also showed a strong pipeline of demand with 30,454 FTB mortgages valued at €8.8 billion approved in 2023, up 9% in volume and 16% in value year-on-year (2022: 27,953, €7.6 billion). This strong mortgage demand comes despite the recent rise in interest rates, reflecting the Government's impactful Help to Buy and First Home shared equity scheme initiatives for FTBs and the change in the Central Bank of Ireland's mortgage rules since January 2023. This change allows FTBs to borrow 4 times their single or combined annual income (up from 3.5 times). Green mortgage offerings by domestic banks for energy efficient homes (building energy ratings below B3) now offer discounts of over 100bps on equivalent standard fixed rate mortgages (source: BPFI).

Inflation has continued to ease in recent months with the consumer price index standing at 4.1% to January 2024, down from 7.8% in January 2023 (source: CSO). Despite rising prices, household deposits remain at record levels having grown by €42 billion between the end of 2019 and 2023 to €153 billion, €4.1 billion of which was added since 2023. Strong household balance sheets helped to support annual real consumer spending growth of 3.6% in the first three quarters of 2023 (source: CBI, CSO).

Ireland's population was estimated at 5.28 million people in April 2023, growing by nearly 100,000 (+1.9%) annually. This increase was driven by near-record net inwards migration of 78,000 people, the highest level since 2008. This continued population growth underscores the importance of growing Ireland's housing stock to meet strong structural demand for new homes.

GOVERNMENT INITIATIVES

As the number one political and societal priority for the Government, Ireland's shortage of housing for its growing population is now identified as a key macroeconomic risk. In 2023, the Government announced a number of new supply and demand side initiatives to support the delivery of new homes under Housing for All, adding €1 billion in capital funding to the €4 billion annually that already been committed:

1. Cost Rental Equity Loan ("CREL"): State funding has increased from 45% up to 55% of the capital cost of new cost rental homes acquired by AHBs, with a new State equity investment element of up to 20% and "Accelerated CREL" pre-completion drawdowns extended to support AHBs in forward-funding acquisitions.
2. Development Levy Waiver Scheme: waives levies paid to Local Authorities (average c. €10,000 per new home) and connection fees paid to water utility provider, Uisce Éireann (c. €5,000), for new homes commenced from 24 April 2023 and completed before 2026.
3. Secure Tenancy Affordable Rental Incentive ("STAR"): a €750 million scheme that aims to deliver over 4,000 cost-rental units in high-demand urban areas. Developers together with AHBs can apply under this scheme to provide cost rental homes, with the State making an equity investment of up to €200,000 per new home, which retain a cost rental designation for 50 years.

2023 was also a year of significant increases in the take-up of the Government's impactful supports for FTBs to purchase new homes:

1. Help to Buy ("HTB"): A record 28,000 HTB applications were submitted by FTBs in the 11 months to November 2023, up 19% on the same period in year-on-year (2022: 23,636). This scheme offers FTBs tax relief of up to €30,000 towards a deposit to purchase a new home up to a value of €500,000.
2. First Home Shared Equity Scheme: Over 3,600 buyers have applied to purchase a new home under this scheme since it launched in July 2022, with over 1,300 of those applications taking place in the second half of 2023 alone. This scheme sees the State take an equity stake of up to 20% plus an additional 10% HTB rebate is available to eligible purchasers, who require a 70% loan to value mortgage.

CAIRN HOMES PLC
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 31 December 2023

	Note	**2023 Unaudited**	2022 Audited
	Note	**€'000**	€'000
Continuing operations			
Revenue	2	**666,807**	617,357
Cost of sales		**(519,189)**	(483,149)
Gross profit		**147,618**	134,208
Administrative expenses	4	**(34,229)**	(31,176)
Operating profit		**113,389**	103,032
Finance costs	3	**(14,118)**	(9,645)
Share of profit of equity-accounted investee, net of tax		**152**	85
Profit before taxation		**99,423**	93,472
Tax charge	6	**(13,991)**	(12,442)
Profit for the year attributable to owners of the Company		**85,432**	81,030
Other comprehensive(loss)/ income			
Fair value movement on cashflow hedges		**(331)**	777
Cashflow hedges reclassified to profit and loss	15	**(80)**	70
		(411)	847
Total comprehensive income for the year attributable to owners of the Company		**85,021**	81,877
Basic earnings per share	17	**12.7 cent**	11.5 cent
Diluted earnings per share	17	**12.6 cent**	11.4 cent

CAIRN HOMES PLC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2023

		2023	2022
		Unaudited	Audited
Assets	**Note**	**€’000**	**€’000**
Non-current assets			
Property, plant and equipment	12	6,120	5,789
Right of use assets	13	5,557	6,003
Intangible assets	14	4,211	3,043
Derivatives	15	436	847
Equity-accounted investee		237	85
		16,561	15,767
Current assets			
Inventories	7	943,417	967,342
Trade and other receivables	8	54,057	20,447
Current taxation		312	-
Cash and cash equivalents	9	25,553	21,711
		1,023,339	1,009,500
Total assets		**1,039,900**	1,025,267
Equity			
Share capital	10	655	725
Share premium	10	201,100	199,616
Other undenominated capital		183	105
Treasury shares	10	(3,196)	-
Share-based payment reserve		13,588	11,809
Cashflow hedge reserve	15	436	847
Retained earnings		544,396	538,720
Total equity		**757,162**	751,822
Liabilities			
Non-current liabilities			
Loans and borrowings	11	158,836	170,991
Lease liabilities	13	5,490	6,036
Deferred taxation	6	3,139	3,139
		167,465	180,166
Current liabilities			
Loans and borrowings	11	14,992	-
Lease liabilities	13	937	761
Trade and other payables	16	99,344	92,425
Current taxation		-	93
		115,273	93,279
Total liabilities		**282,738**	273,445
Total equity and liabilities		**1,039,900**	1,025,267

