

Strategic Overview

With a focus on strategically located developments in the GDA, Cork, Limerick and Galway, the Group comprises two complementary residential delivery divisions, Homes and Living.

Homes delivers high quality starter-homes to its private customers with selective developments of mid-size and executive houses and apartments in areas of high demand. Our Homes portfolio also has the optionality to deliver housing and low-rise apartments for institutional investors (PRS).

Living delivers houses and apartments for the public sector and institutional investors. Our Partnerships business focusses on Mixed-Tenure and joint venture opportunities with the public sector in Ireland, while our PRS business delivers large-scale private rental product for institutional investors in high density urban locations.

Both of our business units benefit from the Group's attractive landbank, proven delivery platform and industry leading central resources.

The four strategic pillars of the Group are as follows:

- A. Assembly and active management of a sector leading landbank at attractive rates;
- B. Operation of best-in-class delivery platform;
- C. Delivery of an end-customer focussed product offering across our three target markets; Build-to-Sell, PRS and Mixed-Tenure; and
- D. Optimisation of capital employed to drive returns for shareholders.

The Group has made significant progress towards the achievement of our strategic objectives.



1,100

With over 1,100 units under construction during 2018 we have substantially de-risked our delivery targets for 2019 (725) and 2020 (1,000)



A. Assembly of Monetisable Starter-Home Focussed Landbank At Attractive Rates

We have moved quickly to de-risk our long-term sales objectives by assembling a starter-home focussed landbank with affordability and value-for-money at its core. Our landbank was assembled at attractive rates in the context of both cost per site (€50k vs €56k at IPO) and site cost as a percentage of NDV (17% vs 22% at IPO).

The Group's acquisitions occurred largely off-market and our landbank now comprises over 12,600 units. Our sites are primarily located in the GDA (81%) with approximately 85% of the landbank sitting within our Homes business (15% in Living) and 66% of the total units are expected to be houses (34% apartments). This is consistent with the land strategy we laid out at IPO.

Glenveagh is now positioned to deliver housing to the deepest segments of the market with 74% of Build-to-Sell units on forthcoming developments priced at €350k or less. With an average site size of approximately 265 units coupled with a focus on starter-homes, the portfolio is monetisable in the current regulatory and market environment within a short time-frame.

Our valuable PRS sites also allow the Group to capitalise on the large quantum of capital currently seeking to access the PRS opportunity in Ireland. Living now possesses a 1,850+ unit high density PRS portfolio focused on Dublin's North Docklands, Tallaght and Galway. We also estimate that our primarily low-density Homes portfolio has the optionality to deliver over 3,000 units into the PRS sector.

Post year end the Group exchanged contracts to acquire two sites via an off-market transaction for a consideration of approximately €50 million (excluding fees and stamp duty). The transaction is expected to complete in Q2 2019.

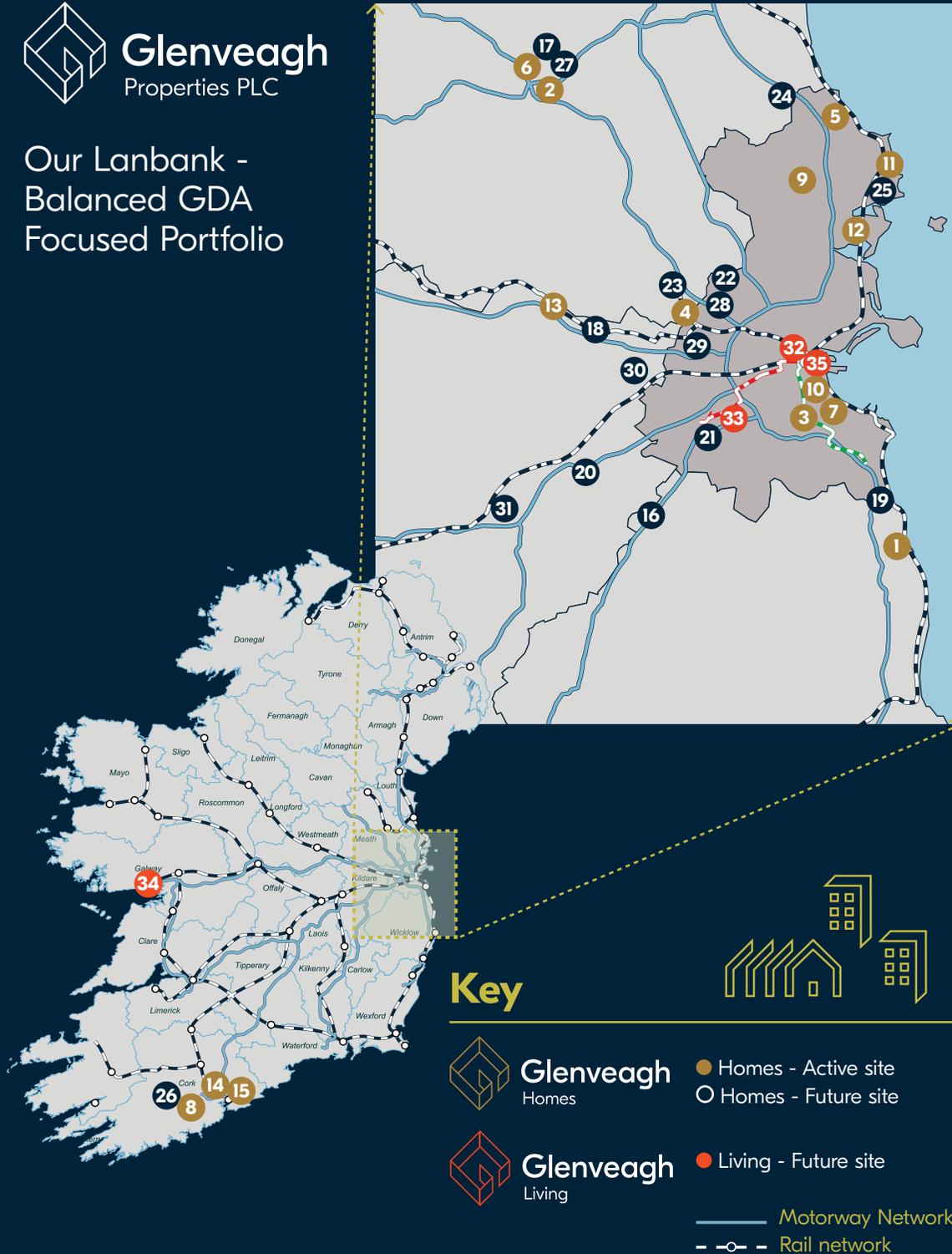
Located at Lexlip and Newbridge Co. Kildare, the properties currently have full planning permission for 793 units:

- **Site 1:** 47-acres at Barnhall, Leixlip, Co Kildare with planning permission for 450 units; and
- **Site 2:** 47-acres at Kilbelin, Newbridge, Co Kildare with planning permission for 343 units.

The transaction further strengthens Glenveagh's focus on delivering starter-homes in the GDA. Benefitting from strong planning permissions construction is expected to commence in H2 2019 with the first units closing in 2020.



Our Lanbank -
Balanced GDA
Focused Portfolio



Site Schedule

Map#	Site name	Active/Future	Units Net Total	Construction Period
Homes Active Sites				
1	Marina Village	Active	269	2018-2022
2	Cois Glaisin	Active	168	2018-2020
3	Herbert Hill	Active	90	2018-2019
4	Holsteiner Park	Active	6	2018-2019
5	Taylor Hill	Active	513	2018-2023
6	Cluain Adain	Active	194	2018-2022
7	Proby Place	Active	16	2018-2020
8	Maplewoods	Active	131	2018-2022
9	Cnoc Dubh	Active	45	2018-2020
10	Shrewsbury Road	Active	7	2018-2020
11	Knightsgate	Active	129	2018-2021
12	Semple Woods	Active	130	2018-2020
13	Ledwell Park	Active	430	2018-2024
14	Eden	Active	141	2018-2022
15	Maryborough Ridge	Active	502	2019-2028
Total			2,771	
Homes Future Sites				
16	Blessington	Future	140	
17	Blackcastle	Future	180	
18	Parson Street, Maynooth	Future	100	
19	Adelaide Road, Bray	Future	70	
20	Millennium Park	Future	530	
21	Citywest	Future	195	
22	Hollystown GC	Future	175	
23	Dunboyne	Future	664	
24	Stamullen	Future	205	
25	Donabate East	Future	436	
26	Cork Docklands	Future	1,000	
27	Blackcastle	Future	700	
28	Tyrellstown	Future	1,251	
29	Castleknock	Future	123	
30	Leixlip	Future	537	
31	Newbridge	Future	378	
Total Homes Core			6,684	
Homes - Non-Core			1,168	
Homes - Non-Core strategic			162	
Total Homes			10,785	
Living				
32	East Road	Future	450	
33	Tallaght	Future	500	
34	Galway	Future	250	
35	Castleforbes	Future	650	
Total Living			1,850	
Total Landbank			12,635	

Further significant opportunities continue to exist to make accretive land acquisitions which target the deepest starter-home market in the strongest locations. Once acquired these acquisitions will contribute to the achievement of delivery targets in the near-term and achieve returns above Group targets in future years.

B. Delivery Platform Now At Scale

We are now actively constructing from 15 sites with 16 sites expected to deliver our 2020 unit guidance of 1,000 units. This is consistent with our target absorption rate of 60-70 unit sales per site per annum. With over 1,100 units under construction during 2018 we have substantially de-risked our delivery targets for 2019 (725) and 2020 (1,000).

