Irish Residential Properties REIT plc
Annual Report 2023

Sustainable Business, Connected Communities

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I-RES AT A GLANCE

I-RES is the leading provider of quality private residential rental accommodation in Ireland with homes in communities across Dublin and Cork. We are committed to providing safe, secure, sustainable homes in connected communities, with excellent in-person and digital services and supports.

Beacon South Quarter, Dublin 18

213

Residential Units

Our Mission

Our mission is to be the provider of choice for the Irish living sector, known for excellent service and for operating responsibly, minimising our environmental impact and maximising our contribution to the community.

3,734 units

Number of properties owned
(as at 31 December 2023)

€1,274 m

Value of the portfolio
(as at 31 December 2023)

99.4%

Occupancy %
(as at 31 December 2023)

90%

Portfolio building energy efficiency rated A - C
(as at 31 December 2023)

77.3%

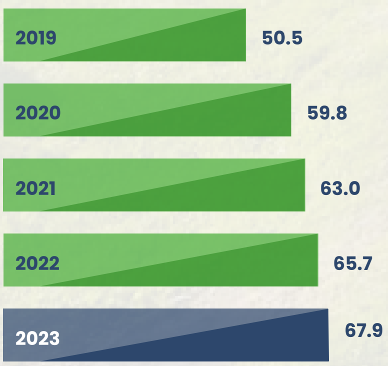
NRI Margin
(as at 31 December 2023)

4.9%

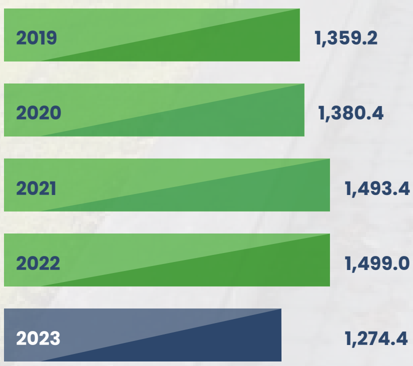
EPRA Net Initial Yield
(as at 31 December 2023)

FINANCIAL HIGHLIGHTS

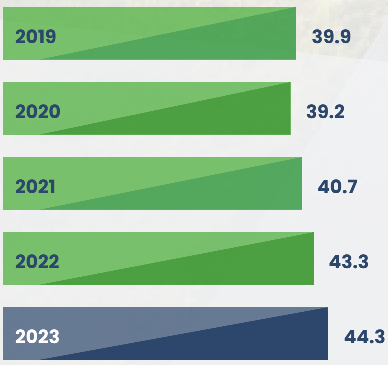
NET RENTAL INCOME
(€ millions)



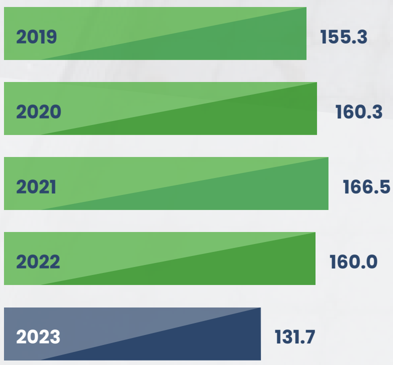
TOTAL PROPERTY VALUE
(€ millions)



NET LTV
(%)



BASIC NAV PER SHARE
(cent)



Waterside, Malahide

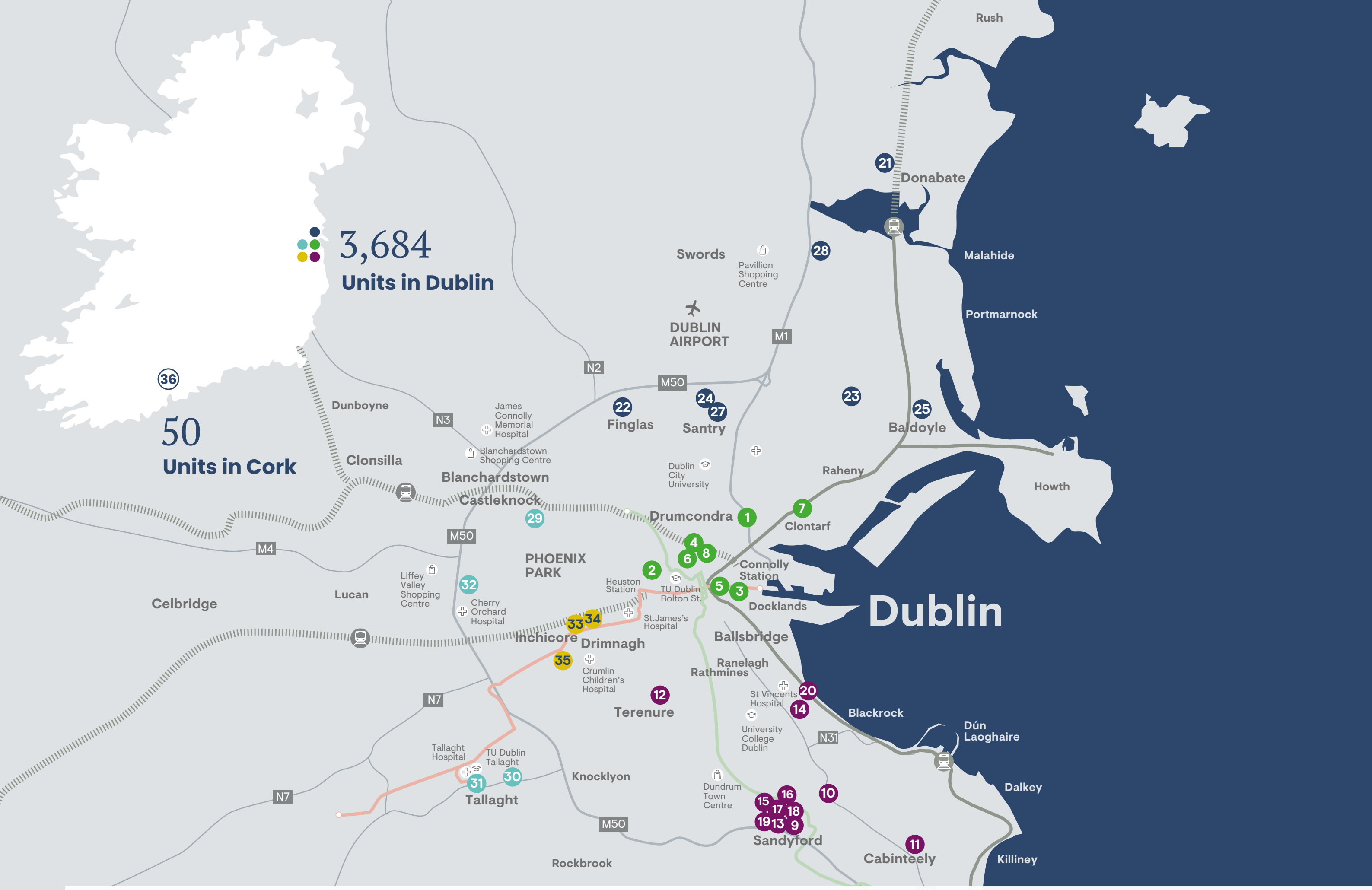
55

Residential Units

For the year ended	31 December 2023	31 December 2022	% change
Revenue from Investment Properties (€ millions)	**87.9**	84.9	3.5%
Adjusted EBITDA[1] (€ millions)	**56.0**	54.2	3.3%
Financing Costs (€ millions)	**(26.7)**	(16.8)	58.9%
EPRA Earnings (€ millions)	**27.6**	30.9	(10.7%)
Decrease in fair value of investment properties (€ millions)	**(141.8)**	(45.6)	
Loss before Tax (€ millions)	**(114.5)**	(11.9)	
Basic EPS (cent)	**(21.9)**	(2.2)	
EPRA EPS (cent)	**5.2**	5.8	(10.7%)
Adjusted EPRA EPS[1] (cent)	**5.4**	6.9	(22.2%)
Proposed Full Year Dividend per share (cent) (Interim + Final)	**4.45**	5.11	(12.9%)
Total Property Value (€ millions)	**1,274.4**	1,499.0	(15.0%)
Gross Yield at Fair Value[1]	**6.7%**	5.9%	
EPRA Net Initial Yield	**4.9%**	4.4%	
IFRS Basic NAV per share (cents)	**131.7**	160.0	(17.7%)
Group Net LTV	**44.3%**	43.3%	
Total Number of Residential Units	**3,734**	3,938	(5.2%)
Overall Portfolio (Avg Monthly Rent) (€)[1]	**1,774**	1,750	1.4%
Overall Portfolio Occupancy Rate (%)[1]	**99.4%**	99.4%	

(1) For definitions, method of calculation and other details, refer to the Financial Review.

MODERN SUSTAINABLE DIVERSE PORTFOLIO



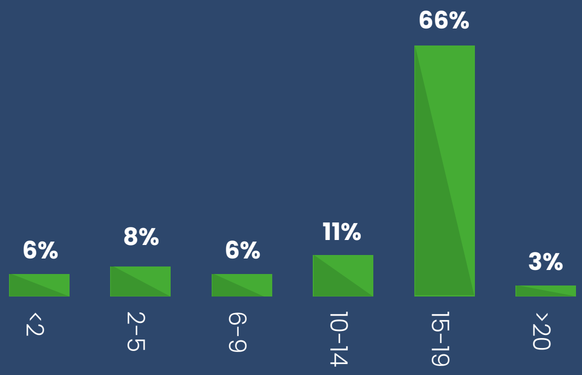
CITY CENTRE

1. **Richmond Gardens, Fairview**
   99 Units
2. **Kingscourt, Smithfield**
   83 Units
3. **The Marker Residence, Grand Canal Square**
   85 Units
4. **Bakers Yard, North Circular Road**
   81 Units
5. **City Square, Gloucester Street**
   24 Units
6. **Xavier Court, Sherrard Street Upper**
   41 Units
7. **Ashbrook, Clontarf**
   108 Units
8. **School Yard, North Circular Road**
   61 Units

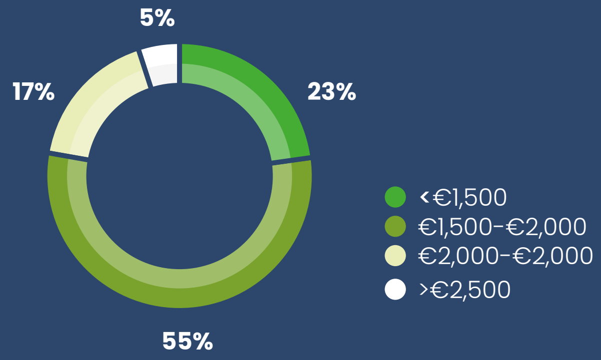
SOUTH DUBLIN

9. **Time Place, Sandyford**
   67 Units
10. **Beechwood Court, Stillorgan**
    101 Units
11. **Belville Court, Cabinteely**
    29 Units
12. **Bessboro, Terenure**
    40 Units
13. **Beacon South Quarter, Sandyford**
    213 Units
14. **Elmpark Green, Dublin 4**
    194 Units
15. **Grande Central, Sandyford**
    65 Units
16. **Rockbrook Grande Central, Sandyford**
    81 Units
17. **Rockbrook South Central, Sandyford**
    189 Units
18. **The Forum, Sandyford**
    8 Units
19. **The Maple, Sandyford**
    68 Units
20. **Tara View, Dublin 4**
    64 Units

