

# Chairman's Letter

Dear Shareholder,  
Your Company has made significant progress in its first full year of operation and I am pleased to present the Annual Report for the year ended 31 December 2018.

## Delivery on our targets

In particular the Company has focussed on the primary targets that were set at our initial public offering ("IPO") in October 2017 being:

### Disciplined deployment of capital

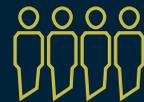
The balance of the IPO proceeds was fully deployed during the year with significant progress also made on deploying the proceeds of the secondary capital raise. All land acquisitions have been completed with a focus on shareholder returns and the Group now has a landbank with the capacity to delivery in excess of 12,600 units.

### Scaling the Operations

From commencement in October 2017, the Group is now active on 15 sites, and growing and has exceeded its sales target of 250 units by ten per cent. in completing the sale of 275 units in 2018. We now have 270 people directly employed (85 at IPO) who are providing the platform for future growth and the execution of our strategic objectives.

### Market opportunity

We remain extremely positive on the market opportunity for the business. The Group has structured its business around three segments in the Irish residential market being Build to Sell (BTS); Private Rental Sector (PRS) and Mixed Tenure and the optionality provided by many



**270**

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**12,600**

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John Mulcahy  
Chairman

of the sites in our landbank across these segments is a key strength of the business.

The strong and increasing demand for housing in the Irish market coupled with our focus on customer affordability in starter-homes, our commitment to safety, quality and efficiency (through standardisation of delivery) of construction are the key to the Board's confidence in the Group's BTS business.

The demand for PRS units from institutional and international investors is strong and increasing and our existing PRS portfolio is well placed to benefit from this increasingly important segment of the market. We continue to evaluate exit strategies across our current portfolio and pipeline sites to ensure we strike the appropriate balance across both the BTS and PRS sectors.

Glenveagh Living has made significant progress in 2018 in developing its initial portfolio from a planning and design perspective while also further enhancing our internal capability to avail of the significant mixed tenure opportunity that is presenting itself.

## Our people

We now employ 270 staff and our ability to continue to attract and retain people of exceptional talent, commitment and dedication has been a key element in delivering the levels of growth we have achieved in 2018 and a focus on talent retention will continue in 2019 and beyond. On behalf of the Board, I want to thank all our people for their efforts and dedication throughout 2018. We were pleased to also be recognised as one of the Best Workplaces in Ireland in the 2019 awards.

I would like to thank our wider construction network, which includes over 1,000 contractors, for their commitment and contribution in

partnering with us which has allowed the business to make such significant progress on all our active sites throughout 2018.

## Governance

The Board comprises an Executive Chairman, four Non-Executive Directors and two Executive Directors and members meet formally in Board Committees, Board meetings, and also less formally to discuss issues affecting the Group. The primary Board focus throughout 2018 was to support the implementation of the Group's business strategy, while ensuring the appropriate policies, procedures, corporate governance and risk management plans were embedded across the business at such an important phase in the Group's development.

Glenveagh are firmly committed to maintaining the highest standards of corporate governance. The Company seeks to comply with all requirements of the UK Corporate Governance Code 2016, the Irish Corporate Governance Annex and best practice generally in respect of corporate governance. Details of our corporate governance approach are set out in the separate Corporate Governance Report on pages 60 to 69.

I would like to thank the Board and the Executive Committee members for the significant progress over the past year.

## Outlook

The Board is pleased with the progress and performance of the Group to date. 2018 has been a year of significant progress where we have effectively deployed capital by assembling a highly attractive landbank capable of leveraging the significant opportunity that exists while also delivering on our financial and operational targets for 2018.

The Board believes that the Group is well positioned to deliver on our 2019 and 2020 targets in line with the Group'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 for the Group.

John Mulcahy  
Chairman