

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLENVEAGH PROPERTIES PLC

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Glenveagh Properties plc ('the Company') and its consolidated undertakings ('the Group') for the year ended December 31, 2023, contained within the reporting package 635400GUG2YYGMOAK834-2023-12-31-en.zip, which comprise the Consolidated statement of profit or loss and other comprehensive income, the Consolidated and Company Balance Sheets, the Consolidated and Company Statements of Changes in Equity, the Consolidated Statement of Cash Flows and related notes, including the material accounting policies set out in Note 8.

The financial reporting framework that has been applied in the preparation of the Group financial statements is Irish Law, including the Commission Delegated Regulation 2019/815 regarding the single electronic reporting format (ESEF) and International Financial Reporting Standards (IFRS) as adopted by the European Union and, as regards the Company financial statements, Irish Law and FRS 101 Reduced Disclosure Framework issued in the United Kingdom by the Financial Reporting Council.

In our opinion:

- > the financial statements give a true and fair view of the assets, liabilities and financial position of the Group and Company as at December 31, 2023 and of the Group's profit for the year then ended;
- > the Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- > the Company financial statements have been properly prepared in accordance with FRS 101 *Reduced Disclosure Framework* issued by the UK's Financial Reporting Council; and
- > the Group and Company financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014 and, as regards the Group financial statements, Article 4 of the IAS Regulation.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities section of our report. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the audit committee.

We were appointed as auditor by the directors on August 17, 2017. The period of total uninterrupted engagement is the seven years ended December 31, 2023. We have fulfilled our ethical responsibilities under, and we remained independent of the Group in accordance with, ethical requirements applicable in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA) as applied to public interest entities. No non-audit services prohibited by that standard were provided.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the director's assessment of the Group's and Company's ability to continue to adopt the going concern basis of accounting included:

The risk that the Group's and Company's available financial resources was adversely affected over this period was the impact of construction cost inflation and/or a reduction in the volume of units sold.

As this was the risk that could potentially cast significant doubt on the Group's and the Company's ability to continue as a going concern, we considered sensitivities over the level of available financial resources indicated by the Group's financial forecasts taking account of reasonably possible (but not unrealistic) adverse effects that could arise from these risks individually and collectively and evaluated the achievability of the actions the Directors consider they would take to improve the position should the risks materialise.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group or the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

In relation to the Group and the Company's reporting on how they have applied the UK Corporate Governance Code and the Irish Corporate Governance Annex, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Detecting irregularities including fraud

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the directors. In addition, our risk assessment procedures included:

- > Inquiring with the directors as to the Group's policies and procedures regarding compliance with laws and regulations, identifying, evaluating and accounting for litigation and claims, as well as whether they have knowledge of non-compliance or instances of litigation or claims.
- > Inquiring of directors, the audit committee and internal audit as to the Group's policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- > Inquiring of directors, the audit committee and internal audit regarding their assessment of the risk that the financial statements may be materially misstated due to irregularities, including fraud.
- > Inspecting the Group's regulatory and legal correspondence.
- > Reading Board minutes.
- > Considering remuneration incentive schemes and performance targets including the EPS target for management remuneration.
- > Performing planning analytical procedures to identify any usual or unexpected relationships.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

INDEPENDENT AUDITOR'S REPORT CONTINUED TO THE MEMBERS OF GLENVEAGH PROPERTIES PLC

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, environmental law, regulatory capital and liquidity and certain aspects of company legislation recognising the financial and regulated nature of the Group's activities and its legal form.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition. We identified a fraud risk in relation to the Group revenue. We did not identify any additional fraud risks.

In response to the fraud risks, we also performed procedures including:

- > Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation.
- > Assessing significant accounting estimates for bias.
- > Assessing the disclosures in the financial statements.

As the Group is regulated, our assessment of risks involved obtaining an understanding of the legal and regulatory framework that the Group operates and gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT CONTINUED
TO THE MEMBERS OF GLENVEAGH PROPERTIES PLC

In arriving at our audit opinion above, the key audit matter was as follows (unchanged from 2022):

Group key audit matter

Carrying value of inventory €707.6m (2022 – €685.8m) and profit recognition

Refer to page 151 (accounting policy) and pages 157 to 174 (financial disclosures)

The key audit matter	How the matter was addressed in our audit
<p>Inventories, relating to work-in-progress on sites under development and land yet to be developed, represent a significant asset of the Group.</p> <p>Work-in-progress comprises of the costs of the land being built on, direct materials and direct labour costs that have been incurred in bringing the inventories to their present location and condition.</p> <p>Work-in-progress per site is stated at the lower of cost and net realisable value ('NRV'), NRV being the estimated net selling price less costs to sell and management's estimated total costs of completion. The forecasting of selling prices and costs to complete is inherently judgemental and may be subject to estimation error.</p> <p>For each development project, site-wide residential development costs are allocated between units built in the current period and units to be built in future years, which requires further judgement.</p> <p>The Group recognises profit on each unit sale by reference to the overall expected margin to be achieved on the site.</p> <p>There is a risk that the assumptions of such forecasts and estimations may be inaccurate with a resulting impact on the carrying value of inventory. As the profit margin realised is dependent on the forecasts contained within the NRV models, which can be subject to estimation error, there is a risk that the amount of profit recognised in a reporting period may be inaccurate.</p> <p>For the reasons outlined above the engagement team determine this matter to be a key audit matter.</p>	<p>Our audit procedures included amongst others:</p> <ul style="list-style-type: none"> > We obtained and documented our understanding of the process to determine the NRV of the Group's work-in-progress and tested the design and implementation of the key controls therein. > For all new land acquisitions, we inspected purchase contracts and agreed the costs of acquisition including related purchase costs. > We agreed a sample of costs incurred and included in inventory in the year such as direct materials and direct labour costs to supporting documentary evidence, which included checking that they were allocated to the appropriate site. > We inspected the Group's NRV reports on a sample basis and challenged the key inputs and assumptions in the following ways: <ul style="list-style-type: none"> – We agreed a sample of forecast costs to purchase contracts, supplier agreements or tenders and other relevant documentation. – We compared the forecast sales prices against recent prices achieved for similar properties and properties that were reserved/contracted to support the validity of the estimated sales price in the forecast. – We enquired as to whether there were any site-specific factors which may indicate that an individual site could be impaired. – We evaluated the sensitivity of the certain forecast development margin to a change in sales prices and costs and considered whether this indicated a risk of impairment of the inventory balance. – For sites in development, we compared actual unit sales and costs incurred to NRV estimates to assess that NRV estimates were updated and that the overall expected site margin was adjusted accordingly. > For completed sales, we tested the accuracy of the release from inventory to cost of sales recorded in the general ledger for consistency with the NRV reports for the relevant sites. > We considered the adequacy of the Group's disclosures regarding the carrying value of inventory. > We found that the profit margins recognised on completed sales during the year accurately reflected the attributable costs of the units sold. > Based on evidence obtained, we found that the key assumptions used in the calculations of NRV were within a reasonable range and supported the carrying value of inventory as at 31 December 2023, and the related disclosures in respect of work-in-progress to be appropriate.

Due to the nature of the Company's activities, there are no key audit matters that we are required to communicate in accordance with ISAs (Ireland).

INDEPENDENT AUDITOR'S REPORT CONTINUED TO THE MEMBERS OF GLENVEAGH PROPERTIES PLC

Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements and Company financial statements as a whole was set at €3.1m (2022: €3.3m) and €2.7m (2022: €3.0m) respectively, determined with reference to benchmarks of total revenues and total assets (of which it represents 0.5% (2022: 0.5%) and 0.5% (2022: 0.5%) respectively.

Performance materiality for the Group financial statements and Company financial statements as a whole was set at €2.3m (2022: €2.7m) and €2.0m (2022: €2.3m) respectively, determined with reference to benchmarks of total revenues and total assets.

We applied materiality to assist us determine what risks were significant risks and the procedures to be performed. We applied materiality to assist us planning and performing the audit, determining what risks were significant risks and the procedures to be, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

We consider total revenues as we consider to be one of the principal considerations for members of the Group in assessing its financial performance for the year.

We reported to the Audit and Risk Committee any corrected or uncorrected identified misstatements exceeding €0.2m (2022: €0.2m), in addition to other identified misstatements that warranted reporting on qualitative grounds.

In applying our judgement in determining performance materiality, we considered a number of factors including; the low number and value of misstatements detected and the low number and severity of deficiencies in control activities identified in the prior year financial statement audit.

Our audit of the Group and Company was undertaken to the materiality and performance materiality level specified above and was all performed by a single engagement team in Dublin.

Other information

The directors are responsible for the preparation of the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report and the non-financial statement included on the company's website at www.glenveagh.ie and Directors' Report, Chair's Letter, Chief Executive Officer's Review, Financial Review, Strategic Report, Risk Management Report, Sustainability Accounting Standards Board disclosures, Corporate Governance Report, Audit and Risk Committee Report, Remuneration Committee Report, Nomination Committee Report and Environmental and Social Responsibility Committee Report.

The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information undertaken during the course of the audit, we report that, in those parts of the directors' report specified for our consideration:

- > we have not identified material misstatements in the directors' report;
- > in our opinion, the information given in the directors' report is consistent with the financial statements; and
- > in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014.

Corporate governance statement

We have reviewed the directors' statement in relation to going concern, longer-term viability, that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code and the Irish Corporate Governance Annex.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

Directors' statement with regards the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified;

- > Directors' explanation as to their assessment of the Group's prospects, the period this assessment covers and why the period is appropriate;
- > Director's statement on whether it has a reasonable expectation that the Group will be able to continue in operation and meets its liabilities;
- > Directors' statement on fair, balanced and understandable and the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- > Board's confirmation that it has carried out a robust assessment of the emerging and principal risks and the disclosures in the annual report that describe the principal risks and the procedures in place to identify emerging risks and explain how they are being managed or mitigated;
- > Section of the annual report that describes the review of effectiveness of risk management and internal control systems; and
- > Section describing the work of the audit committee.

The Listing Rules of Euronext Dublin also requires us to review certain elements of disclosures in the report to shareholders by the Board of Directors' remuneration committee.

We have nothing to report in this regard.

In addition as required by the Companies Act 2014, we report, in relation to information given in the Corporate Governance Statement on pages 100 to 111, that:

- > based on the work undertaken for our audit, in our opinion, the description of the main features of internal control and risk management systems in relation to the financial reporting process and information relating to voting rights and other matters required by the European Communities (Takeover Bids (Directive 2004/EC) Regulations 2006 and specified for our consideration, is consistent with the financial statements and has been prepared in accordance with the Act;
- > based on our knowledge and understanding of the Company and its environment obtained in the course of our audit, we have not identified any material misstatements in that information; and
- > the Corporate Governance Statement contains the information required by the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017.

INDEPENDENT AUDITOR'S REPORT CONTINUED TO THE MEMBERS OF GLENVEAGH PROPERTIES PLC

We also report that, based on work undertaken for our audit, the information required by the Act is contained in the Corporate Governance Statement.

Our opinions on other matters prescribed by the Companies Act 2014 are unmodified

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

We have nothing to report on other matters on which we are required to report by exception

The Companies Act 2014 requires us to report to you if, in our opinion:

- > the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made;
- > the Company has not provided the information required by Section 1110N in relation to its remuneration report for the financial year December 31, 2022;
- > the Company has not provided the information required by section 5(2) to (7) of the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017 for the year ended December 31, 2022 as required by the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) (amendment) Regulations 2018.

We have nothing to report in this regard.

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 139, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A fuller description of our responsibilities is provided on IAASA's website at <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/>.