CAIRN HOMES PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2023

	Unaudited Attributable to owners of the Company							
	Share Capital	**Share Premium**	**Other Undenominated Capital**	**Treasury Shares**	**Share-Based Payment Reserve**	**Cashflow Hedge Reserve**	**Retained Earnings**	**Total**
	€'000	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**
As at 1 January 2023	**725**	**199,616**	**105**	**-**	**11,809**	**847**	**538,720**	**751,822**
Total comprehensive income for the year								
Profit for the year	-	-	-	-	-	-	85,432	85,432
Fair value movement on cashflow hedges	-	-	-	-	-	(331)	-	(331)
Cashflow hedges reclassified to profit and loss (note 15)	-	-	-	-	-	(80)	-	(80)
	-	**-**	**-**	**-**	**-**	**(411)**	**85,432**	**85,021**
Transactions with owners of the Company								
Purchase of own shares – share buybacks (note 10)	-	-	-	(42,697)	-	-	-	(42,697)
Cancellation of repurchased shares	(39)	-	39	42,697	-	-	(42,697)	-
Cancellation of founder and deferred shares	(39)	-	39	-	-	-	-	-
Purchase of own shares – held in trust (note 10)	-	-	-	(3,196)	-	-	-	(3,196)
Equity-settled share-based payments (note 10)	-	-	-	-	7,075	-	-	7,075
Settlement of dividend equivalents (note 10)					(459)	-	-	(459)
Shares issued on vesting of share awards and options (note 10)	8	1,484	-	-	-	-	-	1,492
Transfer from share-based payment reserve to retained earnings re vesting or lapsing of share awards and options (note 10)	-	-	-	-	(4,837)	-	4,837	-
Dividends paid to shareholders (note 18)	-	-	-	-	-	-	(41,896)	(41,896)
	(70)	**1,484**	**78**	**(3,196)**	**1,779**	**-**	**(79,756)**	**(79,681)**
As at 31 December 2023	**655**	**201,100**	**183**	**(3,196)**	**13,588**	**436**	**544,396**	**757,162**

CAIRN HOMES PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2022

	Unaudited							
	Attributable to owners of the Company							
	Share Capital	**Share Premium**	**Other Undenominated Capital**	**Treasury Shares**	**Share-Based Payment Reserve**	**Cashflow Hedge Reserve**	**Retained Earnings**	**Total**
	€'000	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**
As at 1 January 2022	**789**	**199,616**	**40**	**-**	**11,795**	**-**	**566,537**	**778,777**
Total comprehensive income for the year								
Profit for the year	-	-	-	-	-	-	81,030	**81,030**
Fair value movement on cashflow hedges	-	-	-	-	-	777	-	**777**
Cashflow hedges reclassified to profit and loss	-	-	-	-	-	70	-	**70**
	-	**-**	**-**	**-**	**-**	**847**	**81,030**	**81,877**
Transactions with owners of the Company								
Purchase of own shares – share buybacks (note 10)	-	-	-	(75,143)	-	-	-	**(75,143)**
Cancellation of repurchased shares	(65)	-	65	75,143	-	-	(75,143)	**-**
Equity-settled share-based payments (note 10)	-	-	-	-	7,004	-	-	**7,004**
Shares issued on vesting of share awards	1	-	-	-	-	-	-	**1**
Transfer from share-based payment reserve to retained earnings re vesting or lapsing of share awards	-	-	-	-	(1,408)	-	1,408	**-**
Transfer from share-based payment reserve to retained earnings in relation to founder shares	-	-	-	-	(5,582)	-	5,582	**-**
Dividends paid to shareholders (note 18)	-	-	-	-	-	-	(40,694)	**(40,694)**
	(64)	**-**	**65**	**-**	**14**	**-**	**(108,847)**	**(108,832)**
As at 31 December 2022	**725**	**199,616**	**105**	**-**	**11,809**	**847**	**538,720**	**751,822**

CAIRN HOMES PLC
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2023

	2023 Unaudited €'000	2022 Audited €'000
Cash flows from operating activities		
Profit for the year	85,432	81,030
Adjustments for:		
Share-based payments expense	5,752	5,034
Finance costs	14,118	9,645
Depreciation and amortisation	2,169	1,766
Taxation	13,991	12,442
	121,462	109,917
Decrease/(increase) in inventories	26,456	(24,626)
(Increase)/decrease in trade and other receivables	(33,610)	8,035
Increase in trade and other payables	7,099	12,205
Tax paid	(14,386)	(11,639)
Net cash from operating activities	**107,021**	93,892
Cash flows from investing activities		
Purchases of property, plant and equipment	(1,689)	(5,603)
Purchases of intangible assets	(2,401)	(2,083)
Net cash used in investing activities	**(4,090)**	(7,686)
Cash flows from financing activities		
Purchase of own shares – share buybacks	(42,697)	(75,143)
Proceeds from issue of share capital	1,492	-
Settlement of dividend equivalents	(459)	-
Purchase of own shares – held in trust	(3,196)	-
Dividends paid	(41,896)	(40,694)
Proceeds from loans and borrowings, net of debt issue costs	317,500	354,811
Repayment of loans and borrowings	(315,000)	(333,988)
Repayment of lease liabilities	(761)	(410)
Interest and other finance costs paid	(14,072)	(9,099)
Net cash used in financing activities	**(99,089)**	(104,523)
Net increase/(decrease) in cash and cash equivalents in the year	**3,842**	(18,317)
Cash and cash equivalents at beginning of year	**21,711**	40,028
Cash and cash equivalents at end of year	**25,553**	21,711

1. Basis of preparation

Cairn Homes plc ("the Group") is a company domiciled in Ireland. The Company's registered office is 45 Mespil Road, Dublin 4. The Company and its subsidiaries (together referred to as "the Group") are predominantly involved in the development of residential property for sale.