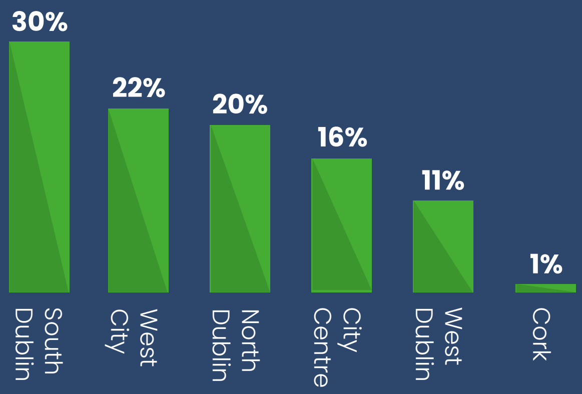
Modern Portfolio
Average age of 14.9 years



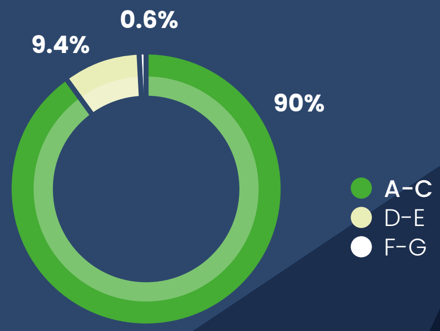
With Affordable Rents
Average monthly rent of €1,774



In Attractive locations



2023 Whole Portfolio BER Analysis
(excludes commercial units)



*Analysis is shown as a percentage of the number of units with the specified BER rating

NORTH DUBLIN

21 **Semple Woods, Donabate**
40 Units

22 **Charlestown, Finglas**
235 Units

23 **Northern Cross, Malahide Road**
128 Units

24 **Carrington Park, Santry**
142 Units

25 **The Coast, Baldoyle**
52 Units

26 **Taylor Hill, Balbriggan**
78 Units

27 **Heywood Court, Santry**
39 Units

28 **Waterside, Malahide**
55 Units

WEST DUBLIN

29 **Phoenix Park Racecourse, Castleknock**
146 Units

30 **Priorsgate, Tallaght**
108 Units

31 **Tallaght Cross West, Tallaght**
460 Units

32 **Coldcut Park, Clondalkin**
91 Units

WEST CITY

33 **Lansdowne Gate, Drimnagh**
224 Units

34 **Tyrone Court, Inchicore**
95 Units

35 **Camac Crescent, Inchicore**
90 Units

CORK

36 **Hartys Quay, Cork**
50 Units

Strategic Report

Carrington Park,
Santry, Dublin 9

142

Residential
Units

CHAIRMAN'S STATEMENT

We continue to concentrate on taking all actions the Board believes are required to best position and enhance the business to deliver value for Shareholders

Continued Strategic Delivery

As outlined in 2022, and detailed in our Annual Report, the Board responded to the challenging economic environment and real estate sector headwinds by refreshing our strategy to take account of the increased risk.

This focus has ensured that the Company delivered a strong and resilient operational performance in 2023, achieving significant progress against key strategic objectives. 2023 saw further growth in revenue as well as maintaining stable operating margins, despite persistent cost inflation.

I-RES remains well positioned to continue capitalising on the strong dynamics of the Irish market, and as the largest operator of scale in the market is well placed to support our continued delivery of value for all stakeholders.

During 2023, we successfully executed a strategic asset disposal programme of c.€100m (c.200 units across our developments). The attractive returns delivered from this disposal programme reflects the quality of the assets and our value-add asset management, which is a core part of our operating model. By actively managing our portfolio of assets, we were able to utilise the proceeds of the asset disposal programme to strengthen the Company's financial position, so that we are well placed to capitalise on potential opportunities, as well as supporting dividend payments to Shareholders.

The Company continues to see strong year-on-year recurring income which feeds through to our dividend, an important contributor to shareholder returns, and the Board remains cognisant of the divergence between Net Asset Value of the Company and its market capitalisation. Under the Irish REIT regime, subject to having sufficient distributable reserves, I-RES is required to distribute at least 85% of the Property Income of its Property Rental Business for each financial year to Shareholders. The Company paid an interim dividend of 2.45 cents per share for the six months ended 30 June 2023 and declared an additional dividend of 2.00 cents per share for the year ended 31 December 2023.

I-RES has an unmatched high-quality, modern asset portfolio of 3,734 residential properties with the portfolio achieving rental growth of 3.5% in 2023 through delivery of new supply and growth in rents. This was underpinned by the underlying strength of demand for high-quality rental accommodation in Ireland and the highly recurring nature of cash flows from our investment properties. As I referred to earlier, during 2023, reflecting the higher interest rate environment, the Company completed a strategic asset disposal programme and utilised the proceeds to strengthen our balance sheet.

We continue to have excellent visibility of future financing costs as 83% of total drawn debt is now fixed at a blended rate of 3.27%. The Group's Net LTV as of 31 December 2023 was 44.3% (31 December 2022: 43.3%). While the year-end valuation of our portfolio saw incremental yield expansion due to shifts in market yields, our high-quality portfolio and strong underlying demand for our assets remain supportive of yields moving forward.

Focus for 2024

Delivering Business Performance

We continue to concentrate on taking all actions the Board believes are required to best position and enhance the business to deliver value for Shareholders, including seamlessly responding to changes in market conditions. We will continue our focus on ensuring operational excellence and strong day to day management and performance of the business.

Strategic Review

The Company announced on 8 January that it would commence a Strategic Review following the release of the preliminary results on 23 February 2024. Based on widespread engagement with our Shareholders in recent months, the Board recognises that many Shareholders welcome this comprehensive review at this time. As outlined in our recent Circular and public notifications related to the recent EGM, in addition to the macro challenges over the last 2 years, the Company has strategically developed a fully integrated operating platform, is one of the few players with scale in the Irish market and has a high-quality portfolio generating strong stabilised performance. Against this, there remains potential challenges for maximising shareholder returns including the prevailing restrictions on annual rent increases in Ireland and certain limitations associated with the REIT structure in Ireland.
The demand fundamentals for private rental accommodation in Ireland remain strong and the early stages of recovery in real estate capital markets and transactions in Europe are starting to emerge slowly following the ECB decision to pause interest rate increases in September 2023. The Board had commenced preparation for a detailed and fresh look at strategy in Q4 2023 which it publicly announced on 8 January 2024 as a Strategic Review which began following the release of the Company's preliminary results on 23 February 2024.

The Strategic Review is being led by a Board Committee of newly appointed Chair Hugh Scott-Barrett, the CEO and non-executive directors Denise Turner and Phillip Burns and is being supported by Savills, a leading real estate advisory firm with local and international knowledge, in conjunction with our existing international financial advisers and brokers. The Board plans to provide Shareholders with a substantive update on the progress of the review ahead of the Company's AGM to be held in May 2024.

2023 PERFORMANCE HIGHLIGHTS

€697.3m

Net Asset Value

2022: €847.4m

€1,274.4m

Total Property Value

2022: €1,499.0m

5.4c

Adjusted EPRA EPS

2022: 6.9c

The Board recognises that an improving but challenging market environment encompassing persistent inflation, a higher interest rate environment, and geopolitical uncertainty has driven continued low levels of liquidity in capital market transactions in Ireland and Europe generally. Notwithstanding the strong fundamentals of the Irish market, higher interest rates, persistent inflation, regulatory policy on private residential rents, and the requirements set out in the Climate Act 2022 for real estate, present challenges to short term returns for the asset backed real estate sector.

We have had fulsome engagement with a significant majority of our Shareholders. As demonstrated by the results of the EGM, the majority of Shareholders support the Board's proposed Strategic Review at this time, ensuring that all options are explored and evaluated to deliver maximisation of value for shareholders.

The Company has incurred significant cost and use of management time during 2023 responding to the actions of Vision Capital. While the Company regrets the use of time and resources in this manner, it will continue to engage constructively with Vision, and other Shareholders, in addressing their concerns as our Strategic Review continues.

Environmental, Social and Governance

ESG principles form a key part of our strategy and continue to take focus across our business. We recognise the challenges that climate change will have on the planet, our communities and our business, and we are committed to playing our part in the transition to a more sustainable future.

As a real estate owner, we understand the contribution of the built environment to global carbon emissions and climate change. With this in mind, we are dedicated to minimising our environmental footprint and promoting sustainable living and the Company is committed to achieving Net Zero Carbon by 2050. Additionally, our ambition is to reduce our carbon emissions in line with the aspirations and commitment of the Paris Climate Agreement as we believe it is our responsibility to limit the carbon impacts of our assets and meet this industry challenge.

Tom Kavanagh as the Non-Executive Director with direct responsibility for Workforce Engagement has continued his efforts through 2023, engaging with employees across the business to listen to their views as well as engaging with management on the annual Employee Satisfaction Survey. The Board were delighted to see that this year's survey significantly exceeded all comparator benchmarks achieving a 90 percent employee satisfaction score, a testament to the great culture that exists across the Company.

Diversity across the Board, Management, and employee base is a key focus area. The Company has previously received recognition for its already diverse and inclusive workplace achieving a Silver Investors in Diversity Award, as well as recognition for its Board and Management diversity.

We continue to strive to achieve the highest levels of transparency, a core aspect of good governance, maintaining clear communication and transparent disclosure to all stakeholders. We saw another year-on-year improvement in the Global Real Estate Sustainability Benchmark ('GRESB') assessment and maintained the highest score possible in the EPRA Sustainable Best Practice Reporting Award, and we continually review ratings and benchmarks to promote the highest levels of transparency to all stakeholders.

Finally, the central component to our responsible business model is the provision of safe, secure and sustainable homes in the mid-market Irish residential sector. Our vision is to be the provider of choice for the Irish living sector, and we will continue to work with our residents as we minimise our environmental impact and maximise our contribution to the community.

Board and Management Changes

As previously announced and in keeping with best practice corporate governance guidelines, 2023 will be my final year as Chairman of the Board of I-RES. It has been an honour to serve as Chairman for over 9 years, and I am very grateful to all our Shareholders for their continued support during my tenure.

As previously announced in January 2024, I have been succeeded as Chair by Hugh Scott-Barrett, following the publication of the Company's 2023 preliminary results on 23 February. Hugh, who joined the Board in September 2022, brings a depth of experience to I-RES across corporate governance, capital markets, and listed real estate. I hope you will join me in wishing a warm welcome to Hugh.

As announced on 13 March 2024, Eddie Byrne was appointed by the Company as CEO Designate with effect from 8 April 2024. Mr Byrne will succeed Margaret Sweeney as CEO and Executive Director of the Board with effect from 1 May 2024.

On 31 October 2023, Margaret Sweeney notified the Board of her intention to retire from I-RES in April 2024, having served as CEO for the past six and a half years. Margaret will step down on 30 April 2024 following an agreed transition period with the CEO Designate. On behalf of the Board, I would like to sincerely thank Margaret for her immense contribution over more than six years as CEO of I-RES. Margaret has made an outstanding impact and has been an exceptional CEO since assuming the role in 2017. It has been a pleasure working alongside her. Margaret leaves the business well positioned for the future having assembled an exceptional team who will continue to deliver for all stakeholders.

We were pleased to appoint Eddie Byrne as CEO Designate of I-RES. Eddie has an extensive track record across the real estate sector both in Ireland and internationally. His experience building teams, interacting with local authorities, raising capital, executing transactions, and developing strategic initiatives will be a significant addition as we continue our previously announced Strategic Review which is considering all strategic options available to maximise value for Shareholders.

There were also other Board changes which occurred during 2023. In May, Aidan O'Hogan stepped down as Independent Non-Executive Director and Senior Independent Director of the Board. Aidan had been on the I-RES Board since 2014 and made a significant contribution to the growth strategy of the Company during that time. The Board is grateful for the commitment, stewardship, and insight provided during his tenure. I would like to welcome Denise Turner who joined the Board as Independent Non-Executive Director in May 2023 and brings significant real estate and local market knowledge to the Board. I leave the Board in good hands with an experienced Chair and a skilled and diverse membership with appropriate, highly experienced individuals and local market knowledge. The Board has been significantly refreshed. By the time of the 2024 AGM, more than 50% of the Directors will have a tenure of less than 3 years, and the Committee Chairs and the Senior Independent Director role will all have been rotated within the previous 12 months.