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

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Mike Gibbons

for and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
1 Stokes Place
St. Stephen's Green
Dublin 2
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28 February 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	2023 €'000	2022 €'000
Revenue	10	607,938	644,706
Cost of sales		(495,207)	(536,655)
Gross profit		112,731	108,051
Administrative expenses		(41,782)	(37,956)
Operating profit		70,949	70,095
Finance expense	11	(15,839)	(7,094)
Profit before tax	12	55,110	63,001
Income tax	16	(8,002)	(10,434)
Profit after tax attributable to the owners of the Company		47,108	52,567
Items that are or may be reclassified subsequently to profit or loss:			
Fair value movement on cashflow hedges		(1,240)	–
Cashflow hedges reclassified to profit or loss		(383)	–
Total other comprehensive loss		(1,623)	–
Total comprehensive profit for the year attributable of the owners of the Company		45,485	52,567
Basic earnings per share (cent)	15	8.0	7.6
Diluted earnings per share (cent)	15	8.0	7.6

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 €'000	2022 €'000
Assets			
Non-current assets			
Goodwill	18	5,697	5,697
Property, plant and equipment	17	64,184	51,750
Intangible assets	18	2,781	1,770
Deferred tax asset	16	884	619
		73,546	59,836
Current assets			
Inventory	19	707,600	685,751
Trade and other receivables	20	77,974	58,671
Income tax receivable		3,901	–
Restricted cash	23	458	458
Cash and cash equivalents	27	71,863	71,085
		861,796	815,965
Total assets		935,342	875,801
Equity			
Share capital	26	659	719
Share premium	26	179,719	179,416
Undenominated capital	26	399	335
Retained earnings		450,103	465,680
Cashflow hedge reserve	24	(1,623)	–
Share-based payment reserve		48,899	46,968
Total equity		678,156	693,118
Liabilities			
Non-current liabilities			
Loans and borrowings	22	112,083	71,221
Lease liabilities	22	4,230	4,216
Derivative contracts	24	1,623	–
Trade and other payables	21	1,750	3,500
		119,686	78,937
Current liabilities			
Trade and other payables	21	132,719	93,234
Income tax payable		–	565
Loans and borrowings	22	3,562	9,419
Lease liabilities	22	1,219	528
		137,500	103,746
Total liabilities		257,186	182,683
Total liabilities and equity		935,342	875,801

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Share Capital			Share premium €'000	Share-based payment reserve €'000	Cashflow hedge reserve €'000	Retained earnings €'000	Total equity €'000
	Ordinary shares €'000	Deferred Shares €'000	Undenominated capital €'000					
Balance as at 1 January 2023	638	81	335	179,416	46,968	-	465,680	693,118
Total comprehensive profit for the year								
Income for the year	-	-	-	-	-	-	47,108	47,108
Fair value movement on cashflow hedges	-	-	-	-	-	(1,240)	-	(1,240)
Cashflow hedges reclassified to profit and loss	-	-	-	-	-	(383)	-	(383)
	638	81	335	179,416	46,968	(1,623)	512,788	738,603
Transactions with owners of the Company								
Equity-settled share-based payments	-	-	-	-	2,137	-	-	2,137
Lapsed share options (Note 14)	-	-	-	-	(206)	-	206	-
Cancellation of deferred shares (Note 26)	-	-	-	303	-	-	-	-
Exercise of options	4	-	-	-	-	-	-	307
Purchase of own shares (Note 26)	(64)	-	64	-	-	-	(62,891)	(62,891)
	(60)	-	64	303	1,931	-	(62,685)	(60,447)
Balance as at 31 December 2023	578	81	399	179,719	48,899	(1,623)	450,103	678,156

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY CONTINUED
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Share Capital		Deferred Shares €'000	Udenominated capital €'000	Share premium €'000	Share-based payment reserve €'000	Retained earnings €'000	Total equity €'000
	Ordinary shares €'000	Founder Shares €'000						
Balance as at 1 January 2022	771	181	–	100	179,310	45,251	558,468	784,081
Total comprehensive profit for the year								
Income for the year	–	–	–	–	–	–	52,567	52,567
	771	181	–	100	179,310	45,251	611,035	836,648
Transactions with owners of the Company								
Equity-settled share-based payments	–	–	–	–	–	1,717	–	1,717
Lapsed share options (Note 14)	–	–	–	–	–	–	–	–
Conversion of founder shares to deferred shares (Note 26)	–	(181)	181	–	–	–	–	–
Cancellation of deferred shares (Note 26)	–	–	(100)	100	–	–	–	–
Exercise of options	2	–	–	–	106	–	–	108
Purchase of own shares (Note 26)	(135)	–	–	135	–	–	(145,355)	(145,355)
	(133)	(181)	81	235	106	1,717	(145,355)	(143,530)
Balance as at 31 December 2022	638	–	81	335	179,416	46,968	465,680	693,118

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	2023 €'000	2022 €'000
Cash flows from operating activities			
Profit for the financial year		47,108	52,567
<i>Adjustments for:</i>			
Depreciation and amortisation		2,373	2,081
Finance costs	11	15,839	7,094
Equity-settled share-based payment expense	14	2,137	1,717
Tax expense	16	8,002	10,434
Profit on disposal of property, plant and equipment	12	(214)	(1,501)
		75,245	72,392
<i>Changes in:</i>			
Inventories		(18,529)	83,360
Trade and other receivables		(19,217)	(26,290)
Trade and other payables		38,100	35,662
Cash from operating activities		75,599	165,124
Interest paid		(12,009)	(6,490)
Tax paid		(12,732)	(17,778)
Net cash from operating activities		50,858	140,856
Cash flows from investing activities			
Acquisition of property, plant and equipment	17	(16,361)	(19,278)
Acquisition of intangible assets	18	(1,477)	(1,055)
Acquisition of subsidiary undertakings		–	(6,875)
Cash acquired on acquisition		–	847
Proceeds from the sale of property, plant and equipment		959	2,036
Net cash used in investing activities		(16,879)	(24,325)
Cash flows from financing activities			
Proceeds from loans and borrowings	22	381,667	110,000
Repayment of loans and borrowings	22	(347,500)	(150,000)
Transaction costs related to loans and borrowings	22	(4,318)	–
Purchase of own shares	26	(62,891)	(146,260)
Proceeds from exercise of share options	26	307	108
Proceeds from derivative settlements	24	295	–
Payment of lease liabilities	28	(761)	(470)
Net cash used in financing activities		(33,201)	(186,622)
Net increase/(decrease) in cash and cash equivalents		778	(70,091)
Cash and cash equivalents at the beginning of the year		71,085	141,176
Cash and cash equivalents at the end of the year		71,863	71,085

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

1 Reporting entity

Glenveagh Properties plc ('the Company') is domiciled in the Republic of Ireland. The Company's registered office is Block C, Maynooth Business Campus, Maynooth Co. Kildare. These consolidated financial statements comprise the Company and its subsidiaries (together referred to as 'the Group') and cover the financial year ended 31 December 2023. The Group's principal activities are the construction and sale of houses and apartments for the private buyer, local authorities and the private rental sector.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS's) as adopted by the European Union which comprise standards and interpretations approved by the International Accounting Standards Board (IASB), and those parts of the Companies Act 2014, including the Commission Delegated Regulation 2018/815 regarding the single electronic reporting format (ESEF), applicable to companies reporting under IFRS and Article 4 of the IAS regulation.

2 Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS's) as adopted by the European Union which comprise standards and interpretations approved by the International Accounting Standards Board (IASB), and those parts of the Companies Act 2014 applicable to companies reporting under IFRS and Article 4 of the IAS regulation.

3 Functional and presentation currency

These consolidated financial statements are presented in Euro which is the Company's functional currency. All amounts have been rounded to the nearest thousand unless otherwise indicated.

4 Use of judgements and estimates

The preparation of the Group's financial statements under International Financial Reporting Standards ('IFRS'), as adopted by the European Union, requires the Directors to make judgments and estimates that affect the application of policies and the reported amounts of assets, liabilities, income, expenses and related disclosures. Actual results may differ from these estimates.

Critical accounting judgements

Management applies the Group's accounting policies as described in Note 8 when making critical accounting judgements, of which no individual judgement is deemed to have a significant impact upon the financial statements.

Key sources of estimation uncertainty

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

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

The Group holds inventories stated at the lower of cost and net realisable value. Such inventories include land and development rights, work-in-progress and completed units. As residential development is largely speculative by nature, not all inventories are covered by forward sales contracts. Furthermore, due to the nature of the Group's activity and, in particular the scale of its developments and the length of the development cycle, the Group has to allocate site-wide development costs between units being built and/ or completed in the current year and those for future years. It also has to forecast the costs to complete on such developments.

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

In making such assessments and allocations, there is a degree of inherent estimation uncertainty. The Group has established internal controls designed to effectively assess and centrally review inventory carrying values and ensure the appropriateness of the estimates made. These assessments and allocations evolve over the life of the development in line with the risk profile, and accordingly, the margin recognised reflects these evolving assessments, particularly in relation to the Group's long-term developments. The impact of sustainability and other macroeconomic factors have been considered in the Group's assessment of the carrying value of its inventories at 31 December 2023, particularly with regard to the potential implications for future selling prices, development expenditure and construction programming. Management has considered a number of scenarios on each of its active developments and the consequential impact on future profitability based on current facts and circumstances together with any implications for future projects in undertaking its net realisable value calculations.

As part of the assessment, the Group has re-evaluated its most likely exit strategies on all developments in the context of the current market environment and reflected these in revenue assumptions within the forecast models. The results of this exercise determined that the net impairment charge or reversal required for the period was €Nil (2022: Nil).

Management have performed a sensitivity analysis to assess the impact of a change in estimated costs for developments on which sales were recognised in the year. A 1%-4% increase in estimated costs recognised in the year, which is considered to be reasonably possible, would reduce the Group's gross margin by approximately 118-333bps (2022: 58-174bps).

5 Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, both for financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values and reports directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assess the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the Standards, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's Audit and Risk committee.

Fair value is defined in IFRS 13, Fair Value Measurement, as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

5 Measurement of fair values (continued)

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Further information about the assumptions made in measuring fair values is included in the following notes:

- > Note 14 Share-based payments arrangements;
- > Note 21 Trade and other payables;
- > Note 24 Derivatives and cashflow hedge reserve; and
- > Note 27 Financial instruments and financial risk management.

6 Changes in material accounting policies

Amendments to standard IAS 12 Income taxes: International Tax Reform – Pillar Two Model Rules; Deferred Tax Related to Assets and Liabilities Arising From a Single Transaction, IFRS 17 Insurance Contracts: amendments to IFRS 17 insurance contracts; Initial Application of IFRS 17 and IFRS 9 – Comparative Information and IAS 8 Accounting policies, Changes In Accounting Estimates And Errors: Definition of accounting estimates and errors, are effective from 1 January 2023 but they do not have a material effect on the Group's financial statements.

(i) New material accounting policies

(a) Derivative contracts and hedge accounting

The Group has transacted derivatives relating to an interest rate swap to manage the interest rate risk arising from floating rate borrowings. Derivatives are initially recognised at fair value on the date a derivative contract is entered into, and they are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. The group designates certain derivatives as hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges).

Changes in the fair value of derivative hedging instruments designated as cash flow hedges are recognised in other comprehensive income to the extent that the hedge is effective. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts accumulated in other comprehensive income are reclassified to profit or loss in the same periods that the hedged items affect profit or loss. The reclassified gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in profit or loss within finance income or costs respectively.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in other comprehensive income remains there until the forecast transaction occurs, unless the hedged transaction is no longer expected to occur, in which case the cumulative gain or loss that was previously recognised in other comprehensive income is transferred to profit and loss.

At inception of the hedge relationship, the group documents the economic relationship between hedging instruments and hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The group documents its risk management objective and strategy for undertaking its hedge transactions.

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.

(b) Research and development costs

Expenditure on research activities is recognised in profit or loss as incurred.

Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.

(c) Disclosure of accounting policies (amendments to IAS 1 and IFRS Practice Statement 2)

The Group adopted Disclosure of Accounting Policies (amendments to IAS 1 and IFRS Practice Statement 2) from 1 January 2023. The amendments did not result in any material changes to the accounting policies and accounting policy information disclosed in the financial statements.

The amendments require the disclosure of material rather than significant accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity specific accounting policy information that users need to understand other information in the financial statements.

There have been no other changes to material accounting policies during the financial year ended to 31 December 2023.

(ii) Other standards

The Group has not adopted the following new and amended standards early, and instead intends to apply them from their effective date as determined by the date of EU endorsement. The potential impact of these amendments to standards on the Group is under review:

- > IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (amendment) (effective 01/01/2024)
- > IAS 1 Presentation of Financial Statements:
 - Classification of Liabilities as Current or Non-current Date (amendment) (effective 01/01/2024)
 - Classification of Liabilities as Current or Non-current – Deferral of Effective Date (amendment) (not yet effective)
 - Non-current Liabilities with Covenants (amendment) (effective 01/01/2024)
- > IFRS 16 Leases: Lease Liability in a Sale and Leaseback (amendment) (not yet effective)
- > IAS 21 The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability (amendment) (effective 01/01/2024)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

7 Going concern

The Group has recorded a profit before tax of €55.1 million (2022: €63.0 million). The Group has an unrestricted cash balance of €46.9 million (31 December 2022: €46.1 million) exclusive of the minimum cash balance of €25.0 million which the Group is required to maintain under the terms of its debt facilities. The Group has committed undrawn funds available of €233.3 million (31 December 2022: €150.0 million).

Management has prepared a detailed cash flow forecast to assess the Group's ability to continue as a going concern for at least a period of twelve months from the signing of these financial statements. The preparation of this forecast considered the principal risks facing the Group, including those risks that could threaten the Group's business model, future performance, solvency or liquidity over the forecast period. These principal risks and uncertainties and the steps taken by the Group to mitigate them are detailed on pages 55 to 61 of the Risk Management Report. The Group's business activities, together with the factors likely to affect its future development are outlined in our strategic report pages 5 to 52. Further disclosures regarding the Group's loans and borrowings are provided in Note 22.

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

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

8 Material accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, except if mentioned otherwise.

The Group adopted Disclosure of accounting policies (amendments to IAS 1 and IFRS Practice Statement 2) from 1 January 2023. The amendments require the disclosure of material rather than significant accounting policies. Although the amendments did not result in any material changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements in certain instances.

8.1 Basis of consolidation

(i) Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss. Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(iii) Joint operations

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

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated.

8.2 Revenue

The Group develops and sells residential properties and non-core land in addition to developing land under development agreements with third parties.

(i) Housing and land sales

Revenue is recognised at the point in time when control over the property has been transferred to the customer, which occurs at legal completion.

(ii) Development revenue

Revenue arising on contracts under a development agreement which give the customer control over properties as they are constructed, and for which the Group has a right to payments for work performed, is recognised over time. Revenue and costs are recognised over time with reference to the stage of completion of the contract activity at the balance sheet date where the outcome of a contract can be estimated reliably. This is measured by surveys of work performed to date. Variations in contract work, claims and incentive payments are included to the extent that it is probable that they will result in revenue, and they are capable of being reliably measured. When land is transferred at the start of a contract, revenue is not recognised until control has been transferred to the customer which includes legal title being passed to them. Where the outcome of a contract cannot be estimated reliably, contract revenue where recoverability is probable is recognised to the extent of contract costs incurred. The costs associated with fulfilling a contract are recognised as expenses in the period in which they are incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

8 Material accounting policies (continued)

8.3 Expenditure

Expenditure recorded in inventory is expensed through cost of sales at the time of the related property sale. The amount of cost related to each property includes its share of the overall site costs. Expenditure related to revenue recognised over time is expensed through cost of sales on an inputs basis. Administration expense is recognised in respect of goods and services received when supplied in accordance with contractual terms.

Expenditure on research activities is recognised in profit or loss as incurred.

8.4 Taxation

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

The Group has determined that the global minimum top-up tax is an income tax in the scope of IAS 12.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- > temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
- > temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- > taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Once changes to the tax laws in any jurisdiction in which the Group operates are enacted or substantively enacted, the

Group may be subject to the top-up tax. Currently, the Group operates solely in the Republic of Ireland, based on current criteria there is no current tax impact.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary difference when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

8.5 Share-based payment arrangements

The grant date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions or market conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

8.6 Exceptional items

Exceptional items are those that are separately disclosed by virtue of their nature or amount in order to highlight such items within the consolidated statement of profit or loss for the financial year. Group management exercises judgement in assessing each particular item which, by virtue of its scale or nature, should be highlighted as an exceptional item. Exceptional items are included within the profit or loss caption to which they relate.

During the financial year, there were no income or costs considered exceptional items.

8.7 Property, plant and equipment

Property, plant and equipment is carried at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided to write off the cost of the assets on a straight-line basis to their residual value over their estimated useful lives at the following annual rates:

> Buildings	2.5%
> Plant and machinery	14-20%
> Fixtures and fittings	20%
> Computer Equipment	33%

The assets' residual values, carrying values and useful lives are reviewed on an annual basis and adjusted if appropriate at each reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

8 Material accounting policies (continued)

8.7 Property, plant and equipment (continued)

Where an impairment is identified, the recoverable amount of the asset is identified and an impairment loss, where appropriate, is recognised in the statement of profit or loss and other comprehensive income.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within administration expenses in the statement of profit or loss and other comprehensive income.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

8.8 Intangible assets

Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses. Goodwill impairments are not reversed. Goodwill is not amortised but is subject to impairment testing on an annual basis and at any time during the year if an indicator of impairment is considered to exist. The annual goodwill impairment tests are undertaken at a consistent time in each annual period.

Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses. Capitalised development expenditure has an indefinite useful life.

Indefinite life intangible assets are those for which there is no foreseeable limit to their expected useful life. The classification of intangible assets as indefinite is assessed annually.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Computer software is capitalised as intangible assets as acquired and amortised on a straight-line basis over its estimated useful life of 3 years, in line with the period over which economic benefit from the software is expected to be derived.

Licence costs are capitalised as intangible assets as acquired and amortised on a straight-line basis over their estimated useful life in line with the period over which economic benefit from the software is expected to be derived.

The assets' useful lives and residual values are reviewed and adjusted, if appropriate, at each reporting date.

8.9 Inventory

Inventory comprises property in the course of development, completed units, land and land development rights. Inventories are valued at the lower of cost and net realisable value. Direct cost comprises the cost of land, raw materials and development costs but excludes indirect overheads. Land purchased for development, including land in the course of development, is initially recorded at cost. Where such land is purchased on deferred settlement terms, and the cost differs from the amount that will subsequently be paid in settling the liability, this difference is charged as a finance cost in the statement of profit or loss and other

comprehensive income over the period to settlement. A provision is made, where appropriate, to reduce the value of inventories and work-in-progress to their net realisable value.

Raw material and finished good stock are valued at the lower of cost and net realisable value. Stocks are determined on a first-in first-out basis. Cost comprises expenditure incurred in the normal course of business in bringing stocks to their present location and condition. Full provision is made for obsolete and slow moving items. Net realisable value comprises actual or estimated selling price (net of trade discounts) less all further costs to completion or to be incurred in marketing and selling.

8.10 Financial instruments

Financial assets and financial liabilities

Under IFRS 9, financial assets and financial liabilities are initially recognised at fair value and are subsequently measured based on their classification as described below. Their classification depends on the purpose for which the financial instruments were acquired or issued, their characteristics and the Group's designation of such instruments. The standards require that all financial assets and financial liabilities be classified as fair value through profit or loss ('FVTPL'), amortised cost, or fair value through other comprehensive income ('FVOCI').

Classification of financial instruments

The following summarises the classification and measurement the Group has elected to apply to each of its significant categories of financial instruments:

Type	IFRS 9 Classification
Financial assets	
Cash and cash equivalents	Amortised cost
Trade receivables	Amortised cost
Other receivables	Amortised cost
Contract assets	Amortised cost
Amounts recoverable on construction contracts	Amortised cost
Restricted cash	Amortised cost
Deposits for sites	Amortised cost
Construction bonds	Amortised cost
Financial liabilities	
Lease liabilities	Amortised cost
Trade payables	Amortised cost
Inventory accruals	Amortised cost
Other accruals	Amortised cost
Loans and borrowings	Amortised cost
Derivative contracts	Fair value (cash flow hedge accounting)
Contingent consideration through profit or loss	Fair value through profit or loss

Cash and cash equivalents

Cash and cash equivalents include cash, short-term investments with an original maturity of three months or less and minimum cash balances required under the terms of the debt facilities. Interest earned or accrued on these financial assets is included in finance income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

8 Material accounting policies (continued)

8.10 Financial instruments (continued)

Trade and other receivables

Such receivables are included in current assets, except for those with maturities more than 12 months after the reporting date, which are classified as non-current assets. Loans and other receivables are included in trade and other receivables on the statement of financial position and are accounted for at amortised cost. These assets are subsequently measured at amortised cost. The amortised cost is reduced by impairment losses. The Group recognises impairment losses on an 'expected credit loss' model (ECL model) basis in line with the requirements of IFRS 9. Interest income and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Amounts recoverable on construction contracts

Amounts recoverable on construction contracts includes recoverable revenue recognised over time with reference to the stage of completion arising on contracts under a development agreement which are receivable within 12 months of the reporting date

Contract assets

Contract assets are amounts recoverable on long-term contracts where revenue is recognised over time.

Deposits for sites

Deposits for sites includes a percentage amount paid of the total purchase price for the acquisition of land intended for development.

Restricted cash

Restricted cash includes cash amounts which are classified as current assets and held in escrow until the completion of certain criteria.

Construction bonds

Construction bonds includes amounts receivable in relation to the completion of construction activities on sites. These assets are included in trade and other receivables on the consolidated balance sheets and are accounted for at amortised cost.

Derivative contracts

Derivative contracts are contracts for interest rate swaps to manage the interest rate risk arising from floating rate borrowings. Derivatives are initially recognised at fair value on the date a derivative contract is entered into, and they are subsequently remeasured to their fair value at the end of each reporting period.

Financial liabilities

Financial liabilities such as inventory and other accruals are recorded at amortised cost and include all liabilities.

Loans and borrowings

Loans and borrowings include debt facilities, interest accrued and borrowing costs classified as current and non-current liabilities.

Contingent consideration

Contingent consideration includes amounts payable if conditions pertaining to the business combination are satisfied.

8.11 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle that obligation, and the amount has been reliably estimated.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability, where the effect of discounting is considered significant. The unwinding of the discount is recognised as a finance cost.

8.12 Pensions

The Group operates a defined contribution scheme. The assets of the scheme are held separately from those of the Group in a separate fund. Obligations for contributions to defined contribution plans are expensed as the related service is provided.

8.13 Leases

At the inception of a contract, the Group assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component and non-lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and motor vehicles. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

8 Material accounting policies (continued)

8.13 Leases (continued)

(i) As a lessee (continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate with reference to its current financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise fixed payments, including in-substance fixed payments;

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in the future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'lease liability' in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term lease. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term in the income statement.

8.14 Share capital

(i) Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity (retained earnings).

(ii) Founder Shares

Founder Shares were initially issued as ordinary shares and subsequently re-designated as Founder Shares. Following re-designation, the instruments are accounted for as equity-settled share-based payments as set out at Note 8.5 above.

8.15 Finance income and costs

The Group's finance income and finance costs include:

- > Interest income
- > Finance income
- > Interest expense
- > Lease interest

Interest income and expense is recognised using the effective interest method.