The unaudited consolidated financial information covers the year ended 31 December 2023.

The Group's unaudited consolidated financial information does not include all the information required for a complete set of financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union. However, selected explanatory notes are included to explain events and transactions that are material to an understanding of the changes in the Group's financial position and performance since 31 December 2022. They should be read in conjunction with the statutory consolidated financial statements of the Group, which were prepared in accordance with IFRS ("EU IFRS") as adopted by the European Union, as at and for the year ended 31 December 2022, and the interim results for the six-month period ended 30 June 2023, issued on 07 September 2023. The statutory financial statements for the year ended 31 December 2022 have been filed with the Companies Registration Office and are available at www.cairnhomes.com. The audit opinion on those statutory financial statements was unqualified and did not contain any matters to which attention was drawn by way of emphasis. The statutory consolidated financial statements of the Group for the year ended 31 December 2023 will be published in April 2024 and will be available on www.cairnhomes.com.

The new IFRS standards, amendments to standards or interpretations that are effective for the first time in the financial year ending 31 December 2023 have not had a material impact on the Group's reported profit or net assets in this consolidated financial information.

The Group's other accounting policies, presentation and method of computations adopted in the preparation of this consolidated financial information are consistent with those followed in the preparation of the Group's financial statements for the year ended 31 December 2022.

The preparation of consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results could differ materially from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The material accounting judgement impacting this consolidated financial information is:
- scale and mix of each development and the achievement of associated planning permissions.

This may involve assumptions on new or amended planning permission applications. This judgement then feeds into the process of forecasting expected profitability by development which is used to determine the profit that the Group is able to recognise on its developments in each reporting period and the net realisable value of inventories.

The key sources of estimation uncertainty impacting this consolidated financial information are:
- forecast selling prices;
- build cost inflation; and
- carrying value of inventories and allocations from inventories to cost of sales (note 7).

Due to the nature of the Group's activities and, in particular the scale of its development costs and the length of the development cycle, the Group has to allocate site-wide development costs between units completed in the current year and those in future years. It also has to forecast the costs to complete on such developments and make estimates relating to future sales prices. Forecast selling prices and build cost inflation are inherently uncertain due to changes in market conditions. These estimates impact management's assessment of the net realisable value of the Group's inventories and also determine the extent of profit or loss that should be recognised in respect of each development in each reporting period. Note 7 includes disclosures on judgements and estimates in relation to profit margins and carrying values of inventories. In making such assessments and allocations, there is a degree of inherent estimation uncertainty.

The Group has developed internal controls designed to effectively assess and review carrying values and profit recognition and the appropriateness of estimates made. The Group recognises its gross profit on each sale, based on the particular unit sold and the total cost attaching to that unit. As the build cost on a site can take place over a number of reporting periods

1. Accounting Policies *(continued)*

Basis of preparation *(continued)*

the determination of the cost of sale to release on each individual unit sale is dependent on up-to-date cost forecasting and expected profit margins across the scheme.

In preparing the financial statements, the Directors have considered the impact of climate change. There has been no material impact identified on the financial reporting judgements and estimates as a result of climate change. In particular, the Directors considered the impact of climate change in respect of the following areas: going concern and viability of the Group over the next three years; cash flow forecasts used in the impairment assessments of inventories; and carrying value and useful economic lives of property, plant and equipment. Whilst there is currently no medium-term impact expected from climate change, the Directors are aware of the ever-changing risks attached to climate change and will regularly assess these risks against judgements and estimates made in preparation of the Group's financial statements.

The consolidated financial information is presented in Euro, which is the functional currency of the Company and presentation currency of the Group, rounded to the nearest thousand.

Going concern

The Group entered the year in a very strong position having delivered its best ever financial and operational performance in 2023. Following 1,741 sales completions in 2023, the Group started 2024 with a multi-year forward sales pipeline of 2,350 new homes with a net sales value of over €900 million, of which 1,600 new homes are expected to close in 2024 (both turnkey and equivalent units). The Group has a long-term and sustainable growth strategy that focuses on minimising financial risk and maintaining financial flexibility. The business has strong liquidity, a significant investment in construction work-in-progress underpinned by a significant forward order book, a robust balance sheet and committed, lowly leveraged debt facilities.

In order to mitigate against any liquidity risk, the Group applies a prudent cash management policy ensuring its production activities in the near and medium-term are focused towards forward sold inventories, including scaled apartment developments with multi-year delivery timelines, and inventories which will continue to be attractive to its broad buyer pool. New home commencements continued to focus on our core starter homes market at lower average selling prices and large apartment developments for State-supported counterparties during 2023, including forward fund transactions which are expected to be significantly beneficial from a liquidity perspective from 2024 onwards.

The Group has a total committed debt facility of €350 million, of which €277.5 million is a syndicate facility comprising a Sustainability Linked term loan and revolving credit facility with Allied Irish Banks plc, Bank of Ireland plc and Barclays Bank Ireland plc, maturing in June 2027. Four sustainability performance targets underpin these green facilities which are linked directly to key elements of our sustainability strategy including decarbonisation, biodiversity and people.