In order to achieve our construction objectives, the key priorities for the Group have been to:

- Put Health and Safety at the centre of our construction strategy;
- Standardise our processes and end product; and
- Ensure we are the partner of choice for our sub-contractor base.

i. Health and Safety

Embedded in our construction operation is a dedication to the highest standards of health and safety. Each active site has dedicated resources responsible for the implementation of our robust health and safety programme which is continually monitored by the Executive Committee and our Board.

ii. Standardisation of Processes and Production

Our construction methodologies are built around a standardised process to deliver high quality sustainable homes as efficiently as possible. This approach has allowed Glenveagh to build at volume across our active sites and deliver on our multi-site strategy.

We are focused on increasing the level of off-site manufacturing within our construction methodology. We will continue to assess our off-site manufacturing capabilities and invest time researching other emerging innovative construction practices.

Supporting our standardised construction approach is our centralised procurement team that has established strong relationships with suppliers and sub-contractors enabling us to enter into comparatively attractive contracts for key labour and materials thereby allowing us to manage our exposure to construction cost inflation.

The standardisation of our processes and end product is well underway with the full benefits of this expected to be achieved from the second half of 2020.

iii. Best-in-class Sub-contractor Proposition Established

We have intentionally capitalised the business and designed our organisation to ensure we are the partner of choice for our sub-contractor base. Glenveagh's offering to our partners has a number of advantages over our local non-PLC competition:

- The scale of the opportunity at Glenveagh is unrivalled given the 2,000+ unit per annum output target in Homes;
- Continuity of work on our multi-year sites which are delivering a consistent number of units on an annual basis gives sub-contractors the confidence to grow their business with us;
- Certainty of what's required given our standardised processes and product. As a result, sub-contractors know the key risks and the man hours involved which allows them to price keener than would otherwise be the case; and
- Reduced risk and capital requirements as Glenveagh procures sub-contractor material packages centrally. This is particularly relevant for trades that have a high material component.

Combined these efforts help ensure we are a compelling partner for sub-contractors who are critical to the delivery of the Group's output target.

C. End-Customer Focused Offering Developed

At Glenveagh our ambition is to capitalise on three key opportunities via the delivery of a customer focused offering in the following segments:

- Build-to-sell;
- PRS; and
- Mixed-Tenure

i. Build-to-Sell

The Group's Build-to-Sell landbank is capable of delivering housing in the locations that customers want and at price points they can afford. 84% of all transactions in Ireland in 2018 were below €425k which plays to the strength of Glenveagh's landbank with 92% of housing on forthcoming build-to sell developments at €425k or less.

Our developments are located in strong urban conurbations close to key transport infrastructure, schools and amenities. They are also strong rental locations thereby providing optionality of exit strategy by also providing institutional PRS investors with a strong offering which further de-risk the Group's long-term sales and delivery targets.

ii. PRS

Glenveagh has capitalised on the growing shift to rental in Ireland with the assembly of an attractive 1,100+ unit campus in Dublin's North Docklands and development rights on two key retail assets in Tallaght and Galway totalling 750 units. A SHD fast-track planning application was recently lodged on our East Road site in Dublin's North Docklands totalling 560 units. We will continue to make strong progress in advancing that portfolio in 2019.

Increasingly our Homes portfolio is attracting interest from PRS investors for both housing and low-rise apartments. Our delivery capability and attractiveness as a counter-party is ensuring we are capable of taking advantage of this to increase the sales velocity on our existing sites.



Proby Place, Blackrock, Co. Dublin



1,000

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iii. Mixed-Tenure

Mixed-Tenure is a housing delivery model whereby a developer provides a combination of social, affordable and private units usually on State lands. This is a growing feature of the market in Ireland principally through Local Authority public tender processes. The creation of the LDA with its long-term role to deliver homes to help meet the growing demand for housing is expected to act as a catalyst for bringing more schemes to market over a truncated time period. Our delivery and sales capabilities coupled with our attractiveness as a counterparty given our well capitalised balance sheet will help ensure we are well placed to partner with the key agencies on future projects.

D. Optimisation of Capital Employed to Drive Returns for Shareholders.

In the short-term our business requires significant capital in order to scale quickly and capture the compelling market opportunity that exists in Ireland where there are only two PLCs focussed on

housebuilding. As the business makes increasing progress towards achieving these objectives, we will further optimise the capital employed within the business to drive shareholder value and returns over the long-term. Practically, this will mean a reduced landbank investment without a reduction in output in the outer years of our business plan.

Group Strategic Priorities

In achieving our corporate strategy, the strategic priorities for the Group are to:

- Complete the build-out of the Group's landbank by acquiring sites at attractive rates through disciplined capital deployment in what is an illiquid land market;
- Maintain excellent levels of health and safety as we continue to ramp-up and standardise our construction operation;
- Continue to build a balanced and sustainable business throughout the cycle by focussing on the Build-to-Sell, PRS and Mixed-Tenure markets; and
- Deliver sector leading return on capital over the long-term by optimising the capital employed within the business.