8.16 Derivative contracts and hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into, and they are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged.

The group designates certain derivatives as hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges).

Changes in the fair value of derivative hedging instruments designated as cash flow hedges are recognised in other comprehensive income to the extent that the hedge is effective. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts accumulated in other comprehensive income are reclassified to profit or loss in the same periods that the hedged items affect profit or loss. The reclassified gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in profit or loss within finance income or costs respectively.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in other comprehensive income remains there until the forecast transaction occurs, unless the hedged transaction is no longer expected to occur, in which case the cumulative gain or loss that was previously recognised in other comprehensive income is transferred to profit and loss.

At inception of the hedge relationship, the group documents the economic relationship between hedging instruments and hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The group documents its risk management objective and strategy for undertaking its hedge transactions.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

9 Segmental information

The Group has considered the requirements of IFRS 8 Operating Segments in the context of how the business is managed and resources are allocated.

The Group is organised into three key reportable segments, being Suburban, Urban and Partnerships. Internal reporting to the Chief Operating Decision Maker ('CODM') is provided on this basis. The CODM has been identified as the Executive Committee.

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

Suburban

The Suburban segment is focused primarily on high quality housing (with some low rise apartments) with demand coming from private buyers and institutions. Our core Suburban product is affordable and located in well serviced communities predominantly in the Greater Dublin Area and Cork.

Urban

Urban's strategic focus is developing apartments to deliver to institutional investors. The apartments are located primarily in Dublin and Cork, but also on sites adjacent to significant rail transportation hubs. Urban's strategy is to deliver the product to institutional investors through a forward sale, or forward fund transaction providing longer term earnings visibility.

Partnerships

A Partnership will typically involve the Government, local authorities, or state agencies contributing their land on a reduced cost, or phased basis into a development agreement with Glenveagh. Approximately 50% of the product is delivered back to the government or local authority via social and affordable homes. This provides longer term access to both land and unit deliveries for the business and provides financial incentive by reducing risk from a sales perspective.

Segmental financial results

	2023 €'000	2022 €'000
<i>Revenue</i>		
Suburban	470,820	454,540
Urban	120,122	190,166
Partnerships	16,996	–
Revenue for reportable segments	607,938	644,706
	2023 €'000	2022 €'000
<i>Operating profit/(loss)</i>		
Suburban	79,872	70,353
Urban	12,367	21,532
Partnerships	513	(1,565)
Operating profit for reportable segments	92,752	90,320
<i>Reconciliation to results for the financial year</i>		
Segment results – operating profit	92,752	90,320
Finance expense	(15,839)	(7,094)
Directors' remuneration	(3,488)	(3,402)
Corporate function payroll costs	(5,871)	(6,081)
Depreciation and amortisation	(2,449)	(2,081)
Professional fees	(3,075)	(4,992)
IT costs	(2,060)	(1,673)
Share-based payment expense	(2,137)	(1,717)
Profit on sale of property, plant and equipment	214	1,501
Other corporate costs	(2,937)	(1,780)
Profit before tax	55,110	63,001

Excluding profit on the sale of property, plant and equipment, there are no individual costs included within other corporate costs that is greater than the amounts listed in the above table.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

9 Segmental information (continued)

Segment assets and liabilities

	31 December 2023				31 December 2022			
	Suburban €'000	Urban €'000	Partnerships €'000	Total €'000	Suburban €'000	Urban €'000	Partnerships €'000	Total €'000
<i>Segment assets</i>	555,329	185,525	49,865	790,719	590,321	153,018	6,452	749,791
<i>Reconciliation to Consolidated Balance Sheet</i>								
Deferred tax asset	-	-	-	884	-	-	-	620
Trade and other receivables	-	-	-	1,010	-	-	-	785
Cash and cash equivalents	-	-	-	71,863	-	-	-	71,085
Property, plant and equipment	-	-	-	64,184	-	-	-	51,750
Income tax receivable	-	-	-	3,901	-	-	-	-
Intangible assets	-	-	-	2,781	-	-	-	1,770
	-	-	-	935,342	-	-	-	875,801
<i>Segment liabilities</i>	92,520	15,191	19,395	127,106	69,138	9,876	159	79,173
<i>Reconciliation to Consolidated Balance Sheet</i>								
Trade and other payables	-	-	-	7,363	-	-	-	17,561
Loans and Borrowings	-	-	-	115,645	-	-	-	80,640
Derivative contracts	-	-	-	1,623	-	-	-	-
Lease liabilities	-	-	-	5,449	-	-	-	4,744
Income tax payable	-	-	-	-	-	-	-	565
	-	-	-	257,186	-	-	-	182,683

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

10 Revenue

	2023 €'000	2022 €'000
<i>Suburban</i>		
Core	470,820	451,930
Non-core	–	2,610
	470,820	454,540
<i>Urban</i>		
Core	95,561	176,570
Non-core	24,561	13,596
	120,122	190,166
<i>Partnerships</i>		
Core	16,996	–
Total Revenue	607,938	644,706

The Group has presented revenue as a split between core and non-core by business segment. This split is consistent with internal reporting to the Chief Operating Decision Maker ('CODM').

Core suburban product relates to affordable starter homes for first time buyers. Core urban product relates primarily to apartments suitable for institutional investors. Non-core suburban and urban product relates to high-end, private developments and sites. Core and non-core suburban and urban revenue is recognised at a point in time. Non-core suburban and urban cost of sales is mostly attributable to land and development expenditure costs for high end, private developments and sites.

Urban core revenue includes income from the sale of land and development revenue from construction contracts that are recognised over time by reference to the stage of completion of the contract with the customer. Development revenue recognised in the financial year related to the development of the sites at Barn Oaks Apartments, Castleforbes and Carpenterstown and amounted to €95.6 million (2022: €82.1 million) with €25.5 million (2022: €32.1 million) outstanding in contract receivables (Note 20) at the year end. The payment terms for these contracts are between 30 and 90 days.

Partnerships revenue includes income from the sale of units recognised at a point in time and development revenue from construction contracts that are recognised over time by reference to the stage of completion of the contract with the customer. Development revenue recognised in the financial year related to the development of the sites at Ballymastone and Oscar Traynor Road and amounted to €17.0 million (2022: €Nil) with the full amount (2022: €Nil) outstanding in contract assets (Note 20) at the year end. No units were sold during the current year.

All revenue is earned in the Republic of Ireland.

11 Finance Expense

	2023 €'000	2022 €'000
Interest on secured bank loans	16,084	7,049
Cashflow hedges – reclassified from other comprehensive income	(383)	–
Finance cost on lease liabilities	138	45
	15,839	7,094

12 Statutory and other information

	2023 €'000	2022 €'000
Amortisation of intangible assets (Note 18)	534	487
Depreciation of property, plant and equipment (Note 17)*	5,159	3,509
Employment costs (Note 13)	46,264	40,337
Profit on disposal of property, plant and equipment	(214)	(1,501)
Directors' remuneration		
Salaries, fees and other emoluments	3,438	3,252
Pension contributions	50	150
	3,488	3,402
	428	368

* Includes €3.3 million (2022: €2.1 million) capitalised in inventory during the year ended 31 December 2023

** Included in the auditor's remuneration for the Group is an amount of €0.025 million (2022: €0.020 million) that relates to the Company's financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

13 Employment costs

The average number of persons employed by the Group (including executive directors) during the financial year was 513 (Executive Committee: 6; Non-executive Directors: 5; Construction: 301; and Other: 201). (2022: 423 (Executive Committee: 6; Non-executive Directors: 5; Construction: 227; and Other: 185))

The aggregate payroll costs of these employees for the financial year were:

	2023 Total €'000	2022 Total €'000
Wages and salaries	38,550	33,734
Social welfare costs	4,126	3,540
Pension costs – defined contribution	1,451	1,346
Share-based payment expense (Note 14)	2,137	1,717
	46,264	40,337

€18.9 million (2022: €15.4 million) of employment costs were capitalised in inventory during the financial year.

14 Share-based payment arrangements

The Group operates two equity-settled share-based payment arrangements being the Long-Term Incentive Plan ('LTIP') and the Savings Related Share Option Scheme (known as the Save As You Earn or 'SAYE' scheme). As described below, options were granted under the terms of the LTIP and SAYE schemes during the financial year.

(a) LTIP

In February 2023, the Remuneration Committee approved the grant of 5,515,311 options to certain members of the management team in accordance with the terms of the Company's LTIP. These options will vest on completion of a three-year service period from grant date subject to the achievement of certain performance condition hurdles based on the Company's Return on Equity (ROE) and Earnings per Share (EPS) across the vesting period. 50% of the awards will vest based on the Group's ROE for the financial year ended 31 December 2025. The EPS based options will vest based on the Group's EPS* for the financial year ended 31 December 2025. 25% of ROE based options vest should the Group achieve ROE of 11.0% with the remaining options vesting on a pro rata basis up to 100% if ROE of 16.2% is achieved. 25% of EPS based options will vest should the Group achieve Group EPS* of 14.0 cents per share with the remaining options vesting on a pro rata basis up to 100% if Group EPS* of 22.0 cents per share is achieved. In line with the Group's remuneration policy, LTIP awards granted to Executive Directors from 2020 onwards include a holding period of at least two years post exercise.

	Number of Options 2023	Number of Options 2022
LTIP options in issue at 1 January	13,022,830	10,583,497
Granted during the financial year	5,515,311	4,568,698
Forfeited during the financial year	(284,403)	(264,729)
Lapsed during the financial year	(1,067,076)	–
Exercised during the financial year	(3,226,235)	(1,864,636)
LTIP options in issue at 31 December	13,960,427	13,022,830
Exercisable at 31 December	388,859	461,395

LTIP options were exercised during the financial year with the average share price being €1.00 (2022: €1.00). The options outstanding at 31 December 2023 had an exercise price of €0.001 (2022: €0.001) and a weighted-average contractual life of 7 years (2022: 7 years).

The EPS and ROE related performance conditions are non-market conditions and do not impact the fair value of the EPS or ROE based awards at grant date which is equivalent to the share price at grant date. The fair value of LTIP options granted in the prior periods which were based on market conditions were measured using a Monte Carlo simulation. There is no Total Shareholder Return (TSR) linked performance condition for options granted in the period and therefore no fair value exercise was performed related to this performance condition. Service and non-market conditions attached to the arrangements were not taken into account when measuring fair value. The inputs used in measuring fair value at grant date were as follows:

	2023	2022
Fair value at grant date	€1.12	€1.16
Share price at grant date	€1.12	€1.16

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

The Group recognised an expense of €2.1 million (2022: €1.7million) in the consolidated statement of profit or loss in respect of options granted under the LTIP.

* Group EPS is defined as Basic Earnings Per Share as calculated in accordance with IAS 33 Earnings Per Share subject to adjustment by the Remuneration Committee at its discretion, for items deemed not reflective of the Group's underlying performance for the financial year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

14 Share-based payment arrangements (continued)

(b) SAYE Scheme

Under the terms of the scheme, employees may save up to €500 per month from their net salaries for a fixed term of three or five years and at the end of the savings period they have the option to buy shares in the Company at a fixed exercise price. No options were granted in the current year or prior period and therefore no fair value exercise was performed.

Details of options outstanding and grant date fair value assumptions

	2023		2022	
	Number of Options 3 Year	Number of Options 5 Year	Number of Options 3 Year	Number of Options 5 Year
SAYE options in issue at 1 January	590,220	165,000	799,740	165,000
Granted during the financial year	–	–	–	–
Forfeited during the financial year	(19,167)	–	(32,520)	–
Lapsed during the financial year	(720)	–	–	–
Exercised during the financial year	(504,333)	–	(177,000)	–
SAYE options in issue at 31 December	66,000	165,000	590,220	165,000

The weighted average exercise price of all options granted under the SAYE to date is €0.99 (2022: €0.97).