Declan Moylan
Outgoing Chairman

STATEMENT BY HUGH SCOTT-BARRETT, CHAIR OF I-RES

I am delighted and privileged to be taking over as Chair and I am excited to lead the Company's Strategic Review.

On behalf of the Board, I would like sincerely to thank Declan for his immense contribution as Chairman of I-RES during his tenure. Declan's leadership and guidance have been pivotal to the success of the I-RES growth strategy, and he leaves the Company well placed as a fully integrated operating business in a strong position, despite the challenges of the Covid-19 pandemic and recent macroeconomic headwinds.

I am delighted and privileged to be taking over as Chair.

Since being appointed as a Board member in September 2022, and subsequently appointed as Chair, I have visited a number of I-RES developments and engaged with members of the Senior Leadership Team and wider employee base to better understand the key differentiators of our business. I have been struck by Management's focus on operational excellence, the commitment to enhancing the residents' experience and the high-quality nature of our asset portfolio.

I am excited to lead the Company's previously announced Strategic Review. The Board intends to explore all strategic options available in order to maximise value for Shareholders. We look forward to providing Shareholders with regular status updates on the progress of our Strategic Review throughout 2024, beginning with an update ahead of the 2024 AGM in May.

I have found our recent engagement with shareholders to be highly informative and look forward to continued engagement as we complete our Strategic Review.

Hugh Scott-Barrett
Chair

CHIEF EXECUTIVE'S STATEMENT

People are our priority at I-RES, and as we reflect on another successful year, I am proud to acknowledge our highly talented and experienced team. I-RES has a clearly defined strategy, operates in a market underpinned by robust demand fundamentals and a growing economy, and continues to deliver excellent operational results.

Overview

2023 saw I-RES deliver another strong and resilient financial and operational performance. 2023 was characterised by increasing interest rates, persistent inflation and broader geopolitical challenges, however our focus on our strategic objectives allowed us to strengthen our balance sheet and position the Company for a return to growth in 2024. We continued to digitalise our service offering and now offer a market leading operating platform which further enhances our operational efficiency and residents' experience. Decarbonisation remains a strategic priority for the Company, and in 2023 we made further progress on our sustainability journey. With macroeconomic conditions beginning to show signs of stabilisation, our strong balance sheet, high quality portfolio, experienced team, operating platform, and track record of operational excellence leaves us well placed to continue delivering for our investors and wider stakeholders.

Continued Operational Excellence and Resilient Financial Performance

During 2023, our revenue grew by 3.5%, to nearly €88 million driven by the full year impact of new assets and strong organic rental growth across our portfolio and underpinned by continued high occupancy levels throughout the year. Net Rental Income increased by 3.3% to €67.9 million, with a broadly stable margin of 77.3%. This strong trading performance illustrates the resilience of our core business model and the success of our initiatives to generate ancillary revenue streams.

Adjusted EBITDA increased by 3.3% year on year to €56.0 million, with adjusted EBITDA margin broadly stable at 63.8%, demonstrating the cash generative nature of our operations, rigorous cost management, and process efficiencies created by leveraging our technology platform.

The unprecedented rises in global interest rates resulted in a c. €10 million increase in our financing costs, giving rise to a decrease in EPRA earnings by 10.7% in 2023.

Proceeds from strategic asset disposals, the net effect of which were broadly earnings neutral, were used during the year to strengthen the Balance Sheet by retiring higher cost debt under our Revolving Credit Facility, resulting in 83% of our debt now being fixed at an overall average rate of 3.27%.

Residential occupancy rates continued to remain strong during 2023 at 99.4% as at 31 December 2023 (31 December 2022: 99.4%), underpinned by highly efficient property management and strong market dynamics in the Irish private rental sector. High occupancy rates, together with the impact of strategic asset disposals completed during the year, resulted in our Average Monthly Rent ("AMR") per unit increasing to €1,774. Due to continued increases in market rents, we are seeing increased reversionary value underpinning our assets. Our AMR is c.16% below current market rents according to our independent valuers, illustrating the resilience of our income profile to fluctuating economic conditions, whilst simultaneously representing an opportunity for further growth and value into the future.

Asset and Portfolio Optimisation and Valuation

As outlined in our strategy for 2023, we had targeted an asset disposal programme for 2023 of €100 million. During the year, we executed disposals totalling gross proceeds of €96.5 million inclusive of VAT from the sale of properties, individual units and non-income earning assets. The disposals completed were broadly neutral to our earnings profile, represented an attractive return on original acquisition cost, and were in line with relevant book values at disposal dates. Proceeds of the programme completed to date were deployed in line with our capital allocation policy; strengthening our financial position by retiring higher cost debt under our existing revolving credit facility and protecting our earnings profile.

At year end, and following the planned disposal programme, our asset portfolio consisted of 3,734 (31 December 2022: 3,938) high quality rental homes, with associated commercial space. The portfolio had a total value of €1,274 million, reducing from €1,499 million in 2022. The main factors contributing to this decrease were the strategic disposals of €96.5 million, and yield expansion arising from a shift in prime market yields of 75bps in 2023 due to increased interest rates and low transactional activity as indicated by external valuation firms. This revaluation of the assets under IFRS resulted in a non-cash revaluation loss of €141.8 million for the year ended 31 December 2023. This resulted in the Group's IFRS NAV as at 31 December 2023 of €697.3 million (€847.4 million at 31 December 2022), and a decrease in IFRS NAV per share to 131.7c (2022: 160.0c). The Board notes the significant increasing reversionary potential of the portfolio rising to 16% at 31 December 2023, up from 11% in the prior year with a number of assets in excess of 25%.

Prudent Capital Management

The Company retains a strong financial position, with a robust balance sheet and ample liquidity. Acting in line with our disciplined capital allocation policy, the Company utilised the proceeds of the successful asset disposal programme by further strengthening the balance sheet, retiring higher cost debt under our revolving credit facility. The Company's Net LTV as of 31 December 2023 stood at 44.3% (31 December 2022 43.3%), within our targeted range, and with no debt repayments until April 2026 and laddering out to 2032.

83% of the Company's total drawn debt is now fixed at a blended interest rate of 3.27%. Our weighted average cost of interest was 3.85% at 31 December 2023, well below our Gross Yield of 6.7% at year end.

The Group continues to take a proactive approach towards balance sheet management and maintaining total gearing within a targeted level through value maximising portfolio management and disciplined capital allocation. The composition of our portfolio is under ongoing review, helping us to identify feasible opportunities to either add complementary assets or to dispose of existing assets including individual unit sales to generate attractive returns, depending on prevailing market conditions, and subject to the outcome of the Strategic Review. The use of proceeds for potential disposals are assessed based on prevailing operational, investment, and macroeconomic conditions, balancing the need to maintain a prudent financial position with targeting opportunities for growth.

2023 PERFORMANCE HIGHLIGHTS

99.4%
Occupancy
2022: 99.4%

€56.0m
Adjusted EBITDA
2022: €54.2m

€87.9m
Revenue
2022: €84.9m

I-RES maintains a robust balance sheet with no short-term obligations and good visibility on future financing costs. We maintain a prudent approach to debt and are committed to retaining this strong balance sheet position to support the generation of attractive long-term risk adjusted returns for Shareholders. In the face of a challenging macroeconomic climate, and with unprecedented interest rate increases during 2023, our prudent capital management strategy provides us with cost certainty and leaves the Company well placed as market conditions begin to improve. We recognise the importance of dividends to our Shareholders and the Company will maintain its dividend payout policy at 85%+ of earnings, in line with REIT legislation.

Digitalisation of our Operating Platform

As technology continues to shape industries, its significance in residential real estate has become evident. Residents are increasingly seeking smart solutions for their tenancies and engagement with tenancy providers. Reflecting this trend, I-RES has evolved to digitalise and fully integrate its operating platform and now offers a market leading service to our residents as well as embedding strong operational efficiencies into the business processes. This results in better anticipation of resident needs, lower bad debts, significant cost savings through efficiencies, and the opportunity to generate ancillary revenue streams across the business.

Communication with our residents has shifted from manual interactions to become fully digitalised. We have been able to improve our end-to-end resident experience from application, through onboarding, to accessing on-site support. The net result for I-RES has been improved communication, more efficient maintenance and service delivery, shorter response times, and increased resident satisfaction levels. Digitalisation has also supported our sustainability agenda, by significantly reducing the amount of paper we use to communicate with residents. Our technology offering will continue to evolve into the future, allowing us to provide a seamless experience to our residents.

We will continue our focus on operational excellence. As a fully internalised business with a market leading fully digitalised operating platform, an important asset of the business, the management team remains focused on leveraging this platform to maximise operational performance across our key metrics including occupancy levels, NRI margin, and collection rates. We also remain focused on continuing to generate ancillary revenue streams, aggressively mitigating cost inflation where possible, and maintaining our NRI margin over time.

Regulation and REIT Structure

We believe that the current regulatory structure in the Irish housing market is contributing to a major supply-side issue. We welcome the current reviews by the Government and Departments of Finance and Housing of the PRS sector including rent regulation as well as the inclusion of the REIT structure in the Funds Sector Review. We will continue our engagement with industry stakeholders and government to support a

regulatory and investment structure in Ireland so that tenants can access accommodation at sustainable rent levels, while new stock can be delivered by the public and private sectors at reasonable returns to attract capital for investment, together addressing the significant lack of supply in the Irish rental market. Appropriateness of the REIT structure for the Company is one of the key matters that will be considered as part of the Strategic Review.

Market Demand Remains Underpinned by Strong Fundamentals

The market for private rental accommodation in Ireland remains supported by some of the strongest supply and demand fundamentals globally. Irish GDP growth is expected to outperform the EU average in 2024 and 2025[1] , underpinned by close to all time low unemployment (4.9% December 2023[2]), and a population growing at the fastest 12-month rate (1.9%[3]) since 2008. The imbalance between supply and demand remains significant, with estimates forecasting a build requirement of up to c.62,000 new homes every year to meet projected demand levels.

Output sequentially improved during 2023, with the delivery of c.32,700 units, the highest level of housing output in the State since 2006. This was a continuation of the increase in supply seen during 2022 (c.30,000 units) and represents a significant increase of c. 48% over 2021. However, even with this increased level of output, supply will likely continue to lag demand over the medium-term, requiring the Government to increase its partnerships with the private sector. To meet the required levels of supply, it is estimated that c. €19 billion of housing development finance would be required, approximately 67% of which would need to be contributed by institutional sources[4].

Reflecting current macroeconomic conditions, institutional real estate transaction activity in Ireland was muted during 2023. Total transaction value for the year was c.€1.8 billion, down c.70% compared to 2022 and down c.60% compared to the 10-year average[5] with PRS investment of c.€240 million in 2023. Total transaction volumes were also well below recent historical averages.

Market rents continue to grow, with average monthly rents for new tenancies in Dublin recorded at €2,113 in Q3 2023, an increase of c.10% versus the same period in 2022[6]. The impact of the 2% cap on rental increases continues to be profound on our business, with our portfolio under-rented to market rates by an average of c.16% at 31st December 2023.

Empowering Our People

People are our priority at I-RES, and as we reflect on another successful year, I am proud to acknowledge our highly talented and experienced team. Having fully internalised the operations of our business in 2022, our team now represents a wide and diverse array of nationalities, backgrounds, skills, and experience. Our culture and values foster collaboration, which is the driving force behind the success of our business.