Net debt was €148.3 million as at 31 December 2023 (31 December 2022: €149.3 million). The Company had available liquidity (cash and undrawn facilities) at 31 December 2023 of €200.6 million (31 December 2022: €199.2 million), including €25.6 million of cash (31 December 2022: €21.7 million). The Group had forecast year-end net debt to be broadly in line with net debt as at 31 December 2022.

The Group invested €439.9 million in its construction activities during 2023, including commencing construction on four new sites and new phases across six of its existing large-scale, multi-year, developments. Both gross and operating margins strengthened in 2023, resulting in an increase in underlying profitability when compared to the prior year. The Group is also encouraged by the level of underlying demand for new homes in the market as evidenced by the size of its forward sales pipeline, with strong demand continuing into the early months of 2024. Enquiry lists across all of our active selling sites remain high with particularly strong interest in our starter home developments.

The Directors have carried out a robust assessment of the principal risks facing the Group and have considered the impact of these risks on the going concern of the business. In making this assessment, consideration has been given to the uncertainty inherent in financial forecasting including future market conditions for construction costs and sales prices.

1. Accounting Policies *(continued)*

Going concern *(continued)*
Where appropriate, severe but plausible downside-sensitivities have been applied to the key factors affecting the future financial performance of the Group.

Having considered the Group's forecasts and outlook including the strength of its forward order book, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they are satisfied that it is appropriate to continue to adopt the going concern basis in preparing this consolidated financial information.

2. Revenue

	2023 €'000	2022 €'000
Residential property sales	649,879	610,813
Residential site and other sales	16,902	6,407
Revenue from contracts with customers	**666,781**	**617,220**
Income from property rental	26	137
	666,807	**617,357**
Residential property sales		
Houses and duplexes	382,903	342,299
Apartments	266,976	268,514
	649,879	**610,813**

3. Finance costs

	2023 €'000	2022 €'000
Interest expense on financial liabilities measured at amortised cost	13,331	8,600
Cashflow hedges– reclassified from other comprehensive income	(80)	70
Other finance costs	661	782
Interest on lease liabilities (note 13)	206	193
	14,118	**9,645**

Interest expense includes interest and amortised arrangement fees and issue costs on the drawn term loans, revolving credit facility and loan notes. Other finance costs include commitment fees on the undrawn element of the revolving credit facility during the year.

4. Administrative expenses

	2023 €'000	2022 €'000
Employee benefits expense (note 5)	22,518	19,785
Other expenses	11,711	11,391
	34,229	**31,176**

5. Employee benefits expense

	2023	**2022**
	€'000	**€'000**
Wages and salaries	36,634	31,506
Social welfare costs	4,049	3,539
Pension costs – defined contribution schemes	1,350	1,065
Share-based payments charge	7,075	7,004
	49,108	**43,114**
Amounts capitalised into inventories	(25,987)	(23,070)
Amounts capitalised into intangibles	(603)	(259)
Employee benefits expense	**22,518**	**19,785**

6. Taxation

	2023	**2022**
	€'000	**€'000**
Current tax charge for the year	13,991	13,111
Deferred tax credit for the year	-	(669)
Total tax charge	**13,991**	**12,442**

Profit before tax	**99,423**	93,472
Tax charge at standard Irish income tax rate of 12.5%	12,428	11,684
Effects of:		
Expenses not deductible for tax purposes	1,523	735
Adjustment in respect of prior year	40	23
Total tax charge	**13,991**	**12,442**

Deferred tax liabilities

	2023	2022
	€'000	€'000
Opening balance	3,139	3,808
Credited to profit or loss	-	(669)
Closing balance	**3,139**	**3,139**

7. Inventories

	2023	**2022**
	€'000	**€'000**
Land held for development	609,160	628,326
Construction work in progress	334,257	339,016
	943,417	**967,342**

Land held for development includes strategic land acquisitions during the year ended 31 December 2023 of €57.9 million (2022: €32.1 million).

7. Inventories *(continued)*

The Directors consider that all inventories are essentially current in nature although the Group's normal operational cycle is such that a considerable proportion of inventories will not be realised within 12 months. It is not possible to determine with accuracy when specific inventories will be realised as this will be subject to a number of factors such as consumer demand and the timing of planning permissions.

The cost of inventories includes direct labour costs and other direct wages and salaries as well as the cost of land, raw materials, and other direct costs. During the year ended 31 December 2023 no direct wages and salaries for employees in construction related roles were estimated to be non-productive and therefore all such costs were included in the cost of inventories. During the prior year ended 31 December 2022, €0.1 million of direct wages and salaries for employees in construction related roles were estimated to be non-productive and such costs were included in administrative expenses; all other direct wages and salaries for employees in construction related roles were included in the cost of inventories.

As the build costs on each development can take place over a number of reporting periods the determination of the cost of sales to release on each sale is dependent on up to date cost forecasting and expected profit margins across the various developments. The Directors review forecasting and profit margins on a regular basis and have incorporated any additional costs as a result of inflation. The Directors have also considered the impact of climate change in relation to costs and expected profit margins. There has been no material impact identified on the financial reporting judgements and estimates as a result of climate change. Nearer-term costs are largely fixed as they are in most cases fully procured, and others are variable and particular focus has been given to these items to ensure they are accurately reflected in forecasts and profit margins. There is a risk that one or all of the assumptions may require revision as more information becomes available, with a resulting impact on the carrying value of inventories or the amount of profit recognised. The risk is managed through ongoing development profitability reforecasting with any necessary adjustments being accounted for in the relevant reporting period.