The expected share price and TSR volatility was based on the historical volatility of a comparator group of peer companies over the expected life of the equity instruments granted together with consideration of the Group's actual trading volatility to date.

The Group recognised an expense of €0.03 million (2022: €0.06 million) in the consolidated statement of profit or loss in respect of options granted under the SAYE scheme.

15 Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share has been based on the profit attributable to ordinary shareholders and the weighted average numbers of shares outstanding for the financial year. There were 578,049,118 ordinary shares in issue at 31 December 2023 (2022: 638,131,722).

	2023	2022
Profit for the financial year attributable to ordinary shareholders (€'000)	47,108	52,567
Weighted average number of shares for the financial year	588,951,593	693,872,004
Basic earnings per share (cent)	8.0	7.6

	2023 No. of shares	2022* No. of shares
Reconciliation of weighted average number of shares		
Number of ordinary shares at beginning of financial year	638,131,722	771,770,694
Effect of share buyback	(52,032,676)	(78,865,173)
Effect of SAYE maturity	255,980	29,487
Effect of LTIP maturity	2,596,567	936,996
	588,951,593	693,872,004

(b) Dilutive earnings per share

Diluted earnings per share

	2023	2022
Profit for the financial year attributable to ordinary shareholders (€'000)	47,108	52,567
Weighted average number of shares for the financial year	590,114,076	695,970,940
Diluted earnings per share (cent)	8.0	7.6

	2023 No. of shares	2022 No. of shares
Reconciliation of weighted average number of shares (diluted)		
Weighted average number of ordinary shares (basic)	588,951,593	693,872,004
Effect of potentially dilutive shares	1,162,483	2,098,936
	590,114,076	695,970,940

* The number of potentially issuable shares in the Group held under option arrangements at 31 December 2023 is 13,960,427 (2022: 13,022,830).

** Under IAS 33, LTIP arrangements have an assumed test period ending on 31 December 2023. Based on the assumed test period only the TSR performance condition was met related to LTIP options and therefore only ordinary shares related to this condition would be issued through the conversion of LTIP options. SAYE options matured in the year with ordinary shares related to this being issued through the conversion of the SAYE options.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

15 Earnings per share (continued)

b) Dilutive earnings per share (continued)

At 31 December 2023 Nil options (2022: Nil options) were excluded from the diluted weighted average number of ordinary shares because their effect would have been anti-dilutive.

16 Income tax

	2023 €'000	2022 €'000
Current tax charge for the financial year	8,148	10,650
Deferred tax credit for the financial year	(146)	(216)
Total income tax charge	8,002	10,434

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

	2023 €'000	2022 €'000
Profit before tax for the financial year	55,110	63,001
Tax charge at standard Irish income tax rate of 12.5%	6,889	7,875
<i>Tax effect of:</i>		
Income taxed at the higher rate of corporation tax	949	2,424
Non-deductible expenses – other	30	97
Adjustment in respect of prior year under accrual	134	38
Total income tax charge	8,002	10,434

Movement in deferred tax balances

	Balance at 1 January 2023 €'000	Recognised in profit or loss €'000	Balance at 31 December 2023 €'000
Expenses deductible in future periods	619	265	884
	619	265	884

The expenses deductible in future periods arise in Ireland and have no expiry date. Based on profitability achieved in the period, the continued forecast profitability in the Group's strategic plan and the sensitivities that have been applied therein, management has considered it probable that future profits will be available against which the above tax expenses can be recovered and, therefore, the related deferred tax asset can be realised.

Global minimum tax

To address concerns about uneven profit distribution and tax contributions of large multinational corporations, various agreements have been reached at a global level, including an agreement by over 135 jurisdictions to introduce a global minimum tax rate of 15%. In December 2022, the Organisation for Economic Co-operation and Development ("OECD") released a draft legislative framework that is expected to be used by individual jurisdictions that signed the agreement to amend their local tax laws. The Republic of Ireland has enacted the new legislation, however, based on the current criteria there is no current tax impact in the financial year as the Group is not in scope of the legislation (2022: €Nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

17 Property, plant and equipment

	2023					2022				
	Land & buildings €'000	Fixtures & fittings €'000	Plant & machinery €'000	Computer equipment €'000	Total €'000	Land & buildings €'000	Fixtures & fittings €'000	Plant & machinery €'000	Computer equipment €'000	Total €'000
Cost										
At 1 January	36,322	2,096	22,495	950	61,863	18,239	945	14,699	717	34,600
Acquisitions through business combinations	-	-	-	-	-	3,313	56	714	-	4,083
Additions	12,584	-	5,015	550	18,149	15,315	1,095	7,874	308	24,592
Disposals	(2,351)	-	(1,850)	-	(4,201)	(545)	-	(792)	(75)	(1,412)
At 31 December	46,555	2,096	25,660	1,500	75,811	36,322	2,096	22,495	950	61,863
Accumulated depreciation										
At 1 January	(2,964)	(654)	(5,868)	(627)	(10,113)	(2,216)	(438)	(4,121)	(595)	(7,370)
Charge for the financial year	(1,592)	(242)	(3,127)	(198)	(5,159)	(748)	(216)	(2,447)	(98)	(3,509)
Disposals	2,351	-	1,294	-	3,645	-	-	700	66	766
At 31 December	(2,205)	(896)	(7,701)	(825)	(11,627)	(2,964)	(654)	(5,868)	(627)	(10,113)
Net book value										
At 31 December	44,350	1,200	17,959	675	64,184	33,358	1,442	16,627	323	51,750

The depreciation charge for the year includes €3.3 million (2022: €2.1 million) which was capitalised in inventory at 31 December 2023.

Property plant and equipment includes right of use assets of €4.9 million (2022: €4.5 million) related to leased properties and motor vehicles.

In the prior financial year, the Group entered into new lease agreements for the use of land and buildings as its head office facility in Maynooth, Co. Kildare. The land and buildings lease commenced in September 2022 for a duration of seven years. On lease commencement, the Group recognised €4.7 million of right-of-use assets and lease liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

18 Intangible assets

	2023					2022			
	Goodwill €'000	Capitalised development expenditure €'000	Licence €'000	Computer software €'000	Total €'000	Goodwill €'000	Licence €'000	Computer software €'000	Total €'000
Cost									
At 1 January	5,697	–	300	3,133	9,130	–	–	2,390	2,390
Additions	–	719	500	326	1,545	5,697	300	743	6,740
At 31 December	5,697	719	800	3,459	10,675	5,697	300	3,133	9,130
Accumulated amortisation									
At 1 January	–	–	–	(1,663)	(1,663)	–	–	(1,176)	(1,176)
Charge for the year	–	–	(40)	(494)	(534)	–	–	(487)	(487)
At 31 December	–	–	(40)	(2,157)	(2,197)	–	–	(1,663)	(1,663)
Net book value									
At 31 December	5,697	719	760	1,302	8,478	5,697	300	1,470	7,467

(i) Impairment of goodwill

Goodwill acquired in business combinations are allocated to the Group's cash generating units ("CGUs") that are expected to benefit from the business acquisition, rather than where the assets are owned. The CGUs represent the lowest level within the Group at which the associated goodwill is monitored for internal management purposes and are not larger than the operating segments determined in accordance with IFRS 8 'Operating Segments'. CGUs are kept under review to ensure that they reflect changing interdependencies of cash inflows within the Group and how management monitors operations.

The goodwill carrying amount is allocated to the suburban segment with the recoverable amount of this CGU being based on value in use. The value in use was determined by the cash flows to be generated from the continuing use of the CGU over a three year period.

(a) Key assumptions

The Group has established internal controls designed to effectively assess and centrally review future cash flows generated from CGUs. The key assumptions on which management has based its cash flows are revenue and construction costs. Revenue assumptions relate to unit sales prices for sites delivering over the period based on prices achieved to date, current market prices, historic prices, and sales agent reports. Construction cost assumptions are based on contracted/procured package pricing or where packages are not procured, historic pricing achieved, or pricing achieved on similar packages in reference to other sites.

The impact of sustainability and other macroeconomic factors have been considered in the Group's assessment of these cash flows, particularly with regard to the potential implications for future selling prices, development expenditure and construction programming. Management has considered scenarios on each of its active developments and the consequential impact on future profitability based on current facts and circumstances together with any implications for future projects in undertaking its impairment analysis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

18 Intangible assets (continued)

(a) Key assumptions (continued)

As part of the assessment, the Group has re-evaluated its most likely exit strategies on all developments in the context of the current market environment and reflected these in revenue assumptions within the forecast models. The results of this exercise determined that the no impairment was required at the reporting date.

The cash flow projections used to determine the value in use of the CGU are based on three years of cash flows from the Group's Strategic Plan.

A discount rate based on the Group's incremental borrowing rate and a growth rate into perpetuity was applied to these cash flows.

A sensitivity analysis has been conducted in respect of the value in use of the CGU. There were no CGU impairments as a result of the applied sensitivity analysis in the financial year.

19 Inventory

	2023 €'000	2022 €'000
Land	403,756	455,280
Development expenditure work in progress	274,592	227,240
Development rights	29,252	3,231
	707,600	685,751

€488.4 million (2022: €530.4 million) of inventory was recognised in 'cost of sales' during the year ended 31 December 2023. Sustainable materials such as heat pumps, PV panels, timber frames, light gauge steel frames and building expenditure necessary to deliver A1/A2 Building Energy Rating ('BER') homes are included within development expenditure work in progress.

(i) Impairment of inventories

During the financial year the Group carried out a net realisable value assessment of its inventories at the reporting date. This assessment determined that the net impairment charge or reversal required for the period was €Nil (2022: €Nil).

(ii) Employment cost capitalised

€18.9 million of employment costs incurred in the financial year have been capitalised in inventory (2022: €15.4 million).

iii) Development right

Oscar Traynor Road, Coolock, Dublin 5

In December 2022, the Group entered into a Development Agreement ("DA") with Dublin City Council ("DCC"). Under the terms of the DA and following planning permission being granted in February 2023, the Group acquired certain development rights in respect of the site at Oscar Traynor Road, Coolock, Dublin 5 for consideration of approximately €14.0m exclusive of stamp duty and acquisition costs. Under the granted planning permission for the site, the development rights will entitle the Group to develop approximately 850 residential units alongside commercial elements in accordance with the terms of the DA.

Ballymastone, Donabate, Dublin

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

Gateway Retail Park, Co. Galway

In March 2018, the Group entered into an Acquisition and Profit Share Agreement ("APSA") with Targeted Investment Opportunities ICAV ("TIO"), a wholly owned subsidiary of OCM Luxembourg EPF III S.a.r.l. Under the terms of the APSA, the Group acquired certain development rights in respect of the site at Gateway Retail Park, Knocknacarra, Co. Galway for consideration of approximately €3.2 million (including stamp duty and acquisition costs). The development rights will (subject to planning) entitle the Group to develop at least 250 residential units under a joint business plan to be undertaken with Sigma Retail Partners (on behalf of TIO) which will also entitle TIO to control and benefit from any retail development at the site. The Directors have determined that joint control of the site exists and the arrangement has been accounted for as a joint operation in accordance with IFRS 11 Joint Arrangements. For further information regarding the APSA, see Note 29 of these financial statements.

20 Trade and other receivables

	2023 €'000	2022 €'000
Trade receivables	9,765	9,224
Contract receivables	25,540	32,113
Contract assets	16,996	-
Other receivables	3,475	2,283
Prepayments	1,106	862
Construction bonds	15,924	12,140
Deposits for sites	5,168	2,049
	77,974	58,671

The carrying value of all financial assets and trade and other receivables is approximate to their fair value and are short term in nature with the exception of construction bonds.

