

Chairman's Letter



John Mulcahy
Co-Founder & Executive Chairman

It is with great pleasure that I present Glenveagh Properties PLC's (Glenveagh or the Company) first Annual Report for the period ended 31 December 2017.

The period since the Company's initial public offering (IPO) on 13 October 2017 has been a very busy and exciting time for the business and the management team have made considerable progress in that timeframe.

At IPO, the senior management team had three immediate priorities to establish a stable and scalable framework for the business: effectively deploy the IPO proceeds of €550 million on assembling a highly attractive landbank; develop and scale the construction operations to ensure the business meets its unit delivery targets; and build a strong team to oversee and manage the future growth in the business.

The Company has made significant progress on each of these priorities, deploying more than €284 million to date on the purchase of 39 sites with construction active on 7 sites and a further 3 developments coming on-stream later this year. Furthermore, the Company has invested in experienced and ambitious personnel expanding its employee base to 148 to ensure the successful deployment of capital and scaling of the business.

The Board is very pleased with the progress and performance of the Company to date, including the effective and considered deployment of the IPO proceeds and the recruitment of key personnel to the management team.

Market Opportunity

My Co-Founders and I were extremely positive on the market opportunity for the Group at the time of IPO. In the five months since then, our confidence in being able to create, build and scale a best in class homebuilder in Ireland has only grown, and been corroborated by our experience as only one of two PLCs focused exclusively on the Irish residential market.

The Group believe that the Irish residential market is in its 'foundation for growth' phase. Demand for good quality, modern and value for money houses and apartments is unquestioned. Unemployment remains low, growth in the broader economy is sustainable, and mortgage availability has returned to sensible levels.

Our People

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In addition, I would like to thank our wider construction network, which includes over 675 contractors, for their commitment and contribution which has allowed the business to make significant progress on our sites within a short period of time.

Governance

The Board requires that we achieve best practice in corporate governance and recognises the need for an effective direction from the Board. To that end, as Chairman, I am very pleased with the appointment of four very accomplished non-executive directors and their wide range of expertise and experience is of great benefit to your company.

In addition, the Committees of the Board, which were established in the period, are performing effectively with regular reporting to the Board. I would like to thank both the Board and the Committee members for their excellent work and their help and guidance to me during this formative phase of the Company.

Returns to Shareholders

The Board declared as part of the IPO process, that it does not anticipate paying a dividend to shareholders in the immediate future as the Company's primary focus is investing the IPO proceeds in assembling a highly attractive landbank and delivering capital growth. As disclosed in the Company's prospectus, the Board is committed to implementing a progressive dividend policy for the benefit of shareholders in the medium-term.

Outlook

The Board believes that the Company has made a strong start to life as a PLC and is well positioned to continue to deploy capital effectively and deliver the houses and apartments in line with the Company's strategy. I would like to take this opportunity to thank you, our shareholders, and our stakeholders for your continued support during this exciting time in the Company's history, as we implement our plans.

A handwritten signature in dark ink, appearing to read 'John Mulcahy', written in a cursive style.

John Mulcahy
Co-Founder & Executive Chairman