All active developments on which construction has commenced are profitable and due to the forecasting process by which cost of sales is determined as referred to above, the Directors therefore concluded that the net realisable value of active developments was greater than their carrying amount at 31 December 2023 and hence those sites were not impaired.

All developments on which construction has not yet commenced were also assessed for impairment at 31 December 2023. This assessment was based on the current development plan for the development, reflecting the number and mix of units expected to be built. For each of these developments, the forecast revenue based on current market prices was greater than the sum of the site cost and the estimated construction costs. The Directors therefore concluded that the net realisable value of sites on which construction has not yet commenced was greater than their carrying amount at 31 December 2023 and hence those developments were not impaired.

There were no reasonably foreseeable changes in assumptions that would have resulted in an impairment of inventories at 31 December 2023. As a result of the detailed reviews undertaken the Directors are satisfied with the carrying values of inventories (development land and work in progress), which are stated at the lower of cost and net realisable value, and with the methodology for the release of costs on the sale of inventories.

The total amount charged to cost of sales from inventories during the year was €514.8 million (2022: €479.6 million).

8. Trade and other receivables

	2023 €'000	2022 €'000
Trade receivables	32,706	3,517
Prepayments	1,152	1,015
Construction bonds	16,533	14,654
Other receivables	3,666	1,261
	54,057	**20,447**

Trade receivables relate to remaining amounts due in relation to residential property sales to institutional investors and Approved Housing Bodies. Included within trade receivables is a balance of €22.1 million which relates to funds due from an Approved Housing Body.

The Directors consider that all construction bonds are current assets as they will be realised in the Group's normal operating cycle, which is such that a proportion of construction bonds will not be recovered within 12 months. It is estimated that €9.3 million (2022: €9.6 million) of the construction bond balance at 31 December 2023 will be recovered after more than 12 months from that date. The carrying value of all trade and other receivables is approximate to their fair value.

9. Cash and cash equivalents

	2023 €'000	2022 €'000
Current		
Cash and cash equivalents	**25,553**	**21,711**

Cash deposits are made for varying short-term periods depending on the immediate cash requirements of the Group. All deposits can be withdrawn without any changes in value and accordingly the fair value of current cash and cash equivalents is identical to the carrying value.

10. Share capital and share-based payments

	2023 Number	2023 €'000	2022 Number	2022 €'000
Authorised				
Ordinary shares of €0.001 each	1,000,000,000	1,000	1,000,000,000	1,000
Founder shares of €0.001 each	100,000,000	100	100,000,000	100
Deferred shares of €0.001 each	120,000,000	120	120,000,000	120
A Ordinary shares of €1.00 each	20,000	20	20,000	20
Total authorised share capital		1,240		1,240

10. Share capital and share-based payments (*continued*)

As at 31 December 2023	Number	Share Capital €'000	Share Premium €'000	Total €'000
Issued and fully paid				
Ordinary shares of €0.001 each	654,888,041	655	201,100	201,755
Founder shares of €0.001 each	-	-	-	-
Deferred shares of €0.001 each	-	-	-	-
		655	**201,100**	**201,755**

During the year ended 31 December 2023, the founder and deferred shares were cancelled. There was no consideration received in respect of the cancellation of the shares.

As at 31 December 2022	Number	Share Capital €'000	Share Premium €'000	Total €'000
Issued and fully paid				
Ordinary shares of €0.001 each	685,777,452	686	199,597	200,283
Founder shares of €0.001 each	19,182,149	19	19	38
Deferred shares of €0.001 each	19,980,000	20	-	20
		725	**199,616**	**200,341**

Share buyback programme

On 3 March 2023 the Company commenced a €40 million share buyback programme, and on 6 September 2023 the Company increased the size of the share buyback programme by a further €35 million, for a total of €75 million. As at 31 December 2023 the total cost of shares repurchased under this buyback programme was €42.7 million which was recorded directly in equity in retained earnings. The remaining €32.3 million in the €75 million share buyback programme is expected to be completed during 2024 subject to market conditions. In accordance with the share buyback programme, all repurchased shares are subsequently cancelled. 38,739,281 repurchased shares were cancelled in the year ended 31 December 2023.

In the prior year, the Company completed a €75 million share buyback programme which completed on 24 October 2022. The total cost of the shares repurchased under the share buyback programme was €75.1 million, which was recorded directly in equity in retained earnings. In accordance with the share buyback programme, all repurchased shares are subsequently cancelled. 65,330,038 repurchased shares were cancelled in the year ended 31 December 2022.

Share issues

On 6 April 2023, 5,331,233 ordinary shares at a nominal value of €0.001 in relation to the vesting of the 2020 LTIP were issued. In the prior year, the Company issued 1,175,267 ordinary shares at a nominal value of €0.001 per share in respect of the vesting of awards under the 2020 restricted share unit plan.

During the year ended 31 December 2023, the Company issued 2,518,637 ordinary shares at a nominal value of €0.001 in relation to the vesting of the 2020 save as you earn ("SAYE") option scheme, and €0.726 million was transferred from the share-based payments reserve to retained earnings relating to the 2020 vesting.