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21 Trade and other payables

	2023 €'000	2022 €'000
Current		
Trade payables	7,875	7,132
Payroll and other taxes	5,741	4,897
Inventory accruals	64,921	33,600
Contingent consideration	1,750	1,500
Other accruals	26,651	16,372
VAT payable	25,781	29,733
	132,719	93,234

The carrying value of all financial liabilities and trade and other payables is approximate to their fair value and are repayable under the normal credit cycle.

	2023 €'000	2022 €'000
Non-current		
Contingent consideration	1,750	3,500
Non-current	1,750	3,500
Current	132,719	93,234
	134,469	96,734

22 Loans and Borrowings

(a) Loans and borrowings

In February 2023, the Group entered into a new five-year sustainability linked finance facility of €350.0 million (Term loan: €116.7m, Revolving Credit Facility: €233.3m), with a syndicate of domestic and international financial institutions, at an interest rate of one-month EURIBOR (subject to a floor of 0 per cent) plus a margin of 2.7-2.8%. The debt facility interest rates are linked to the Group meeting certain sustainability performance targets aligned to its sustainability strategy. The term loan is repayable in full at the end of the five years. The sustainability performance targets are in respect of decarbonisation and the Group's Equity, Diversity and Inclusion strategy. The prior period debt facilities were fully repaid by the Group during the year and at 31 December 2023, €116.7 million has been drawn on the term loan element of the new debt facility (31 December 2022: €82.5 million). Pursuant to the debt facility agreement, there is fixed and floating charges and assignments in place over all the assets of the Group as continuing security for the discharge of any amounts drawn down. The assets carrying value at 31 December 2023 is €935.3 million (31 December 2022: €875.8 million).

	31 December 2023 €'000	31 December 2022 €'000
Debt facilities	116,667	82,500
Unamortised borrowing costs	(3,697)	(1,877)
Interest accrued	2,675	17
Total loans and borrowings	115,645	80,640

Loans and borrowings are payable as follows:

	31 December 2023 €'000	31 December 2022 €'000
Less than one year	3,562	9,419
Between one and two years	888	9,401
More than two years	111,195	61,820
Total loans and borrowings	115,645	80,640

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

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

All covenants have been complied with in 2023 and 2022.

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 the total assets of the Group as at 31 December 2023 is €935.3 million (31 December 2022: €875.8 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

22 Loans and Borrowings (continued)

(b) Reconciliation of movements of liabilities to cash flows arising from financing activities

	Cash flows								Non-cash changes				
	Opening 2023 €'000	Credit facility drawdown €'000	Credit facility repayment €'000	Transaction costs related to loans and borrowings €'000	Share buyback payments €'000	Proceeds from share option exercise €'000	Payment of lease liability €'000	Interest received/ (paid) €'000	Amortisation of transaction costs €'000	Interest €'000	New hedging instrument €'000	New leases €'000	Closing 2023 €'000
2023													
Liabilities:													
Loans and borrowings	82,500	381,667	(347,500)	-	-	-	-	-	-	-	-	-	116,667
Unamortised transaction costs	(1,877)	-	-	(4,318)	-	-	-	-	2,498	-	-	-	(3,697)
Derivative contracts	-	-	-	-	-	-	-	-	-	-	1,623	-	1,623
Lease liability	4,744	-	-	-	-	-	(761)	-	-	138	-	1,328	5,449
Interest accrual	17	-	-	-	-	-	-	(12,009)	-	14,667	-	-	2,675
Equity:													
Share buyback	(253,726)	-	-	-	(62,891)	-	-	-	-	-	-	-	(316,617)
Share option exercise	137	-	-	-	-	307	-	-	-	-	-	-	444
	(168,205)	381,667	(347,500)	(4,318)	(62,891)	307	(761)	(12,009)	2,498	14,805	1,623	1,328	(193,456)

	Cash flows								Non-cash changes				
	Opening 2022 €'000	Credit facility drawdown €'000	Credit facility repayment €'000	Transaction costs related to loans and borrowings €'000	Share buyback payments €'000	Proceeds from share option exercise €'000	Payment of lease liability €'000	Interest Paid €'000	Amortisation of transaction costs €'000	Interest on debt facilities €'000	Interest on lease liability €'000	New leases €'000	Closing 2022 €'000
2022													
Liabilities:													
Loans and borrowings	122,500	110,000	(150,000)	-	-	-	-	-	-	-	-	-	82,500
Unamortised transaction costs	(2,476)	-	-	-	-	-	-	-	599	-	-	-	(1,877)
Lease liability	547	-	-	-	-	-	(470)	-	-	-	45	4,622	4,744
Interest accrual	223	-	-	-	-	-	-	(6,490)	-	6,284	-	-	17
Equity:													
Share Buyback	(107,466)	-	-	-	(146,260)	-	-	-	-	-	-	-	(253,726)
Share option exercise	29	-	-	-	-	108	-	-	-	-	-	-	137
	13,357	110,000	(150,000)	-	(146,260)	108	(470)	(6,490)	599	6,284	45	4,622	(168,205)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

22 Loans and Borrowings (continued)

(c) Net debt reconciliation

	2023 €'000	2022 €'000
Restricted Cash	458	458
Cash and cash equivalents	71,863	71,085
Loans and borrowings	(115,645)	(80,640)
Lease liabilities	(5,449)	(4,744)
Total net debt	(48,773)	(13,841)

(d) Lease Liabilities

Lease liabilities are payable as follows:

	31 December 2023		
	Present value of minimum lease payments €'000	Interest €'000	Future value of minimum lease payments €'000
Less than one year	1,219	96	1,315
Between one and two years	1,205	98	1,303
More than two years	3,025	362	3,387
	5,449	556	6,005

23 Restricted cash

	2023 €'000	2022 €'000
Current	458	458
	458	458

The restricted cash balance relates to €0.5 million held in escrow for the completion of certain infrastructural works relating to the Group's residential development at Balbriggan, Co. Dublin.

24 Derivatives and cashflow hedge reserve

a) Interest rate swap

On 28 February 2023, the Group entered into an interest rate swap to hedge the interest rate risk associated with €100.0 million of the term loan element of our new debt facilities. The interest rate swap is in place for the 5-year period of the facility agreement. The nominal amount hedged for years one and two is €100.0 million with this stepping down to €50.0 million for the remaining three years of the facility agreement. The interest rate swap has a fixed interest rate of 3.035%.

Derivative Financial Instruments

	2023 €'000	2022 €'000
Interest rate swaps – cash flow hedges	(1,623)	–

Included in other comprehensive income

	2023 €'000	2022 €'000
Fair value movement on cashflow hedges	(1,240)	–
Cashflow hedges reclassified to profit or loss	(383)	–
	(1,623)	–

b) Cashflow hedge reserve

The cashflow hedge reserve reflects the effective portion of the cumulative net change in the fair value of derivatives that are designated and qualify as cash flow hedges. Amounts accumulated in the hedging reserve are recycled to the income statement in the periods when the hedged item affects income or expense, or are included in the initial cost of a hedged non-financial item, depending on the hedged item.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

25 Subsidiaries

The principal subsidiary companies and the percentage shareholdings held by Glenveagh Properties plc, either directly or indirectly, pursuant to Section 314 of the Companies Act 2014 at 31 December 2023 are as follows:

Company	Principal activity	%	Reg. office
Glenveagh Properties (Holdings) Limited	Holding company	100%	1
Glenveagh Treasury DAC	Financing activities	100%	1
Glenveagh Contracting Limited	Property development	100%	1
Glenveagh Homes Limited	Property development	100%	1
Greystones Devco Limited	Property development	100%	1
Marina Quarter Limited	Property development	100%	1
GLV Bay Lane Limited	Property development	100%	1
Glenveagh Living Limited	Property development	100%	1
GL Partnership Opportunities DAC	Property development	100%	1
Castleforbes Development Company DAC	Property development	100%	1
Nua Manufacturing Limited	Manufacturing operations	100%	1
GMP Developments Limited	Holding company	100%	1

1 Block C, Maynooth Business Campus, Maynooth, Co. Kildare.

Pursuant to section 316 of the Companies Act 2014, a full list of subsidiaries will be annexed to the Company's Annual Return to be filed in the Companies Registration Office in Ireland.

26 Capital and reserves

(a) Authorised share capital

	2023		2022	
	Number of shares	€'000	Number of shares	€'000
Ordinary Shares of €0.001 each	1,000,000,000	1,000	1,000,000,000	1,000
Deferred Shares of €0.001 each	200,000,000	200	200,000,000	200
	1,200,000,000	1,200	1,200,000,000	1,200

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

	Share Number of shares	Share capital €'000	premium €'000
At 31 December 2023			
Ordinary Shares of €0.001 each	578,049,119	578	179,719
Founder Shares of €0.001 each	–	–	–
Deferred Shares of €0.001 each	81,453,077	81	–
	659,502,196	659	179,719
	Share Number of shares	Share Capital €'000	premium €'000
At 31 December 2022			
Ordinary Shares of €0.001 each	638,131,722	638	179,416
Founder Shares of €0.001 each	–	–	–
Deferred Shares of €0.001 each	81,453,077	81	–
	719,584,799	719	179,416

(c) Reconciliation of shares in issue

	Ordinary shares '000	Founder shares '000	Deferred shares '000	Undenominated capital €000	Share capital €'000	Share premium €'000
In respect of current year						
In issue at 1 January 2023	638,132	–	81,453	335	719	179,416
Purchase of own shares	(63,813)	–	–	64	(64)	–
Conversion of founder shares to deferred shares	–	–	–	–	–	–
Cancellation of deferred shares	–	–	–	–	–	–
Exercise of options	3,730	–	–	–	4	303
	578,049	–	81,453	399	659	179,719
	Ordinary shares '000	Founder shares '000	Deferred shares '000	Undenominated capital €000	Share capital €'000	Share premium €'000
In respect of current year						
In issue at 1 January 2022	771,771	181,007	–	100	952	179,310
Purchase of own shares	(135,680)	–	–	135	(135)	–
Conversion of founder shares to deferred shares	–	(181,007)	181,007	–	–	–
Cancellation of deferred shares	–	–	(99,554)	100	(100)	–
Exercise of options	2,041	–	–	–	2	106
	638,132	–	81,453	335	719	179,416

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

26 Capital and reserves (continued)

(d) Rights of shares in issue

Ordinary Shares

The holders of Ordinary Shares are entitled to one vote per Ordinary Share at general meetings of the Company and are entitled to receive dividends as declared by the Company.

(e) Nature and purpose of reserves

Share based payment reserve

The share-based payment reserve comprises amounts equivalent to the cumulative cost of awards by the Group under equity settled share-based payment arrangements being the Group's Long Term Incentive Plan and the SAYE scheme. Details of the share awards, in addition to awards which lapsed in the year, are disclosed in Note 14.

(f) Share buyback programme

On 16 November 2021, the Group announced a second share buyback programme, which completed on 28 April 2022. The total number of shares purchased was 92,950,510 at a total cost of €111.0 million. The total number of shares purchased in the period 1 January to 28 April 2022 was 64,929,549 at a total cost of €77.9m. All repurchased shares were cancelled in accordance with the share buyback programme in the year ended 31 December 2022.

On 1 June 2022, a third share buyback programme commenced up to a further €75.0 million, which completed on 1 November 2022. As at 31 December 2022 the total number of shares purchased under the third buyback programme was 70,750,810 at a total cost of €67.5 million. All repurchased shares were cancelled in the year ended 31 December 2022.

On 6 January 2023, a fourth share buyback programme commenced to repurchase up to 10% of the Group's issued share capital such that the maximum number of shares which can be repurchased under this buyback is 63,813,172. On 2 August 2023, the Group completed the fourth share buyback programme repurchasing 63,813,172 shares for a cost of €62.9 million. All repurchased shares were cancelled.