We continuously invest in our people, through the provision of modern working environments, flexible working arrangements, provision of professional training, frequent health and wellbeing initiatives, and opportunities for personal development. Satisfaction levels are measured through employee engagement surveys, which continuously produce excellent results, and I was delighted that the results of this year's survey exceeded all comparator benchmarks, achieving a 90% score for a second year running. We are acutely aware of the importance of building and maintaining a strong workplace culture. Our goal is to ensure high levels of employee retention, whilst also showcasing that I-RES is a great place for talented individuals to excel.

Sustainability at our Core

We are dedicated to building a sustainable and responsible business that minimises our environmental impact and maximises our contribution to the communities we operate in. This commitment is underscored by the integration of ESG measures into our business strategy, ensuring that sustainability remains at the core of our operations.

To ensure we keep pace with an evolving landscape and our commitments as a responsible and sustainable business, we undertook a review of our current approach to ESG and sustainability in 2022. This included refreshing our ESG materiality assessment, which is used to determine the focus areas for the business to help ensure the full ESG landscape is considered. We have committed to refreshing the materiality assessment on a periodic basis. In 2024, we will complete a double materiality assessment to ensure that our ESG strategy is still appropriately aligned and adapted to reflect any changes in priority areas and ongoing developments in sustainability.

Our progress is reflected in the outcome of our carbon emissions reduction programme with like for like Scope 1 reducing by 59% and Scope 2 reducing by

1. European Commission: Winter 2024 Economic Forecast
2. CSO, Eurostat
3. CSO Population and Migration Estimates, April 2023
4. Irish Institutional Property, Development Finance Presentation, November 2023
5. CBRE 2024 Ireland Market Outlook
6. RTB Rent Index Q3 2023

0.3%, having already reduced Scope 1 and 2 (wholly managed buildings) greenhouse gas emissions (on absolute basis) by 41% and 26% respectively in 2022. This aligns with our commitment to the Paris Climate Agreement, and our aim to become Net Zero Carbon by 2050, reflecting our dedication to environmental responsibility. During 2024, we also aim to set out our pathway to Net Zero by 2050. This will include improving further the energy efficiency of our portfolio and sourcing energy from renewable sources. This will align with the net zero framework set out by the Better Building Partnership's Climate Change Commitment.

Our well-invested, modern portfolio gives us a strong starting point when it comes to delivering energy efficiency across our assets. 90% of the portfolio has a Building Energy Rating (BER) of between A and C, which in addition to supporting our sustainability objectives, supports our residents in reducing their energy usage.

As referenced above, operating a responsible business is key to our success at I-RES. Central to that is operating in the mid-market sector, ensuring we deliver quality homes in well-connected locations, positioning us as the provider of choice for the Irish living sector and integrating through our social impact programmes with local communities.

Sustainability achievements in 2023 included retaining the EPRA Sustainability Best Practices Recommendations (sBPR) Gold Award and improving our Global Real Estate Sustainability Benchmark (GRESB) score, underpinning our commitment to transparency. We submitted to the Carbon Disclosure Project ('CDP') Climate Change questionnaire for the second time in 2023. We were happy to obtain a score of C for our first scored assessment and hope to advance our score in future assessments. We are committed to transparently disclosing on our ESG performance to enable all our stakeholders to review our continued delivery and permit comparability with our peers. This provides stakeholders with the confidence that we are turning our commitments and targets into action, and that we are delivering on our ambition to be a sustainability leader in our sector.

The progress detailed above signifies our ongoing dedication to advancing ESG practices including for the benefit of our people, residents, and communities. It reflects our ambition to be a sustainability leader in our sector, consistently mindful of our impact on the planet as we deliver for our stakeholders.

Retirement Announcement

In October 2023, after eight years on the Board of I-RES, and over six years as Chief Executive Officer, the Company notified our Shareholders and wider stakeholders of my intention to retire at the end of April 2024. I feel privileged to have led this fantastic Company, and when I reflect on the past six years, I am extremely proud of the diverse and talented team of professionals who have been the driving force behind our success. The Company has been transformed over the last two years, becoming a fully integrated Irish company led by an experienced team with a market leading digital operating platform for our business operations and service to our residents. We have significantly scaled our portfolio which now stands at over 3,700 high quality rental properties across Dublin and Cork. Despite continued macroeconomic headwinds over the last 2 years, and as evidenced by our recent performance, I-RES continues to perform very strongly with a quality asset portfolio generating stable returns and significant cash flow supported by a robust balance sheet. Sustainability has become a strategic pillar for the Company during my tenure, and we have embedded sustainability into our operating model across all aspects of our business. We are committed to decarbonising and operating sustainably now and into the future as well as ensuring a diverse, equitable and inclusive culture and creating social impact where our residents become an integral part of the environment in which they live.

I would like to thank our Chair, the Board, my management colleagues and the whole I-RES team for your commitment and support and for the privilege to work alongside you all over the last six and more years. I am grateful to our Shareholders, our banks, our residents, and many other business partners for their support in building a successful business, and I am confident that the I-RES team will continue to deliver successfully for all stakeholders into the future.

The Board announced on 13 March 2024, that Eddie Byrne would succeed me as CEO on 1 May 2024, following an agreed transition period beginning on 8 April. I would like to warmly welcome Eddie to the Company and wish him well as he embarks on his tenure of leading I-RES to continued success.

Outlook

Despite recent stabilisation in the broader macroeconomic climate, higher interest rates and operating costs continue to present a more challenging trading environment when compared with recent years. Notwithstanding these challenges, I-RES operates in a market underpinned by robust demand fundamentals and a growing economy, and continues to deliver excellent operational results and strong cashflows. Into 2024 and beyond, the Company will continue to actively engage with our Shareholders and partners and seek to position the Company to maximise shareholder value, with the launch of the Strategic Review.

I-RES can play an important and active role in the delivery of new housing supply to the Irish market over the long-term. The Company is well positioned to do so, through its strategy of prudent asset management and disciplined capital management, strong track record of execution, and its leading operating platform. The Company continues to generate secure, recurring income streams with a high degree of visibility to support our dividend policy for shareholders. We continue to be acutely aware of the inflationary and cost of living challenges faced by our residents and we are confident that our well located, fully serviced, modern energy-efficient residential units represent good value in the current market.

I would like to thank our residents, business partners and stakeholders who support us every day to make our business a success. In particular, I would like to thank our management and employees, the team dedicated to providing high standards of service and supporting our residents who are central to our business, with unwavering commitment in 2023 despite the current challenging market environment. I am grateful also for the support we receive from our Shareholders, funding partners and business partners on an ongoing basis.

Finally, I would like to thank our Chair and Board for their support and guidance over the last year as well as their focus on the strategic development of the Company underpinned by strong governance.

Margaret Sweeney
Chief Executive Officer

We are pleased to announce that Eddie Byrne will join I-RES as CEO Designate on 8 April 2024 and succeed Margaret Sweeney as CEO and Executive Director on the Board from 1 May 2024.

Eddie has over 20 years' experience at executive level in the real estate sector. Most recently, he was Joint Managing Partner at Quintain Developments Ireland, one of Ireland's largest residential real estate developers, where he co-established the Irish operation that achieved over 5,000 planning permissions, built and sold c. 1,500 rental and private homes, and raised a significant amount of growth capital. He was previously Managing Director at Hudson Advisors Ireland, where he oversaw several billion euro of acquisitions and disposals of real estate assets in Ireland. He was also Chief Portfolio Officer at Netherlands based Propertize where he had responsibility for a large property portfolio across the Benelux countries and before that, worked in real estate, banking, and capital markets in North America.

Commenting on the appointment Chair, Hugh Scott-Barrett said:

"Eddie has an extensive track record across Irish and international real estate, including most recently in the Irish residential sector, and has significant experience in building teams, interacting with local authorities, raising capital, executing transactions, and developing strategic initiatives. Eddie's experience will be a significant and complementary addition as we continue our previously announced Strategic Review which is considering all strategic options available to maximise value for Shareholders."

Eddie will work with the Chair and the Board in exploring value creation opportunities for Shareholders as part of the Strategic Review. Eddie has recently purchased 470,000 ordinary shares in I-RES bringing his total shareholding in I-RES to 500,303 ordinary shares.

FINANCIAL REVIEW

In 2023 we have delivered another year of excellent performance across all key operational metrics. This strong operational performance was driven by continued high demand in the market, cost savings and efficiencies delivered by the strength of our internalised platform, including the launch of our I-RES living resident app along with the impact of delivery of our pipeline in 2022, all contributing to increased revenue, net rental income and Adjusted EBITDA.

Our experienced team and portfolio of high-quality residential accommodation sets us apart from the market as we seek to ensure that we meet the needs of our residents. Our occupancy rate continues to exceed 99%, a market leading performance and was 99.4% at 31 December 2023 (99.4% at 31 December 2022). This was supported by our mid-market residential sector positioning where demand continues to outstrip supply. Our average monthly rent increased to €1,774 at 31 December 2023 (€1,750 at 31 December 2022) and our portfolio is currently estimated to be 16% below market rent for similar assets.

Revenue increased by 3.5% in 2023 to €87.9 million, driven by continued organic growth, delivery of our pipeline in 2022 at market rents and continued high occupancy levels, offset particularly in the final quarter by reduced rental income following the successful delivery of our asset disposal programme. On a like for like basis revenue grew by 2.6%, driven by increases in line with the legislative cap on rental increases of 2%, improved occupancy throughout the year and ancillary income, primarily parking.

We maintained our NRI Margin at 77.3% (31 December 2022: 77.5%) which is testament to our focus on deriving efficiencies from our platform and continued focus on cost management. Whilst we experienced increases in property taxes, utilities and OMC service charges, we have succeeded in mitigating this through stable repairs and maintenance costs, additional ancillary revenue and strong collections during the period which has been aided through our internalised platform. Adjusted General & Administrative spend increased slightly as the full year impact of building out the internalised team was complete. Non-recurring costs related specifically to the ongoing activist interaction and requisition of an EGM. We expect further costs associated with this matter to be incurred in 2024.