10. Share capital and share-based payments *(continued)*

Long term incentive plan ("LTIP")

The Group operates an equity settled LTIP, which was approved at the May 2017 Annual General Meeting, under which conditional awards of 15,775,886 shares made to employees remain outstanding as at 31 December 2023 (2022: 15,776,346). The shares will vest on satisfaction of service and performance conditions attaching to the LTIP over a three-year period. During the year ended 31 December 2023 the Company issued 5,331,233 of ordinary shares at par in relation to the vesting of the 2020 LTIP. €4.111 million was transferred from the share-based payments reserve to retained earnings in relation to the 2020 vesting.

The 2021, 2022 and 2023 LTIP awards are subject to both financial and non-financial metrics. 80% of the 2021 and 60% of the 2022 and 2023 awards will vest subject to the achievement of cumulative EPS targets over the three year performance period from 2021 to 2023, 2022 to 2024 and 2023 to 2025 respectively. 20% of the 2021 award will vest subject to the achievement of stakeholder metrics which includes customer satisfaction performance with a health and safety underpin. 20% of the 2022 and 2023 awards will vest subject to the achievement of an ROE target and 20% subject to the achievement of a biodiversity target.

Awards to Executive Directors and senior management are also subject to an additional two-year holding period after vesting. The Group recognised a charge related to the LTIP during the year ended 31 December 2023 of €4.390 million (2022: €5.175 million) of which €3.332 million (2022: €3.798 million) was charged to administrative expenses in profit or loss and a charge of €1.058 million (2022: €1.377 million) was included in construction work in progress within inventories. Conditional awards of 6,187,597 shares were made to employees under the LTIP in the year ended 31 December 2023.

Dividend equivalents

The Group operates a dividend equivalent scheme linked to its equity settled LTIP. Under this scheme employees are entitled to shares or cash (the choice of settlement is as determined by the Group) to the value of dividends declared over the LTIP's vesting period based on the number of shares that vest. During the period ended 31 December 2023 the Group settled dividend equivalents in cash of €0.459 million and this amount was deducted from the share-based payment reserve.

The Group recognised a charge related to dividend equivalents during the year ended 31 December 2023 of €0.669 million (2022: €0.905 million) of which €0.473 million (2022: €0.640 million) was charged to administrative expenses in profit or loss and a charge of €0.196 million (2022: €0.265 million) was included in construction work in progress within inventories.

Stretch CEO LTIP

On 31 August 2023 shareholders approved the adoption and implementation of an additional LTIP to deliver certain bespoke awards of shares to the Company's CEO, Mr. Michael Stanley (the "Stretch CEO LTIP"). The award is structured in two tranches, with an equal number of ordinary shares in the capital of the Company granted to the CEO in each of 2023 and 2024. The 2023 Award will be subject to a three-year performance period (2023-2025) and the 2024 Award will be subject to a four-year performance period (2023-2026), both from the baseline year of 2022 and subject to the achievement of certain performance conditions linked to profit after tax and ROE weighted 75% and 25% respectively. The 2023 award was granted in 2023, at a value of €3.5 million, with the number of conditional share awards determined by the closing share price on the evening preceding the grant date. The number of conditional share awards to be granted under the 2024 award will be identical to the first award. The 2023 grant took place on 8 September 2023 with a grant price of €1.108 per share equating to 3,158,845 ordinary shares.

Due to the nature of the awards and given that the performance period for the 2023 and 2024 awards commenced on 1 January 2023, the Group recognised a charge in profit or loss related to the Stretch CEO LTIP of €1.899 million (2022: €nil) during the year ended 31 December 2023.

The Group purchased 2,409,797 shares, for the purpose of the stretch CEO LTIP, at a total cost of €3.196 million during the year ended 31 December 2023 which was recorded directly in equity in treasury shares. An additional 749,048 shares were purchased by 9 January 2024 at a cost of €1.0 million (note 21). A trust structure has been set up with Computershare Trustees (Jersey) Limited to hold these shares until any future vesting arises.

10. Share capital and share-based payments *(continued)*

Save as you earn scheme
The Group operates a Revenue approved savings related share option scheme ("Save as you earn scheme"), which was approved at the May 2019 Annual General Meeting, under which the Group recognised a charge during the year ended 31 December 2023 of €0.117 million (2022: €0.276 million) of which €0.048 million (2022: €0.101 million) was charged to profit or loss and €0.069 million (2022: €0.175 million) was included in construction work in progress within inventories. During the year ended 31 December 2023, the Company issued 2,518,637 ordinary shares at a nominal value of €0.001 in relation to the vesting of the 2020 option scheme, this resulted in €1.484 million being included in share premium. €0.726 million was transferred from the share-based payments reserve to retained earnings relating to the 2020 vesting.

Restricted share unit plan
The Group operated a restricted share unit plan, which was approved at the Annual General Meeting on 20 May 2020, under which no remaining conditional awards of shares made to employees remain outstanding as at 31 December 2023 (2022: nil). The Group did not recognise a charge relating to these restricted share units during the year ended 31 December 2023 as the restricted share unit plan is no longer in place (31 December 2022: of €0.648 million, of which €0.495 million was charged to profit or loss and €0.153 million was included within construction work in progress within inventories).

Other share options
500,000 ordinary share options were issued in the year ended 31 December 2015, to a Director at that time, of which none have been exercised as at 31 December 2023. 200,000 of these share options were exercised in January 2024 (note 21). 250,000 of these options vested during 2018 and the remaining 250,000 vested during 2019. The exercise price of each ordinary share option is €1.00. At grant date, the fair value of the options that vested during 2018 was calculated at €0.219 per share while the fair value of options that vested during 2019 was calculated at €0.220 per share. The related charge to profit or loss during the year ended 31 December 2023 was €nil (2022: €nil).