27 Financial instruments and financial risk management

(a) Accounting classification and fair value

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

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

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

The following table presents the Group's estimates of fair value on a recurring basis based on information available at 31 December 2023, aggregated by the level in the fair value hierarchy within which those measurements fall.

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

* The period ended 31 December 2023 is the first period the Group has transacted in derivative contracts, see Note 6.

The consolidated financial assets and financial liabilities are set out below. While all financial assets and liabilities are measured at amortised cost, the carrying amounts of the consolidated financial assets and financial liabilities approximate to fair value. Trade and other receivables and trade and other payables approximate to their fair value as the transactions which give rise to these balances arise in the normal course of trade and, where relevant, with industry standard payment terms and have a short period to maturity (less than one year).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

27 Financial instruments and financial risk management (continued)

(a) Accounting classification and fair value (continued)

Financial instruments: financial assets

The consolidated financial assets can be summarised as follows:

	2023 €'000	2022 €'000
Trade receivables	9,765	9,224
Amounts recoverable on construction contracts	25,540	32,113
Contract assets	16,996	–
Other receivables	3,475	2,282
Construction bonds	15,924	12,140
Deposits for sites	5,168	2,049
Cash and cash equivalents	71,863	71,085
Restricted cash (current)	458	458
Total financial assets	149,189	129,351

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

Financial instruments: financial liabilities

	2023 €'000	2022 €'000
Trade payables	7,875	7,132
Lease liabilities	5,449	4,744
Inventory accruals	64,921	33,600
Other accruals	26,651	16,372
Contingent consideration	3,500	5,000
Loans & borrowings	119,617	80,640
Total financial liabilities	228,013	147,488

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

(b) Financial risk management objectives and policies

As all of the operations carried out by the Group are in Euro there is no direct currency risk, and therefore the Group's main financial risks are primarily:

- > liquidity risk – the risk that suitable funding for the Group's activities may not be available;
- > credit risk – the risk that a counter-party will default on their contractual obligations resulting in a financial loss to the Group;
- > market risk – the risk that changes in market prices, such as interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments; and
- > interest rate risk – the risk that changes in interest rates will affect the Group's income or the value of its holdings of financial instruments.

This note presents information and quantitative disclosures about the Group's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Liquidity risk

Liquidity risk is the risk that the Group may not be able to generate sufficient cash reserves to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring, unacceptable losses or risking damage to the Group's reputation. The Group's liquidity forecasts consider all planned development expenditure.

In February 2023, the Group entered into a new five-year sustainability linked finance facility of €350.0 million, with a syndicate of domestic and international financial institutions, at an interest rate of one-month EURIBOR (subject to a floor of 0 per cent) plus a margin of 2.7%-2.8%. The debt facility interest rates are linked to the Group meeting certain sustainability performance targets aligned to its sustainability strategy. The sustainability performance targets are in respect of decarbonisation and the Group's Equity, Diversity and Inclusion strategy. The prior period debt facilities were fully repaid by the Group during the year ended 31 December 2023. €116.7 million has been drawn on the new debt facility (2022: €82.5 million). The Group has an exposure to cash flow interest rate risk where there are changes in the EURIBOR rates.

Management monitors the adequacy of the Group's liquidity reserves against rolling cash flow forecasts. In addition, the Group's liquidity risk management policy involves monitoring short-term and long-term cash flow forecasts. Set out below are details of the Group's contractual cash flows arising from its financial liabilities and funds available to meet these liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

27 Financial instruments and financial risk management (continued)

(b) Financial risk management objectives and policies (continued)

Liquidity risk (continued)

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

	31 December 2022				
	Carrying amount €'000	Contractual cash flows €'000	Less than 1 year €'000	1 year to 2 years €'000	More than 2 years €'000
Lease liabilities	4,744	5,057	84	16	4,957
Trade payables	7,132	7,132	7,132	-	-
Inventory accruals	33,600	33,600	33,600	-	-
Other accruals	16,372	16,372	16,372	-	-
Contingent consideration	5,000	5,000	1,500	1,750	1,750
Loans and borrowings	80,640	89,488	11,563	11,546	66,379
	147,488	156,649	70,251	13,312	73,086

Funds available

	2023 €'000	2022 €'000
Debt facilities* (undrawn committed)	233,333	150,000
Cash and cash equivalents	71,863	71,085
Restricted cash	458	458
	305,654	221,543

* Includes €25 million (2022: €25 million) of restricted cash

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

- > A maximum total debt to gross asset value ratio of 40%;
- > Loans to eligible assets value does not equal or exceed 65%;

- > The Group is required to maintain a minimum cash balance of €25.0 million throughout the term of the debt facility;
- > EBITDA must exceed net interest costs by a minimum of 3 times and is calculated on a trailing twelve-month basis;
- > Total debt must not exceed adjusted EBITDA by a minimum of 4 times, this is calculated on a trailing twelve-month basis; and
- > Total debt must not exceed projected adjusted EBITDA by a minimum of 4 times, this is calculated on a forward twelve-month basis.

Credit risk

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

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

Market risk

The Group's exposure to market risk relates to changes to interest rates and stems predominately from its debt obligations. Interest rate risk reflects the Group's exposure to fluctuations in interest rates in the market. This risk arises from bank loans that are drawn under the Group's debt facilities with variable interest rates based upon EURIBOR. At the year ended 31 December 2023 it is estimated that an increase of 100 basis points to EURIBOR would have decreased the Group's profit before tax by €2.9 million (2022: €2.5 million) assuming all other variables remain constant, and the rate change is only applied to the loans that are exposed to movements in EURIBOR.

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

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

A fundamental review and reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates (IBORs) with alternative nearly risk-free rates (referred to as 'IBOR reform'). The Group has no exposure to these changes as it only has exposure to EURIBOR interest rates which is outside the scope of the current IBOR reform.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

27 Financial instruments and financial risk management (continued)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

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

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

Interest rate swaps	2023	2022
Net exposure (€'000)	1,535	-
Average fixed interest rate	3.035%	-

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

As at 31 December 2023

	Change in value used for calculating hedge ineffectiveness €'000	Cashflow hedge reserve €'000
Interest rate swap	-	(1,623)
	-	(1,623)

Capital management

The Group finances its operations through a combination of shareholders' funds, long term borrowings and working capital. The Group's objective when managing capital is to maintain an appropriate capital structure in the business to allow management to focus on creating sustainable long-term value for its shareholders, with flexibility to take advantage of opportunities as they arise in the short and medium term. The Group's capital allocation policy is to invest in supply chain, land, and work-in-progress. Once the business has invested sufficiently in each of these priorities, excess capital is returned to shareholders.

28 Leases

(a) Leases as lessee (IFRS 16)

The Group leases a property and motor vehicles. Motor vehicle leases typically run for a period of 1-3 years, with an option to renew the lease after that date. Lease payments are renegotiated every 1-3 years to reflect market rentals. The property lease is for 15 years with a break clause after 7 years.

The Group leases certain motor vehicles with contract terms of one year. These leases are short term and leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

Information about leases for which the Group is a lessee is presented below.

(i) Right-of-use assets

Right-of-use assets related to leased properties (that do not meet the definition of investment property) and motor vehicles are presented as property, plant and equipment (see Note 17).

	Property €'000	Motor Vehicles €'000	Total €'000
2023			
Balance at 1 January	4,385	86	4,471
Additions to right-of-use assets	-	1,328	1,328
Depreciation charge for the year	(658)	(224)	(882)
Balance at 31 December	3,727	1,190	4,917

	Property €'000	Motor Vehicles €'000	Total €'000
2022			
Balance at 1 January	286	261	547
Additions to right-of-use assets	4,605	-	4,605
Depreciation charge for the year	(506)	(175)	(681)
Balance at 31 December	4,385	86	4,471

(ii) Amounts recognised in profit or loss

	2023 €'000	2022 €'000
2023 – Leases under IFRS 16		
Interest on lease liabilities	138	45
Expenses relating to short-term leases	151	97

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

28 Leases (continued)

(a) Leases as lessee (IFRS 16) (continued)

(iii) Amounts recognised in statement of cash flows

	2023 €'000	2022 €'000
Total cash outflow on leases	761	470

(b) Leases as lessor

In certain instances, the Group acts as a lessor in relation to certain property assets. These arrangements are not material to the Group's consolidated financial statements.

29 Related party transactions

(i) Key Management Personnel remuneration

Key management personnel comprise the Non-Executive Directors and the Executive Committee. The aggregate compensation paid or payable to key management personnel in respect of the financial year was the following:

	2023 €'000	2022 €'000
Short-term employee benefits	4,746	4,864
Post-employment benefits	214	294
LTIP and SAYE share-based payment expense	996	670
	5,956	5,828

Compensation of the Group's key management personnel includes salaries, non-cash benefits and contributions to a post-employment defined contribution plan.

(ii) Other related party transactions

Acquisition of development rights

The Group entered into the Acquisition and Profit Share Agreement (APSA) with Targeted Investment Opportunities ICAV (TIO), a wholly owned subsidiary of OCM Luxembourg EPF III S.a.r.l. (OCM) (and an entity in which John Mulcahy is a director) on 12 March 2018.

Under the terms of the APSA, the Group acquired certain development rights in respect to the site at Gateway Retail Park, Knocknacarra, Co. Galway for consideration of approximately €3.2 million (including stamp duty and transaction costs). The development rights will (subject to planning) entitle the Group to develop at least 250 residential units under the joint business plan to be undertaken with Sigma Retail Partners (on behalf of TIO) which will also entitle TIO to control and benefit from any retail development at the site.

The Directors have determined that joint control over the site exists, and the arrangements have been accounted for as joint operations in accordance with IFRS 11 Joint Arrangements. This accounting treatment was re-assessed at the end of the reporting period and the Directors concluded that it remains appropriate.

The APSA also stipulates that TIO would be entitled to share, on a 50/50 basis, any residual profit remaining after the Group's purchase consideration plus interest and residential development cost plus 20% has been deducted from sales revenue in relation to the residential development opportunity at Gateway Retail Park, Knocknacarra, Co. Galway and Bray Retail Park, Bray, Co. Wicklow.

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

30 Commitments and contingent liabilities

(a) Commitments arising from development land acquisitions

The Group had no contingent liabilities at 31 December 2023. The Group had the following commitments at 31 December 2023 relating to Development Land Acquisitions.

Hollystown Golf and Leisure Limited ('HGL')

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

Contracted acquisitions

At 31 December 2023, the Group had contracted to acquire 5 development sites; two in County Dublin, one in Co. Kildare, one in County Meath and one in County Galway for aggregate consideration of approximately €24 million (excluding stamp duty and legal fees). Deposits totalling €5.2 million were paid pre-year end and are included within trade and other receivables at 31 December 2023.

31 Subsequent events

There were no significant subsequent events that warrant disclosure in the financial statements.

32 Profit of the Parent Company

The parent company is Glenveagh Properties plc. In accordance with section 304 of the Companies Act 2014, the Company is availing of the exemption from presenting its individual statement of profit or loss and other comprehensive income to the Annual General Meeting and from filing it at the Companies Registration Office. The Company's loss after tax for the financial year was €0.001 million (*for the year ended 31 December 2022: profit of €7.7million*).

33 Approved financial statements

The Board of Directors approved the financial statements on 27 February 2024.