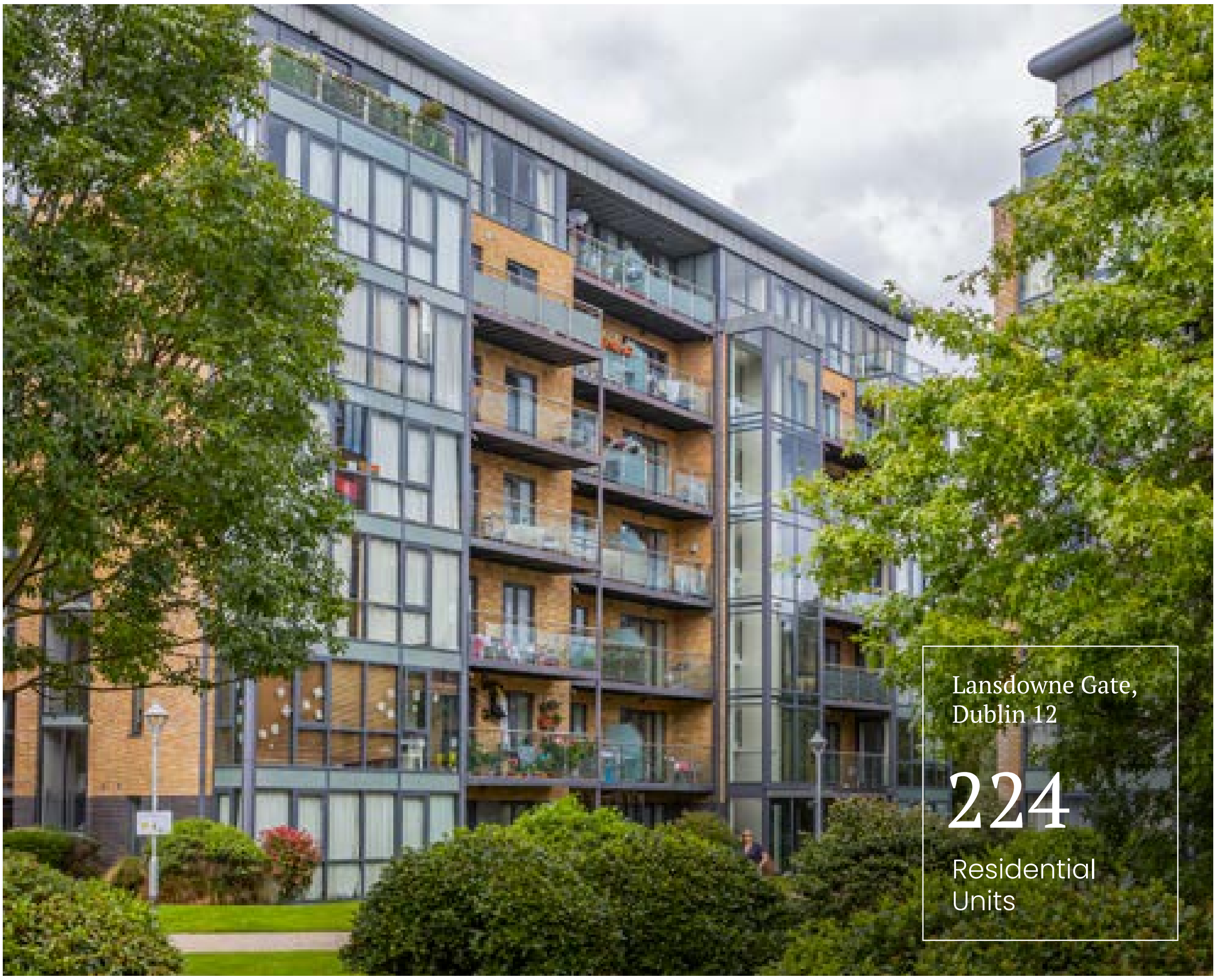
Adjusted EBITDA grew by 3.3% to €56.0 million reflecting the strong underlying fundamentals of the business and the focused approach by management on cost savings, efficiencies and delivering returns despite the significant inflationary headwinds experienced in 2023. EPRA earnings declined by 10.7% in the year, driven by increased financing costs as a result of the rapid and significant interest rate rises introduced by the ECB with EPRA EPS reducing from 5.8c to 5.2c.

Our total investment property value reduced to €1,274 million reflecting the successful execution of our asset disposal programme, whilst yields expanded during the year reflecting the significant shift in interest rates. For the year ended 31 December 2023, a fair value loss of €141.8 million was recorded reflecting the softening of yields, offset by increased net rental income and operational performance. A notable portion of this had already been realised and recorded in the first half of the year with the fair value decrease split across the year.

Our balance sheet remains strong and has been a primary focus in 2023 with a number of initiatives carried out to ensure strength heading into 2024. As outlined at the time of the 2023 AGM we embarked on a €100 million asset disposal programme, which we have successfully completed in Q4 2023 with gross sales proceeds of €96.5 million including VAT. The asset disposal programme has allowed us the flexibility to reduce our overall RCF facility size from €600 million to €500 million, effective 4 January 2024, reducing commitment fees by c. €700k per annum whilst leaving undrawn committed facilities of €127 million, providing I-RES with flexibility and optionality in 2024 as the market starts to show signs of stabilisation and we continue the Strategic Review announced on 8 January 2024.

As part of our ongoing risk management, we have also engaged with the RCF syndicate banks and Private Placement Note holders to reduce our Interest Cover Ratio financial covenant from 200% to 175% to ensure sufficient headroom across our financial covenants. Our Net LTV is 44.3% (31 December 2022: 43.3%) which reflects the positive impact of the asset disposal programme to offset the reduction in the value of the assets.

Our financing facilities are made up of c. €200 million of Private Placement Notes and a €500 million Revolving Credit Facility (RCF). The Private Placement Notes were executed in 2020 with maturities laddered from 2027 to 2032. At period end, €373 million of the RCF was drawn. The Company has entered into hedging arrangements in respect of its RCF, specifically interest rate swap agreements aggregating to €275 million until maturity of the facility in April 2026, converting the cost on this portion of the facility to a fixed interest rate of 2.5% plus margin of 1.75%. The Private Placement Notes are fully fixed with a weighted average fixed interest rate of 1.92% (inclusive of swap costs and excluding transaction costs). As at period end, approximately 83% of the Group's drawn debt is fixed against interest rate volatility at a blended interest rate of 3.27% until maturity of the relevant facilities.



Lansdowne Gate,
Dublin 12

224

Residential
Units

Operational and Financial Results

Net Rental Income and Profit for the year ended	31 December 2023 €'000	31 December 2022 €'000
Operating Revenue		
Revenue from investment properties	**87,854**	84,857
Operating Expenses		
Property taxes	**(1,168)**	(1,078)
Property operating costs	**(18,772)**	(18,042)
	(19,940)	(19,120)
Net Rental Income ("NRI")	**67,914**	65,737
NRI margin	**77.3%**	77.5%
Adjusted general and administrative expenses(2)	**(11,747)**	(11,406)
Share-based compensation expense	**(153)**	(117)
Adjusted EBITDA(1)	**56,014**	54,214
Non-recurring costs(2)	**(939)**	(5,748)
Depreciation of property, plant and equipment	**(536)**	(536)
Lease interest	**(212)**	(222)
Financing costs	**(26,695)**	(16,803)
Taxation	**(47)**	—
EPRA Earnings	**27,585**	30,905
(Loss)/Gain on disposal of investment property	**(418)**	2,795
Net movement in fair value of investment properties	**(141,791)**	(45,599)
Gain on derivative financial instruments	**86**	35
Taxation	**(1,476)**	44
Loss for the Year	**(116,014)**	(11,820)

(1) Adjusted EBITDA represents earnings before lease interest, financing costs, depreciation of property, plant and equipment, gain or loss on disposal of investment property, net movement in fair value of investment properties, gain or loss on derivative financial instruments and non-recurring expenses to show the underlying operating performance of the Group.

(2) The non-recurring costs of €0.9 million were incurred in relation to dealing with activism in 2023 (Further costs of a similar level are expected for 2024 in relation to the EGM) (€5.7 million at 31 December 2022 relating to Internalisation) and general and administrative expenses of €11.8 million (€11.4 million at 31 December 2022) total the general and administrative expense costs of €12.7 million reflected in the Consolidated Financial Statements for the year ended 31 December 2023 (€17.2 million at 31 December 2022).

Revenue

In 2023, revenue increased by 3.5% to €87.9 million. This increase is driven by the delivery on our pipeline in 2022, particularly at Tara View and The School Yard which achieved rents in excess of our portfolio average, continued high occupancy across all properties and organic rental growth. Offsetting this, particularly in the last quarter was the disposal of assets in West Dublin.

Net Rental Income ("NRI")

The NRI margin has been presented as the Company believes this measure is indicative of the Group's operating performance. For the year ended 31 December 2023, NRI increased by 3.3% in line with increases in Revenue. The NRI margin remained broadly stable at 77.3% compared with last year which continues the strong performance and focus on margins in light of the inflationary environment experienced in the period and highlights the focus we have on cost management and deriving efficiencies from our new internalised platform.

Adjusted General and Administrative ("G&A") Expenses

Adjusted G&A expenses include costs such as employees' salaries, director fees, professional fees for audit, legal and advisory services, depository fees, property valuation fees, insurance costs and other general and administrative expenses, and excludes non-recurring costs. G&A has increased slightly, in line with Revenue reflecting full year impact of internalised resources offset by strong cost management despite the inflationary environment and increased headcount in comparison to the prior period as management continues to focus on cost savings and efficiencies and stabilisation of the business after a year of transition in 2022.

Non-recurring costs

Non-recurring costs of €0.9 million in the year relate solely to the ongoing activism campaign and requisition of an EGM which was held in February 2024. We expect a similar amount of costs associated with this in 2024. Non-recurring G&A costs totalled €5.7 million for 2022 and related to the Internalisation in H1 2022. These costs were primarily for the IT programme and legal, consulting and investment bank advisory fees that related to the termination of the Investment Management Agreement and other one-off third-party advisory services.

Net movement in fair value of Investment Properties

I-RES recognises its investment properties at fair value at each reporting period, with any unrealised gain or loss on remeasurement recognised in the profit or loss account. In the period, the fair value loss on investment properties of €141.8 million is mainly attributed to a softening of yields driven by the wider market fundamentals including increased interest rates offset by gains made in relation to increased net rental income. Our Gross Yield was 6.7% at year end compared against a weighted average cost of interest of 3.85%.

Financing Costs

Financing costs, which include the amortisation of certain financing expenses, interest and commitment fees, increased for 2023 to €26.7 million from €16.8 million. The primary driver of the increased financing costs relates to the rapid ECB interest rate rises to combat the inflationary environment. Since 31 December 2022 we have reduced our debt by €84 million through the asset disposal programme and positive operational cashflow offset by dividend payments of €28 million. At 31 December 2023, €373 million was drawn from the facility.

Our 2020 Private Placement Notes are fully fixed through hedging arrangements. In addition, in 2022 we fixed a significant proportion of the RCF, entering into €275m of interest rate swaps. At 31 December 2023, 83% of our drawn debt is fixed at a blended rate of 3.27% to maturity of the relevant facilities.

Taxation

The main driver of taxation for I-RES in the period relates to Capital Gains Tax ("CGT"). This arose on the profit on disposal of the Rockbrook site. CGT is payable on this as the site constitutes a disposal of an asset of the residual business as opposed to the property rental business of the Group, in accordance with the REIT legislation.

Property Portfolio Overview

The following table provides details of the Group's property portfolio as at 31 December 2023.

Property Location	# of Buildings	# of Units Owned(1)	Commercial Space Owned (sq.m.)(1)	Average Monthly Rent (AMR) Per Unit (1)(2)(3)	Rent (per sqm per month)	Occupancy (1)(2)
Total South Dublin	12	1,119	6,851	€ 1,941	€ 24.7	98.5%
Total City Centre	8	582	3,062	€ 1,933	€ 25.9	100%
Total West City	3	409	—	€ 1,767	€ 23.2	100%
Total North Dublin	8	769	—	€ 1,654	€ 21.7	99.9%
Total West Dublin	4	805	14,753	€ 1,569	€ 20.5	99.5%
Cork	1	50	—	€ 1,409	€ 16.9	100%
Total Portfolio (Stabilised)	**36**	**3,734**	**24,666**	**€1,774** (4)	**€ 23.0**	**99.4%**

(1) As at 31 December 2023.
(2) Based on residential units.
(3) AMR is calculated as actual monthly residential rents, net of vacancies, as at the stated date, divided by the total number of residential units owned in the property. Actual monthly residential rents, net of vacancies, as at 31 December 2023 were €6,624,116 divided by 3,734 units resulting in AMR of €1,774. Refer to page 17 for further discussion on average monthly rent per apartment and occupancy.
(4) I-RES' external valuers indicated that I-RES' current rents (on a weighted average basis for the portfolio) as at 31 December 2023 are estimated to be approximately below market by 16%.

Portfolio Management

The Group continues to explore and identify opportunities to create shareholder value. Whilst we continue to consider opportunities for growth and our long-term strategy is focused on delivering growth for the business, in 2023 management have been focused on maintaining a strong and flexible balance sheet. As part of this we have looked to recycle capital back into the business. This has resulted in the sale of the Rockbrook site, disposal of a small number of units due to Part V obligations, the completion of the sales process of the townhouses at Tara View and the disposal of 194 units in West Dublin with a focus to manage the balance sheet and retire our most expensive debt.

The completion of the asset disposal programme demonstrated significant return for shareholders whilst also aiding our ongoing capital and balance sheet management. The disposal of the 194 units in West Dublin represented an attractive return on the original acquisition cost and was in line with book value representing value creation for shareholders. The Rockbrook site delivered significant return on cost and the proceeds were used to pay down our debt and manage the Group's balance sheet.