11. Loans and borrowings

	2023	**2022**
	€'000	**€'000**
Non-current liabilities		
Bank and other loans		
Repayable as follows:		
Between one and two years	14,992	14,992
Between two and five years	143,844	155,999
Greater than five years	-	-
Total non-current liabilities	**158,836**	170,991
Current liabilities		
Repayable within one year	14,992	-
Total current liabilities	**14,992**	-
Total borrowings	**173,828**	170,991

As at 31 December 2023, the Group has a €277.5 million syndicate facility comprising a Sustainability Linked term loan (€77.5 million) and revolving credit facility (€200.0 million,) with Allied Irish Banks plc, Bank of Ireland plc and Barclays Bank Ireland plc, repayable on 30 June 2027. The €77.5 million term loan was fully drawn at 31 December 2023 and 31 December 2022. The drawn revolving credit facility at 31 December 2023 was €25.0 million (2022: €22.5 million).

Additionally, the Group has €72.5 million of loan notes with Pricoa Capital Group, repayable on 31 July 2024 (€15.0 million), 31 July 2025 (€15.0 million) and 31 July 2026 (€42.5 million).

All debt facilities are secured by a debenture incorporating fixed and floating charges and assignments over all the assets of the Group. The carrying value of inventories as at 31 December 2023 pledged as security is €943.4 million (€967.3 million as at 31 December 2022).

11. Loans and borrowings *(continued)*

The amount presented in the financial statements is net of related unamortised arrangement fees and transaction costs of €1.2 million (2022: €1.5 million).

Reconciliation of movement of loans and borrowings to cash flows during the period ended 31 December 2023

	Term Loan	Revolving credit facility	Loan notes	Total
	€'000	€'000	€'000	€'000
At 1 January	76,019	22,500	72,472	170,991
Proceeds from borrowings in the year	-	317,500	-	317,500
Repayment of loans in the year	-	(315,000)	-	(315,000)
Amortisation of borrowing costs	329	-	8	337
At end of year	**76,348**	**25,000**	**72,480**	**173,828**

12. Property, plant and equipment

	Leasehold Improvements	Motor Vehicles	Computers, Plant & Equipment	2023 Total
	€'000	€'000	€'000	€'000
Cost				
At 1 January	2,860	77	6,792	9,729
Additions in the year	45	-	1,644	1,689
Disposal	-	(18)	-	(18)
At end of year	**2,905**	**59**	**8,436**	**11,400**
Accumulated depreciation				
At 1 January	(567)	(68)	(3,305)	(3,940)
Depreciation for the year	(261)	(8)	(1,089)	(1,358)
Disposal	-	18	-	18
At end of year	**(828)**	**(58)**	**(4,394)**	**(5,280)**
Net book value				
At end of year	**2,077**	**1**	**4,042**	**6,120**

The main additions during the period related to equipment purchases for construction sites and equipment.

	Leasehold Improvements	Motor Vehicles	Plant, Computers & Equipment	2022 Total
	€'000	€'000	€'000	€'000
Cost				
At 1 January	483	77	3,566	4,126
Additions in the year	2,377	-	3,226	5,603
At end of year	2,860	77	6,792	9,729
Accumulated depreciation				
At 1 January	(394)	(49)	(2,518)	(2,961)
Depreciation for the year	(173)	(19)	(787)	(979)
At end of year	(567)	(68)	(3,305)	(3,940)
Net book value				
At end of year	2,293	9	3,487	5,789

13. Leases

The Group leases its central support office property and certain motor vehicles. The office lease formed the majority of the right of use assets and lease liabilities balance as at 31 December 2023 and 31 December 2022. The discount rate attributed to the office lease is 2.6%. Disposals in the year ended 31 December 2023 relate to the previous central support office lease.

The additions during the year ended 31 December 2023 relate to vehicle leases and have various commencement dates throughout the year. The average discount rate associated with these leases is 6.21% which reflects Group's incremental borrowing rate at the date of commencement.

Right of use assets

	2023	**2022**
	€'000	**€'000**
Cost		
At 1 January	8,190	1,615
Additions in the year	391	6,575
Disposals in the year	(1,442)	-
At end of year	7,139	8,190
Accumulated depreciation		
At 1 January	(2,187)	(1,125)
Disposal	1,442	-
Depreciation in the year	(837)	(1,062)
At end of year	(1,582)	(2,187)
Net book value		
At end of year	**5,557**	**6,003**

Lease liabilities

	2023	**2022**
	€'000	**€'000**
Current liabilities		
Lease liabilities		
Repayable within one year	937	761
Non - current liabilities		
Lease liabilities		
Repayable as follows:		
Between one and two years	927	806
Between two and five years	2,244	2,194
Greater than five years	2,319	3,036
	5,490	6,036
Total lease liabilities	**6,427**	6,797

13. Leases *(continued)*

The movements in total lease liabilities were as follows:

	2023 €'000	2022 €'000
At 1 January	6,797	632
Additions in the year	391	6,575
Interest on lease liabilities (note 3)	206	193
Lease payments	(967)	(603)
At end of year	**6,427**	6,797

Contractual cash flows

The remaining undiscounted contractual cashflows for leases at 31 December 2023 were as follows:

As at 31 December 2023	**Total €'000**	**6 months or less €'000**	**6-12 months €000**	**1-2 years €'000**	**2-5 years €'000**	**5 years+ €'000**
Lease liabilities	(7,170)	(564)	(558)	(1,077)	(2,543)	(2,428)