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 €'000	2022 €'000
Assets			
Non-current assets			
Investments in subsidiaries	3	10,996	8,860
Deferred tax asset		216	–
		11,212	8,860
Current assets			
Trade and other receivables	4	477	171
Amounts owed by subsidiaries	5	536,880	599,854
Cash and cash equivalents		156	191
		537,513	600,216
Total assets		548,725	609,076
Equity			
Share capital	7	659	719
Share premium		179,719	179,416
Retained earnings		317,169	379,855
Share-based payment reserve		48,899	46,968
Undenominated capital		399	335
		546,845	607,293
Liabilities			
Current liabilities			
Trade and other payables	6	1,880	1,783
Total liabilities		1,880	1,783
Total liabilities and equity		548,725	609,076

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Share Capital			Share premium €'000	Share-based payment reserve €'000	Retained earnings €'000	Total equity €'000
	Ordinary shares €'000	Deferred Shares €'000	Undenominated capital €'000				
Balance as at 1 January 2023	638	81	335	179,416	46,968	379,855	607,293
Total comprehensive income for the financial year							
Loss for the financial year	-	-	-	-	-	(1)	(1)
Other comprehensive income	-	-	-	-	-	-	-
	638	81	335	179,416	46,968	379,854	607,292
Transactions with owners of the Company							
Equity-settled share-based payments	-	-	-	-	2,137	-	2,137
Lapsed share options (Note 14)	-	-	-	-	(206)	206	-
Conversion of founder shares to deferred shares (Note 27)	-	-	-	-	-	-	-
Cancellation of deferred shares (Note 26)	-	-	-	-	-	-	-
Exercise of options	4	-	-	303	-	-	307
Purchase of own shares (Note 26)	(64)	-	64	-	-	(62,891)	(62,891)
	(60)	-	64	303	1,931	(62,685)	(60,447)
Balance as at 31 December 2023	578	81	399	179,719	48,899	317,169	546,845

* The note reference is to the Consolidated financial statements as the information is not disclosed in the notes to the Company financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY CONTINUED
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Share Capital				Share premium €'000	Share-based payment reserve €'000	Retained earnings €'000	Total equity €'000
	Ordinary shares €'000	Founder Shares €'000	Deferred Shares €'000	Udenominated capital €'000				
Balance as at 1 January 2022	771	181	–	100	179,310	45,251	517,528	743,141
Total comprehensive income for the financial year								
Profit for the financial year	–	–	–	–	–	–	7,682	7,682
Other comprehensive income	–	–	–	–	–	–	–	–
	771	181	–	100	179,310	45,251	525,210	750,823
Transactions with owners of the Company								
Equity-settled share-based payments	–	–	–	–	–	1,717	–	1,717
Lapsed share options (Note 14)	–	–	–	–	–	–	–	–
Conversion of founder shares to deferred shares (Note 26)	–	(181)	181	–	–	–	–	–
Cancellation of deferred shares (Note 26)	–	–	(100)	100	–	–	–	–
Exercise of options	2	–	–	–	106	–	–	108
Purchase of own shares (Note 26)	(135)	–	–	135	–	–	(145,355)	(145,355)
	(133)	(181)	81	235	106	1,717	(145,355)	(143,530)
Balance as at 31 December 2022	638	–	81	335	179,416	46,968	379,855	607,293

* The note reference is to the Consolidated financial statements as the information is not disclosed in the notes to the Company financial statements

NOTES TO THE COMPANY FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

1 Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention in accordance with the Companies Act 2014 and Generally Accepted Accounting Practice in the Republic of Ireland (Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101)). Note 2 describes the principal accounting policies under FRS 101, which have been applied. The Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- > Statement of Cash Flows
- > Disclosures in respect of transactions with wholly owned subsidiaries
- > Certain requirements of IAS 1 Presentation of Financial Statements
- > Disclosures required by IFRS 7 Financial Instrument Disclosures
- > Disclosures required by IFRS 13 Fair Value Measurement
- > Disclosures required by IFRS 2 Share-based Payments
- > Disclosures required by IAS 24 Related Party Disclosures
- > The effects of new but not yet effective IFRSs; and
- > Disclosures in respect capital management

As noted in Note 32 of the consolidated financial statements, the Company has also availed of the exemption from presenting the individual statement of profit or loss and other comprehensive income. The Company's loss for the financial year was €0.001 million. (2022: Profit of €7.7 million).

2 Material accounting policies

Material accounting policies specifically applicable to these individual Company financial statements and which are not included within the accounting policies for the consolidated financial statements are detailed below.

(a) Investments in subsidiaries

Investments in subsidiaries are accounted for in these individual Company financial statements on the basis of the direct equity interest, rather than on the basis of the reported results and net assets of investees. Investments in subsidiaries are carried at cost less impairment.

The capital contributions arising from share-based payment charges represents the Company's granting rights over its equity instruments to employees of the Company's subsidiaries. This results in a corresponding increase in investment in subsidiary.

3 Investment in subsidiaries

	2023 €'000	2022 €'000
Investment in subsidiaries	4,025	4,025
Accumulated cost of share-based payments in respect of subsidiaries	6,971	4,835
	10,996	8,860

Details of subsidiary undertakings are given in Note 25 of the consolidated financial statements. The Company has considered triggers for impairment, including market capitalisation and determined there was no trigger.

4 Trade and other receivables

	2023 €'000	2022 €'000
VAT receivable	112	48
Prepayments and other receivables	365	123
	477	171

5 Amounts due from subsidiaries

	2023 €'000	2022 €'000
Amounts due from subsidiaries	536,880	599,854
	536,880	599,854

Amounts owed by subsidiaries are non-interest bearing and are repayable on demand. The expected credit loss associated with the above balances is considered to be insignificant.

6 Trade and other payables

	2023 €'000	2022 €'000
Trade payables	368	75
Accruals	1,451	1,649
Payroll and other taxes	61	59
	1,880	1,783

7 Share capital and share premium

For further information on share capital and share premium, refer to Note 26 of the consolidated financial statements.

NOTES TO THE COMPANY FINANCIAL STATEMENTS CONTINUED
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**8 Financial instruments**

The carrying value of the Company's financial assets and liabilities are a reasonable approximation of their fair value.

Relevant disclosures on consolidated financial instruments and risk management are given in Note 27 of the consolidated financial statements.

9 Share-based payments

For information in relation to share-based payment arrangements impacting the Company, refer to Note 14 of the consolidated financial statements.

10 Related party disclosures

See Note 29 of the consolidated financial statements for information in relation to related party transactions.

Remuneration of key management

Key management of the Company is defined as the directors of the Company. The compensation of key management personnel is set out in Note 29 of the consolidated financial statements.

SUPPLEMENTARY INFORMATION
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

Alternative Performance Measures (APMs)

The Group reports certain alternative performance measures ('APMs') that are not required under IFRS, which is the framework under which the consolidated financial statements are prepared. The Group believes that these metrics assist investors in evaluating the performance of the underlying business and provides a more meaningful understanding of how senior management review and monitor the business on an ongoing basis.

These performance measures are referred to throughout our strategy and business update and the discussion of our reported financial position. These performance measures may not be uniformly defined by all companies and accordingly they may not be directly comparable with similarly titled measures and disclosures by other companies.

The principal APMs used by the Group are defined as follows:

1 Gross margin percentage

	Financial statements reference	2023 €'000	2022 €'000
Gross profit	Statement of profit or loss	112,731	108,051
Revenue	Note 10	607,938	644,706
Gross margin percentage		18.5%	16.8%

2 Core gross margin percentage

		2023 €'000	2022 €'000
Suburban			
Core revenue		470,820	451,930
Non-core revenue		–	2,610
Total revenue	Note 10	470,820	454,540

		2023 €'000	2022 €'000
Urban			
Core revenue		95,562	176,570
Non-core revenue		24,560	13,596
Total revenue	Note 10	120,122	190,166

		2023 €'000	2022 €'000
Partnerships			
Core revenue		16,996	–
Non-core revenue		–	–
Total revenue	Note 10	16,996	–

		2023 €'000	2022 €'000
Core cost of sales		(472,977)	(521,292)
Non-core cost of sales		(22,231)	(15,363)
Total cost of sales	Statement of profit or loss	(495,208)	(536,655)

		2023 €'000	2022 €'000
Core gross profit		110,401	107,208
Core revenue		583,378	628,500
Core gross margin percentage		18.9%	17.1%

Core gross margin represents gross margin before impairment and non-core revenue and cost of sales is applied. Core gross margin is calculated from Suburban, Urban and Partnerships core revenue representing unit sales and rental income less the equivalent cost of sales. Non-core revenue is mostly attributable to the Urban segment. Non-core cost of sales is mostly attributable to land and development expenditure costs for high end, private developments and sites.

SUPPLEMENTARY INFORMATION CONTINUED
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3 Adjusted earnings before interest, tax, depreciation and amortisation (EBITDA) pre-exceptional items, pre-impairment and related margin

This is an APM representing earnings before interest, tax, depreciation, amortisation, impairment and exceptional items that Group management considers to be the most appropriate measure for assessing the profitability of the Group in a given financial period. It is calculated by adding back non-cash depreciation and amortisation charges to the Group's operating profit or loss for a period, and also adding back exceptional items and impairment. Adjusted EBITDA margin pre-exceptional items, pre-impairment and related margin represents this metric as a percentage of the Group's revenue.

	Financial statements reference	2023 €'000	2022 €'000
Depreciation – capitalised		3,320	1,978
Depreciation – expensed		1,839	1,616
Total depreciation	Note 17	5,159	3,594
		2023 €'000	2022 €'000
Adjusted operating profit	Statement of profit or loss	70,949	70,095
Depreciation – expensed	As above	1,839	1,616
Amortisation	Note 18	534	487
Adjusted EBITDA pre-exceptional items		73,332	72,198
Adjusted EBITDA margin pre-exceptional items*		12.1%	11.2%

There is no exceptional items in the current or prior year and as such adjusted EBITDA pre-exceptional items is equivalent to EBITDA in current and prior year.

4 Return on capital employed (ROCE)

An APM representing return on capital employed that Group management believes is the best measure of the Group's ability to generate profits from its asset base in a capital efficient manner and to create sustainable shareholder value. ROCE is calculated as operating profit divided by average capital employed, where operating profit is earnings before interest and tax and where capital employed is calculated as (i) net assets plus (ii) financial indebtedness, less (iii) cash and intangible assets.

5 Return on equity (ROE)

An APM representing return on equity that Group management apply to measure of the Group's efficiency of returns generated from shareholder equity after taxation and is calculated as profit after tax attributable to shareholders divided by the average of opening and closing shareholders' funds.

	Financial statements reference	2023 €'000	2022 €'000
Profit after tax	Statement of profit or loss	47,108	52,567
Total equity	Balance sheet	678,155	693,118
Average total equity		685,637	738,600
ROE		6.9%	7.1%

6 Net Development Value (NDV)

This is an APM representing a metric the Group uses to estimate the development value of land held in inventory. NDV is calculated by multiplying the number of units the Group expects to sell on a given site by the estimated sales price of each unit.

7 Adjusted EPS

This metric will be used as a performance condition for grants under the Group's LTIP from 2020 onwards. It is defined as Basic Earnings Per Share as calculated in accordance with IAS 33 Earnings Per Share subject to adjustment by the Remuneration Committee at its discretion, for items deemed not reflective of the Group's underlying performance for the period.

8 Adjusted operating profit

An APM representing a metric the Group uses to measure financial performance in a given financial period. It is defined as operating profit before exceptional items and impairment reversals/charges.

	Financial statements reference	2023 €'000	2022 €'000
Operating profit	Statement of profit or loss	70,949	70,095
Exceptional items	Statement of profit or loss	–	–
Adjusted operating profit		70,949	70,095
Revenue	Statement of profit or loss	607,938	644,706
Adjusted operating margin		11.7%	10.9%

There is no exceptional items in the current or prior year and as such adjusted operating margin is equivalent to operating margin in current and prior year.

COMPANY INFORMATION**Directors****Executive Directors**

Stephen Garvey
Michael Rice

Non-executive Directors

John Mulcahy
Pat McCann
Cara Ryan
Camilla Hughes
Emer Finnan
Max Steinebach
Lorna Conn

Company Secretary

Chloe McCarthy

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