As part of an acquisition agreement entered into in January 2022 the Company has a gross capital commitment of €24.1 million in respect of 44 units at Ashbrook, Clontarf. These units are expected to be completed in H1 2024. Net cash outflow after taking account of deposit paid and proceeds from disposal of Part V units is expected to be c.€20 million.

Financing and Capital Structure

I-RES takes a proactive approach to its debt strategy to ensure the Group has laddering of debt maturities and the Group's leverage ratio and interest coverage ratio are maintained at a sustainable level.

Our capital structure remains strong, with no debt maturities until 2026 and then laddered out to 2032. Net LTV at 31 December 2023 is 44.3%, LTV stands at 44.9% increasing as a result of the fair value loss recorded in the year, offset by the strategic asset disposal programme to manage this covenant. This remains comfortably below the 50% maximum permitted by the Irish REIT regime and the Group's debt financial leverage ratio covenant. I-RES seeks to use borrowings to enhance shareholder returns over the long term.

Our debt facilities are made up of our Revolving Credit Facility (RCF) and the c. €200 million (Euro Equivalent) Private Placement Notes. In January 2024, the Company exercised its right to reduce the RCF facility size from €600 million to €500 million, an option available to the Company given the successful completion of the c. €100 million asset disposal programme. The remaining undrawn committed facilities are €127 million providing the Company with liquidity and optionality as we head into 2024.

The Private Placement Notes were issued in March 2020 and are made up of €130 million fixed interest and $75 million. On closing I-RES entered into a cross currency interest rate swap resulting in an overall weighted average fixed interest rate of 1.92% inclusive of swap costs and excluding transaction costs. The maturity of the notes is laddered over circa six, nine and eleven-year maturities, with the first repayment due in March 2027.

The drawn debt facilities are predominantly hedged against interest rate volatility, with 83% of the debt fully fixed. As previously noted, in December 2022, the Company entered into hedging arrangements in respect of its Revolving Credit Facility. Interest rate swap agreements aggregating to €275 million until maturity of the facility have been entered into with a number of the counterparties forming the syndicate of banks in the RCF. These arrangements convert the cost of €275 million of the facility into a fixed interest rate of 2.5% plus margin of 1.75%.

The Group has a weighted average drawn debt maturity of 3.2 years and no debt maturities before April 2026. The weighted average cost of interest is 3.85% for 2023 (31 December 2022: 2.31%). This increase is driven by the 450bps increase in ECB rates since July 2022. Beyond the remaining capital commitment for the forward purchase of 44 residential units at Ashbrook, there are no other current capital commitments.

I-RES's borrowings are as follows:

As at	31 December 2023 €'000	31 December 2022 €'000
RCF Borrowings	**373,020**	457,020
Euro denominated Private Placement notes	**130,000**	130,000
USD denominated Private Placement notes(1)	**67,892**	70,107
Weighted Average Cost of Interest(2)	**3.85%**	2.31%

(1) The principal amount of USD notes is $75 million. The movement during the period relates to foreign exchange movements. I-RES has entered into cross currency swap to fix this at €68.8 million.
(2) Includes commitment fee of 0.7% per annum charged on the undrawn portion of the RCF facility.

Summary

Overall, 2023 was a year focused on putting the building blocks in place for the next phase of the Company's strategic goals post internalisation. This strategy will be informed by the Strategic Review which is underway. As announced by the Board we are very conscious of delivering shareholder value and the Strategic Review will allow us the opportunity to determine how best to maximise these returns. Heading into 2024, whilst sentiment around interest rates and inflation are certainly better than they were a number of months ago, volatility remains. We have demonstrated our ability over the last number of years, through the Covid pandemic, internalisation and the macro economic impact of the Russian invasion of Ukraine that I-RES can continue to deliver both operationally and financially through its strong disciplined capital management. Our operational performance has underlined the significant demand in the Irish market for high quality professionally managed residential accommodation. We continue to focus on ensuring a strong and flexible balance sheet is maintained. Through our investment in our people and technology platform, we have placed ourselves in a strong position as we continue to navigate the headwinds faced.

Brian Fagan
Chief Financial Officer

BUSINESS PERFORMANCE MEASURES

The Group, in addition to the Operational and Financial results presented above, has defined business performance indicators to measure the success of its operating and financial strategies:

Average Monthly Rent ("AMR")

AMR is calculated as actual monthly residential rents, net of vacancies, as at the stated date, divided by the total number of residential units owned in the property. Through active property management strategies, the lease administration system and proactive capital investment programmes, I-RES increases rents as market conditions permit and subject to applicable laws. It has been presented as the Company believes this measure is indicative of the Group's performance of its operations.

Occupancy

Occupancy rate is calculated as the total number of residential units occupied over the total number of residential units owned as at the reporting date. I-RES strives, through a focused, hands-on approach to the business, to achieve occupancies that are in line with, or higher than, market conditions in each of the locations in which it operates. Occupancy rate is used in conjunction with AMR to measure the Group's performance of its operations.

The Group's AMR increased to €1,774 at 31 December 2023 a 2.2% increase on like for like properties in line with regulatory cap of 2%, while residential occupancy remained consistently high at 99.4%, indicative of the strong market fundamentals in the Irish residential rental sector.

During the period, c.16% of the portfolio units were turned over and where applicable we applied rental increases in line with regulations.

Gross Yield at Fair Value

Gross Yield is calculated as the Annualised Passing Rents as at the stated date, divided by the fair market value of the investment properties as at the reporting date, excluding the fair value of development land, investment properties under development and assets held for sale. Through generating higher revenue compared to the prior year and maintaining high occupancies, I-RES' objective is to increase the Annualised Passing Rent for the total portfolio, which will positively impact the Gross Yield. It has been presented as the Company believes this measure is indicative of the rental income generating capacity of the total portfolio.

AMR and Occupancy

As at 31 December	Total Portfolio					Properties owned prior to 31 December 2022 (Like for Like properties)				
	2023		2022			**2023**		2022		As at 31 December
	AMR	**Occ. %**	AMR	Occ. %	AMR change %	**AMR**	**Occ. %**	AMR	Occ. %	AMR change %
Residential	**1,774**	**99.4%**	€1,750	99.4%	1.4%	**1,774**	**99.4%**	€1,735	99.4%	2.2%

Gross Yield at Fair Value

As at	31 December 2023 €'000	31 December 2022 €'000
Annualised Passing Rent[1]	**85,288**	87,401
Aggregate fair market value as at reporting date	**1,268,550**	1,477,178
Gross Yield at Fair Value	**6.7%**	5.9%

(1) 31 December 2023 Annualised Passing rent consists of residential annualised passing rent of €81.0 million and commercial annualised passing rent of €4.3 million.

The portfolio Gross Yield at Fair Value was 6.7% as at 31 December 2023 compared to 5.9% as at 31 December 2022, excluding the fair value of development land, investment properties under development and assets held for sale. The movement represents the impact of softening yields on the portfolio valuation.

EPRA Net Initial Yield

As at	31 December 2023 €'000	31 December 2022 €'000
Annualised passing rent	**85,288**	87,401
Less: Operating expenses[1] (property outgoings)	**(19,341)**	(19,665)
Annualised net rent	**65,947**	67,736
Completed investment properties	**1,268,550**	1,477,168
Add: Allowance for estimated purchaser's cost	**65,976**	76,369
Gross up completed portfolio valuation	**1,334,526**	1,553,537
EPRA Net Initial Yield	**4.9%**	4.4%
EPRA topped-up Net Initial Yield	**4.9%**	4.4%

(1) Calculated based on the net rental income to operating revenue ratio of 77.3% for 2023 (77.5% for 2022).

EPRA Earnings per Share

EPRA Earnings represents the earnings from the core operational activities of the Group. It is intended to provide an indicator of the underlying performance of the property portfolio and therefore excludes all components not relevant to the underlying and recurring performance of the portfolio, including any revaluation results and profits/losses from the sale of properties. EPRA EPS is calculated by dividing EPRA Earnings for the reporting period attributable to shareholders of the Company by the weighted average number of ordinary shares outstanding during the reporting period. It has been presented as the Company believes this measure is indicative of the Group's performance of its operations.

EPRA Earnings per Share

For the year ended	31 December 2023	31 December 2022
(Loss)/Profit for the year (€'000)	**(116,014)**	(11,820)
Adjustments to calculate EPRA Earnings exclude:		
Loss/(Gain) on disposal of investment properties (€'000)	**418**	(2,795)
Changes in fair value of investment properties (€'000)	**141,791**	45,599
Tax on profits on disposals (€'000)	**1,476**	—
Changes in fair value of derivative financial instruments (€'000)	**(86)**	(35)
EPRA Earnings (€'000)	**27,585**	30,949
Non-recurring costs (€'000)	**939**	5,748
Adjusted EPRA Earnings before non-recurring costs (€'000)	**28,524**	36,697
Basic weighted average number of shares	**529,578,946**	529,560,795
Diluted weighted average number of shares	**529,578,946**	530,953,506
EPRA Earnings per share (cents)	**5.2**	5.8
Adjusted EPRA EPS before non-recurring costs per share (cents)	**5.4**	6.9
EPRA Diluted Earnings per share (cents)	**5.2**	5.8

The decrease in EPRA Earnings to €27.6 million (31 December 2022: €30.9 million) is driven by strong operational performance, the impact of the non-recurring costs items offset by higher financing costs in the period.

Adjusted EPRA EPS was 5.4 cents for the year ended 31 December 2023 compared to 6.9 cents for the same period last year. The decrease is primarily driven by increased financing costs offset by strong operational performance.

EPRA Net Asset Value

In October 2019, EPRA introduced three EPRA NAV metrics to replace the then existing EPRA NAV calculation that was previously being presented. The three EPRA NAV metrics are EPRA Net Reinstatement Value ("**EPRA NRV**'), EPRA Net Tangible Asset ("**EPRA NTA**") and EPRA Net Disposal Value ("**EPRA NDV**"). Each EPRA NAV metric serves a different purpose. The EPRA NRV measure is calculated to highlight the value of net assets on a long term basis. EPRA NTA assumes entities buy and sell assets, thereby crystallising certain levels of deferred tax liability. No deferred tax liability is calculated for I-RES as it is a REIT, and taxes are paid at the shareholder level on distributions. Any gains arising from the sale of a property are expected either to be reinvested for growth or 85% of the net proceeds are distributed to Shareholders to maintain the REIT status. Lastly, EPRA NDV provides the reader with a scenario where deferred tax, financial instruments, and certain other adjustments are calculated to the full extent of their liabilities.