As at 31 December 2022	**Total €'000**	**6 months or less €'000**	**6-12 months €000**	**1-2 years €'000**	**2-5 years €'000**	**5 years+ €'000**
Lease liabilities	(7,689)	(437)	(505)	(971)	(2,540)	(3,236)

14. Intangible assets

Software

	2023 €'000	2022 €'000
Cost		
At 1 January	4,282	2,199
Additions in the year	2,401	2,083
Disposals	(53)	-
At end of year	**6,630**	4,282
Accumulated depreciation		
At 1 January	(1,239)	(765)
Depreciation for the year	(1,180)	(474)
At end of year	**(2,419)**	(1,239)
Net book value		
At end of year	**4,211**	3,043

15. Derivatives and hedging reserve

Non – current investments

	2023	2022
Derivative financial instruments	**€'000**	**€'000**
Interest rate swaps – cash flow hedges	**436**	847

Derivative financial instruments

The Group has an interest rate swap ("swap") in respect of €18.75 million of its €77.5 million syndicate term loan. The interest rate swap has a fixed interest rate of 1.346% and variable interest rate of three-month Euribor. The fair value of the swap as at 31 December 2023 was €436,000 (2022: €847,000). Changes in the fair value of derivative hedging instruments designated as cash flow hedges are recognised in the cashflow hedge reserve to the extent that the hedge is effective. Any gain or loss relating to the ineffective portion is recognised in profit or loss in the period incurred. The hedge was fully effective for the year ended 31 December 2023 and the year ended 31 December 2022. Amounts accounted for in the cash flow hedging reserve in respect of the swap during the current year and prior year have been set out in the Consolidated Statement of Changes in Equity on page 13.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

Cashflow hedge reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss or directly included in the initial cost or other carrying amount of a non–financial asset or non–financial liability.

16. Trade and other payables

	2023	2022
	€'000	**€'000**
Trade payables	22,053	17,956
Deferred consideration	11,810	10,000
Accruals	35,425	43,321
VAT liability	27,977	19,721
Other creditors	2,079	1,427
	99,344	92,425

Deferred consideration relates to amounts payable in relation to land purchased. Other creditors represent amounts due for payroll taxes and relevant contracts tax.

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

17. Earnings per share

The basic earnings per share for the year ended 31 December 2023 is based on the profit attributable to ordinary shareholders of €85.4 million and the weighted average number of ordinary shares outstanding for the period.

	2023	2022
Profit attributable to owners of the Company (€'000)	85,432	81,030
Numerator for basic and diluted earnings per share	**85,432**	81,030
Weighted average number of ordinary shares for period (basic)	673,796,613	703,045,720
Dilutive effect of restricted share unit awards and options	41,284	31,835
Dilutive effect of LTIP awards	4,738,040	7,306,541
Denominator for diluted earnings per share	**678,575,937**	710,384,096
Earnings per share		
- Basic	12.7 cent	11.5 cent
- Diluted	12.6 cent	11.4 cent

18. Dividends

Dividends of €41.9 million were paid by the Company during the year (2022: €40.7 million). A dividend of 3.1 cent per ordinary share, totalling €21.2 million, was paid on 16 May 2023 and a dividend of 3.1 cent per ordinary share, totalling €20.7 million, was paid on 6 October 2023.

19. Related party transactions

There were no related party transactions during the year ended 31 December 2023 other than directors' remuneration. There were no related party transactions during the year ended 31 December 2022 other than directors' remuneration and the subscription for 8,057 shares in the joint venture undertaking, Clonburris Infrastructure Limited, for a nominal value of €81.

20. Commitments and contingent liabilities

Pursuant to the provisions of Section 357, Companies Act 2014, the Company has guaranteed the liabilities and commitments of its subsidiary undertakings for their financial years ending 31 December 2023 and as a result such subsidiary undertakings have been exempted from the filing provisions of Companies Act 2014.

As at 31 December 2023 Cairn Homes Properties Limited had committed to sell 2,350 new homes for c. €900 million (ex. VAT).

At 31 December 2023, the Group had a contingent liability in respect of construction bonds in the amount of €4.6 million (2022: €4.2 million). The Group is not aware of any other commitments or contingent liabilities that should be disclosed.

21. Events after the year end

From 1 January 2024 to 28 February 2024 the Group has repurchased an additional 6.8 million shares under the share buyback programme (note 10) at a cost of €9.8 million. In accordance with the share buyback programme, all repurchased shares are subsequently cancelled.

From 1 January 2024 to 9 January 2024, an additional 749,048 shares were purchased at a cost of €1.0 million in relation to the Stretch CEO LTIP (note 10).

In January 2024, a former Director exercised 200,000 share options, at an option price of €1 per share (note 10).

On 28 February 2024, the Company proposed a final 2023 dividend of 3.2 cent per ordinary share subject to shareholder approval at the 2024 AGM to be held on 10 May 2024. Based on the ordinary shares in issue at 28 February, the amount of dividend proposed is €20.7 million.

The proposed final dividend of 3.2 cent per ordinary share will be paid on 17 May 2024 to ordinary shareholders on the Company's register on 26 April 2024.

CAIRN HOMES PLC
COMPANY INFORMATION

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John Reynolds (Non-Executive Chairman)
Michael Stanley (Chief Executive Officer)
Shane Doherty (Chief Financial Officer)
Julie Sinnamon (Non-Executive)
Gary Britton (Non-Executive)
Giles Davies (Non-Executive)
Linda Hickey (Non-Executive)
Alan McIntosh (Non-Executive, resigned 25 January 2024)
Orla O'Gorman (Non-Executive)

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