EPRA Earnings per Share

As at	31 December 2023 EPRA NRV	EPRA NTA[1]	EPRA NDV[2]
Net assets (€'000)	**697,331**	**697,331**	**697,331**
Adjustments to calculate EPRA net assets exclude:			
Fair value of derivative financial instruments (€'000)	**163**	**163**	**—**
Fair value adjustment for fixed interest rate debt (€'000)	**—**	**—**	**30,058**
Real estate transfer costs (€'000)[3]	**65,976**	**—**	**—**
EPRA net assets (€'000)	**763,470**	**697,494**	**727,389**
Number of shares outstanding	**529,578,946**	**529,578,946**	**529,578,946**
Diluted number of shares outstanding	**529,578,946**	**529,578,946**	**529,578,946**
Basic Net Asset Value per share (cents)	**131.7**	**131.7**	**131.7**
EPRA Net Asset Value per share (cents)	**144.2**	**131.7**	**137.4**

As at	31 December 2022 EPRA NRV	EPRA NTA[1]	EPRA NDV[2]
Net assets (€'000)	847,353	847,353	847,353
Adjustments to calculate EPRA net assets exclude:			
Fair value of derivative financial instruments (€'000)	(4,764)	(4,764)	—
Fair value adjustment for fixed interest rate debt (€'000)	—	—	40,612
Real estate transfer tax (€'000)[3]	76,368	—	—
EPRA net assets (€'000)	918,957	842,589	887,965
Number of shares outstanding	529,578,946	529,578,946	529,578,946
Diluted number of shares outstanding	529,578,946	529,578,946	529,578,946
Basic Net Asset Value per share (cents)	160.0	160.0	160.0
EPRA Net Asset Value per share (cents)	173.5	159.1	167.7

(1) Following changes to the Irish REIT legislation introduced in October 2019, if a REIT disposes of an asset of its property rental business and does not (i) distribute the gross disposal proceeds to shareholders by way of dividend, subject to having sufficient distributable reserves; (ii) reinvest them into other assets of its property rental business (whether by acquisition or capital expenditure) within a three-year window (being one year before the sale and two years after it); or (iii) use them to repay debt specifically used to acquire, enhance or develop the property sold, then the REIT will be liable to tax at a rate of 25% on 85% of the gross disposal proceeds. For the purposes of EPRA NTA, the Company has assumed any such sales proceeds are reinvested or used to repay debt within the required three-year window.

(2) Deferred tax is assumed as per the IFRS balance sheet. To the extent that an orderly sale of the Group's assets were undertaken over a period of several years, during which time (i) the Group remained a REIT; (ii) no new assets were acquired or sales proceeds reinvested; (iii) any developments completed were held for three years from completion; and (iv) those assets were sold at 31 December 2023 valuations, the sales proceeds would need to be distributed to shareholders by way of dividend within the required time frame or else a tax liability amounting to up to 25% of distributable reserves plus current unrealised revaluation gains could arise for the Group.

(3) This is the purchaser costs amount as provided in the valuation certificate. Purchasers' costs consist of items such as stamp duty on legal transfer and other purchase fees that may be incurred and which are deducted from the gross value in arriving at the fair value of investment for IFRS purposes. Purchasers' costs are in general estimated at 9.96% for commercial and 4.46% for residential.

MARKET UPDATE

Macroeconomic backdrop

The global economy experienced a period of dislocation through 2023, induced by several macroeconomic and geopolitical headwinds. Heightened inflation and the resultant aggressive interest rate hike cycle were in focus globally throughout the year as central banks worked towards achieving their primary objective of reducing inflation to target levels. As a result of these headwinds, the world economy is estimated to have experienced moderate GDP growth of 3.1%[1] in 2023. Moderate growth is expected to repeat again in 2024 as the delayed impact of higher interest rates passes through the global economy.

Early 2024 has seen a dovish sentiment coming from central banks as inflation edges closer to long-term targets, with market expectations of interest rate cuts in the second half of the year. Geopolitics and stubborn core inflation present downside risk and will remain the focus through 2024, as conflicts across multiple geographies present a risk of further price shocks and supply chain disruption.

Irish Economic Outlook

The Irish economy experienced continued price inflation during 2023, though declining gradually throughout the year. The Harmonised Index of Consumer Prices ('HICP') ended 2023 at 3.2%, down from 8.2% a year earlier[2], and is forecasted to moderate further to 2.3%[3] in 2024.

Ireland's GDP is forecasted to have contracted by 1.3% in 2023[3], however the domestic economy, measured by Modified Domestic Demand ('MDD') is expected to have grown by 1.5%[3]. The contraction in GDP can in part be attributed to the normalisation of export activity in the pharmaceutical sector post-Covid as MNE investment and export activity in the sector grew by double digits in 2022, largely caused by pandemic-related factors. Irish GDP is expected to return to growth in 2024 and is forecast to reach 1.2%[4], outperforming a projected EU total GDP growth rate of 0.9%[4].

The Irish labour market continues to show strength with unemployment ending 2023 at 4.9%[5], compared to Euro Area unemployment expected to be 6.4%[4]. During a year in which global tech was characterised by large scale layoffs, IDA Ireland, the state agency responsible for attracting FDI into Ireland, reported winning 248 investments for Ireland in 2023, up 2.5% versus 2022, enabling the creation of almost 19,000 jobs[6].

Key sectors have continued to perform strongly in 2023, with tax revenue reaching €88.1 billion, an increase of 6%. An Exchequer surplus of €1.2 billion was recorded in 2023, down from 2022 as the growth in tax revenue was offset by an increase in public expenditure and the additional transfer of €4 billion from the Exchequer to the National Reserve Fund during the year. A General Government Surplus of just under €8 billion is estimated for last year, equivalent to 2.75% of GNI[7].

Rental Market Fundamentals Remain Supportive

Demographic trends such as population growth, aging population and reduction in average household size are continuing to positively influence demand in the Irish rental market. Ireland has seen strong population growth over the last decade, with population now an estimated 5.28 million people, including estimated growth of nearly 100,000 people (+1.9%) in 2023, the largest 12-month population increase since 2008. The current estimated population represents a +14.5% increase over the last decade[8].

In the decade to 2022, there were only 151,000 total new dwellings completed in Ireland, 29,000 of which were apartments. It is welcome to see that delivery of new housing has reached 32,695 in 2023 which exceeds the Government's target of 29,000 for the year and is well above the trailing 10-year average and 10% above the delivery of 29,800 new units delivered in 2022[9]. However, current supply levels are still well below the estimated level required per year to bridge the gap between supply and demand which is estimated to require the delivery of up to c.62,000 homes per year until 2050[10].

1 OECD Economic Outlook, Interim Report February 2024
2 CSO - Consumer Price Index December 2023
3 Central Bank of Ireland Q4 2023 Bulletin – December 2023
4 European Commission Winter 2024 Economic Forecast – February 2024
5 CSO - Monthly Unemployment December 2023
6 IDA Press release 15 December 2023
7 Press release - From Department of Finance; Department of Public Expenditure, NDP Delivery and Reform - Published on 4 January 2024
8 CSO Population and Migration Estimates, April 2023
9 CSO New Dwelling Completions
10 Daft.ie - House Price Report Q3 2022
11 Department of Finance Public Consultation Paper June 2023
12 RTB Rent Index Q3 2023
13 Daft.ie – Rental Price Report Q3 2023
14 CBRE 2024 Ireland Real Estate Market Outlook

Although the housing development pipeline has come under increased pressure due to higher interest rates, high construction costs, and lengthy planning procedures, completions are still forecast to reach 31,000 and 31,500 in 2024 and 2025 respectively[11], lagging the estimated output needed to meet demand, meaning that the supply and demand imbalance will likely continue to influence the housing sector over the medium term. The increasing demand for housing is likely to be more pointed towards the rental sector as increased mortgage rates have made renting relatively more affordable.

Rental Index

The national Residential Property Price Index (RPPI) increased by 2.9% in the 12 months to November 2023, with prices in Dublin rising by 0.9% and prices outside Dublin up by 4.4%.

According to the Residential Tenancies Board ("RTB"), the standardised average monthly rents in new tenancies in Q3 2023 were €1,598 nationally and €2,113 in Dublin, year on year growth of 11% and 10% respectively. Alternatively, the average rent for existing tenancies was €1,357 nationally and €1,788 for Dublin, showing a clear spread between rents at new and existing properties[12].

Fundamentally, there is still a significant undersupply of homes for rent, with the number of properties listed for rent on Irish property listing site DAFT.ie at the beginning of November 2023 at 1,800 homes nationwide. This is strikingly low in a country that recorded at least 330,000 households in the private rental market during the 2022 census[13].

Real Estate Investment

As a result of the current macroeconomic headwinds experienced in 2023, real estate investment activity has slowed both globally and in the Irish market. Transaction activity was muted in 2023 as market participants grappled with heightened interest rates and the difficult financing environment. Real estate investment transactions totalled €1.85 billion in Ireland in 2023, the lowest year of spend since 2013. The residential sector represented 23% of total real estate spend in the year[14].

While global markets remain volatile, real estate pricing will continue to be impacted by the macro drivers that are currently dominant. It is expected that stabilising values, reducing inflation, and greater certainty over borrowing costs going forward will induce growth in investment flow in real estate markets. As the Irish residential market is severely undersupplied and continually shows exceptionally strong fundamentals, including a skilled workforce and business-friendly environment, which in turn is helping to sustain rental cashflows and returns, we believe in the medium-term, that the PRS market in Ireland remains a compelling area for investment.

BUSINESS STRATEGY

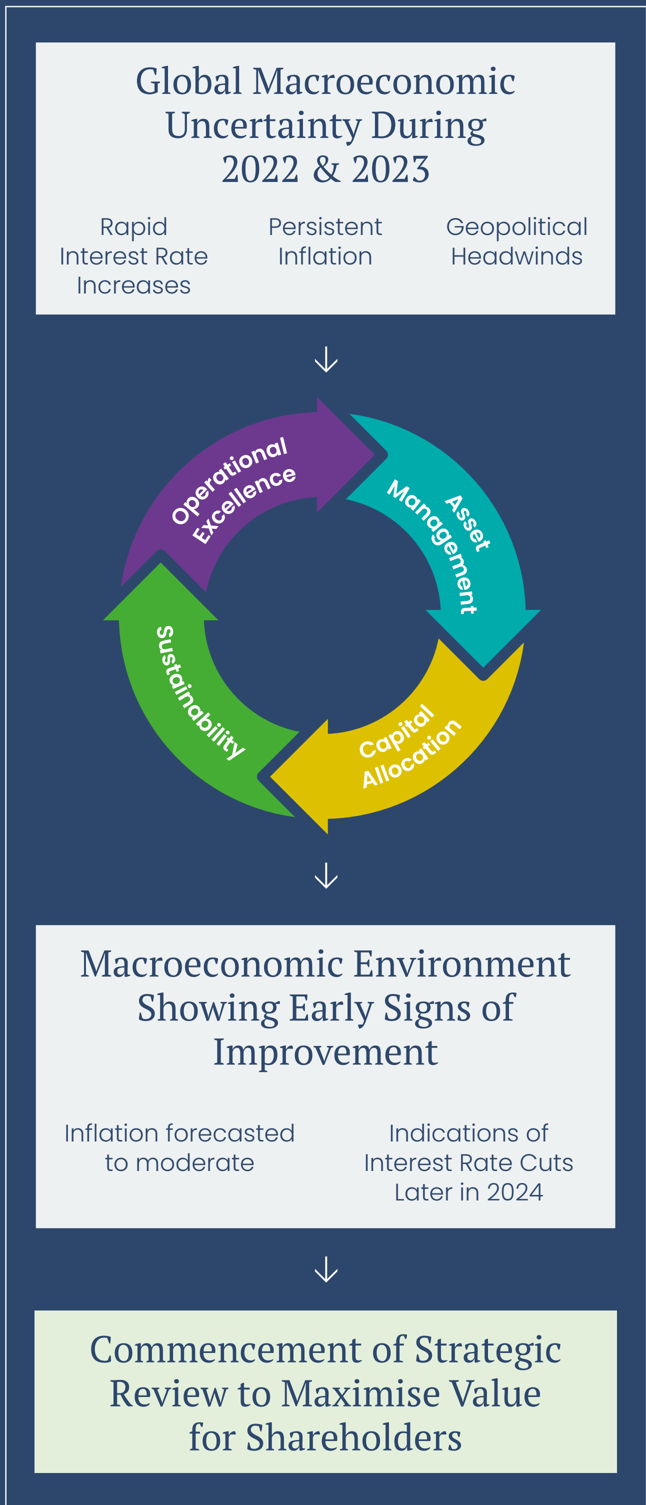
Strategy Overview
The I-RES Board has set out and delivered on a clear strategic vision to invest in the provision of high quality, professionally managed homes in sustainable communities in Ireland. I-RES is the provider of choice for the Irish living sector, known for providing excellent service, operating responsibly, minimising environmental impact, and maximising our social impact in the communities where we operate.

The emergence of macroeconomic headwinds during 2022 saw the Board pivot from its core strategy focused on value maximisation through the internalisation of management and growth to a strategy of continued value maximisation through risk management which centred on our key strategic pillars: Operational Excellence, Asset Management, Capital Allocation, and Sustainability.

Market Fundamentals Continue to Support a Growth Strategy
The market for private rental accommodation in Ireland remains supported by some of the strongest demand fundamentals globally. Demand for high quality, sustainable residential homes in Ireland continues to be underpinned by strong economic indicators including near record low unemployment and an economy which is forecast to continue outperforming the EU average in 2024 and 2025. Demographic trends such as a reduction in average household size, an ageing population, and a population growing at the fastest 12-month rate since 2008 imply that strong levels of demand are expected to continue over the medium-term. Despite sequential improvement in the delivery of housing output in the state during 2023 (c. 32,700 units), consensus amongst industry experts indicates that c. €19 billion of housing development finance is required to meet the level of supply required, with c. 67% to be contributed from institutional sources[1].

Shifting Landscape: Early Signs of Improvement but Challenges Remain
2023 presented significant strategic challenges and uncertainties for I-RES and the wider real estate sector in Ireland, with the continuation of interest rate increases and persistent inflation leading to a challenging financing environment and driving a sharp reduction in transaction activity during the year. However, early signals of improvement in leading macroeconomic indicators provide optimism for 2024 and beyond. The expectation of earlier than anticipated interest rate cuts is filtering through to debt costs and should support debt gradually becoming more accretive through 2024[2], while overall inflation in Ireland is forecasted to decrease from 5.2% in 2023 to 2.3% in 2024[3].

Regulation, including the 2% cap on rent increases, continues to present strategic challenges for our business. I-RES participated in the current reviews by the Government and Departments of Finance and Housing of the PRS sector including rent regulation as well as the Funds Sector Review including the REIT structure. We will continue our engagement with industry stakeholders and government to support a balanced regulatory and investment structure in Ireland.



1 Irish Institutional Property: Development Finance Presentation, November 2023
2 JP Morgan: 2024 European Real Estate Outlook, January 2024
3 CSO - Consumer Price Index December 2023

Launch of Comprehensive Strategic Review

The I-RES Board continuously reviews the appropriateness of the Company's strategy for prevailing market conditions. Reflecting the challenges presented by macroeconomic uncertainty during 2022 and 2023, and as part of a review of the Company's strategy, the Board decided that a risk management approach was required. The Board took several key decisions subsequent to this review of strategy to safeguard the Company while market conditions remained challenging. On 8 January 2024, reflecting early signs of improvement in the macroeconomic environment, the Company announced that it would conduct a Strategic Review to consider and evaluate all strategic options that may be available to maximise and unlock value for Shareholders.

The Strategic Review commenced after the publication of the Company's full year 2023 financial results on the 23rd February 2024, and is being led by a Board Committee comprised of newly appointed Chair Hugh Scott-Barrett, the CEO, and non-executive directors Denise Turner and Philip Burns. The Review will be supported by Savills, a leading real estate advisory firm with local and international knowledge, in conjunction with the Company's existing international financial advisors and brokers.

While the Board remains confident in the long-term prospects and strategy of the Company, the Board recognises that the Company, like many real estate focused companies, faces several challenges and opportunities, influenced by factors including macroeconomic conditions, regulatory frameworks, and commercial market conditions. The Board recognises there is a requirement for change in the current business model and remains open to exploring all scenarios in the Strategic Review where Shareholder value can be maximised. In this regard, the Strategic Review will comprise a comprehensive consideration of all strategic options available to the Company to maximise value for Shareholders, with the potential to unlock the inherent value contained within the I-RES portfolio of high-quality residential assets and the operating platform. This will include, but not be limited to:

- New strategic initiatives, including leveraging the existing capabilities of I-RES' market leading operating platform through generation of capital light revenue streams and/or Joint Ventures
- Consolidation, combinations, mergers or other corporate action to achieve greater scale and liquidity in the Company's shares
- A review of the merits of "de-REITing" the Company, and the existing AIF/AIFM structure
- The sale of the entire issued share capital of the Company
- Selling the Company's assets in part or whole and returning value to Shareholders

The Board intends to provide status updates to the market at key milestones throughout the Strategic Review process, beginning with an update ahead of the Company's AGM in May. The Board remains committed to executing on its existing strategy of operational excellence, value maximising portfolio management, disciplined capital allocation, and sustainability whilst the Strategic Review is in progress. The Company will continue to review any asset management opportunities that arise where value for shareholders can be delivered.

There is no certainty that any change will result from the Strategic Review or that any sale, strategic investment or other transaction will be concluded, nor as to the terms on which any offer, strategic investment or other transaction may be made.

I-RES remains well placed to capitalise on positive market dynamics, with our market leading operating platform, a modern portfolio with strong sustainability credentials, and a robust financial position.

Existing Strategic Pillars

Operational Excellence

Leverage market-leading operating platform to drive operational performance and create value for all stakeholders

Cost efficiency from supply chain / economies of scale, technology enablement of processes along with a focus on driving ancillary revenue streams

Enhanced resident service delivery and value through I-RES Living mobile App.

Enabling talent of I-RES team through training and development, ESG initiatives, and wellbeing

Sustainability projects to deliver on climate and environmental plans, community building

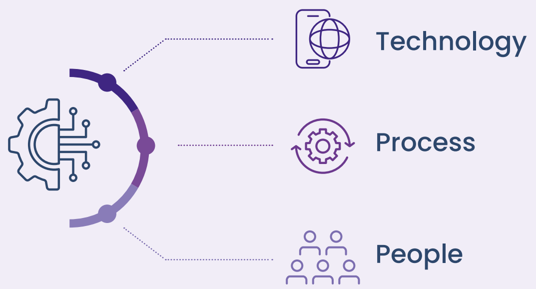
Delivery on Strategic Objectives During 2023

Strong Operational Performance

77.3%
NRI Margin

99.4%
Occupancy

Market Leading Operating Platform



Asset Management

Align with new risk environment to best position the Company for future growth opportunities

Assets strategically located in communities with the highest levels of demand for rental accommodation, good transport links and sustainable employment opportunities

Ongoing and regular portfolio optimisation through;

- Recycling assets at accretive returns
- Realising value from non-income producing assets
- Continuously reviewing opportunities that arise to deliver value for shareholders

Strategy for growth is aligned to the evolving landscape

- Acquisitions and consolidation opportunities, strategic acquisitions in partnership, yield maximisation
- Development and funding through partnerships and JV's for new supply/ scale, within risk framework and yield maximisation

Performance metrics on an asset-by-asset basis across the portfolio providing granular insights and informed decision making, and driving improved performance

Delivery on Strategic Objectives During 2023

Successful Delivery of €96.5m[1] Strategic Asset Disposal Programme

High Quality Asset Portfolio with Strong Sustainability Credentials

Modern Portfolio with an average age of 14.9 years

Affordable rents with a portfolio average monthly rent of €1,774

Assets in attractive, well connected locations where people love to live and work

1 Gross proceeds including VAT

Capital Allocation

Maintain a strong balance sheet and robust financial position

Continued dividend payout policy of 85%+ of earnings

Maintain low cost, long-term diversified debt facilities with sufficient headroom and liquidity

Disciplined allocation of capital with excess funds from asset management initiatives deployed in line with clearly defined capital allocation prioritisation;

1. Repayment of higher cost debt and management of LTV within risk appetite and target range, whilst maintaining earnings profile
2. Reallocation for accretive growth within risk framework
3. Return of capital to Shareholders via share buyback / special dividend.

Ongoing and regular evaluation of capital structure including active engagement with stakeholders to achieve optimal structure for future growth and refinancing

Delivery on Strategic Objectives During 2023

Robust Balance Sheet and Financial Position

No debt maturities before April 2026 with repayments laddered out to 2032

83% of drawn debt hedged out to maturity at a blended interest rate of 3.27%

Net LTV: 44.3%

Reduction in overall RCF size to €500m (from €600m), resulting in commitment fee savings in 2024 and beyond

Interest Cover Ratio covenant reduced to 175% (from 200%), providing additional headroom

Continued Dividend Payments to Shareholders
Maintained payout policy of 85%+ of distributable earnings, in line with REIT legislation

Sustainability

Building a sustainable and responsible business that is future fit, by generating attractive and sustainable returns

Data-centric approach to understanding and baselining our Carbon Emissions to set phased targets in line with commitment to Net Zero

Strong sustainability credentials maximising customer appeal, improving efficiency and enhancing long-term property value

Consistent evaluation of new technologies and collaboration and partnerships to transition from fossil to renewables

Engaging in social and community engagement programmes

Partnering with suppliers to deliver on sustainability targets

Maintaining effective governance structures

Continued strong employee training and engagement

Continuous repositioning of buildings to enhance the customer experience, improve sustainability performance, which in turn will future proof value and enhance the environment in which assets are located

Delivery on Strategic Objectives During 2023

90% of units Building Energy Efficiency (BER) Rated A-C
(up from 86% in 2022) 0.6% F&G

100%
of landlord procured electricity was from renewable sources (wholly-managed buildings)

90%
Employee satisfaction rate

Increased GRESB score to 65 moving into the 'two-star' category

GRESB

Data gathering project in collaboration with residents

INVESTMENT POLICY

The Group's aim is to assemble a portfolio within its focus activity of acquiring, holding, managing and developing investments primarily focused on residential rental accommodations.

Focus Activity

The Group's aim is to assemble a portfolio within its focus activity of acquiring, holding, managing and developing investments primarily focused on residential rental accommodations and ancillary and/or strategically located commercial property on the island of Ireland, principally within the greater Dublin area and other major urban centres (the "Focus Activity"). The vast majority of such properties will form the Group's property investment portfolio for third party rental.

The Group may also acquire indebtedness secured by properties (including in respect of buy-to-let properties) within its Focus Activity where it intends to gain title to and control over the underlying property. There is no limit on the proportion of the Group's portfolio that consists of indebtedness secured by properties. Consistent with the Focus Activity, the Group may consider property development, redevelopment or intensification opportunities, in particular, the completion of building out the Group's current development sites, where the Directors of the Company consider it appropriate having regard to all relevant factors (including building risk, lease up risk, expected returns and time to complete).

The Group may also acquire properties and portfolios which include other assets outside of the Focus Activity, subject always to a maximum limit of 20% of the overall gross value of the Group's property assets, provided there is a disposal plan in place in connection with such assets which have been deemed non-strategic and do not meet the Group's investment objectives or which could otherwise have an adverse effect on the Group's status as an Irish real estate investment trust.

Gearing

The Group will seek to use gearing to enhance shareholder returns over the long term. The Group's gearing, represented by the Group's aggregate borrowings as a percentage of the market value of the Group's total assets, will not exceed the 50% maximum permitted under the Irish REIT Regime. The Board of the Company (the "Board") reviews the Group's gearing policy (including the level of gearing) from time to time in light of then-current economic conditions, relative costs of debt and equity capital, fair value of the Group's assets, growth and acquisition opportunities and other factors the Board may deem appropriate, with the result that the Group's level of gearing may be lower than 50%. The Board may also from time to time consider hedging or other strategies to mitigate interest rate risk.

Investment Structures

The Group also has the ability to enter into a variety of investment structures, including joint ventures, acquisitions of controlling interests, acquisitions of minority interests or other structures (whether by way of equity or debt) including, but not limited to, for revenue producing purposes in the ordinary course of business, within the parameters stipulated in the Irish REIT Regime. There is no limit imposed on the proportion of the Group's portfolio that may be held through such structures.

Warehousing/Pipeline Agreements

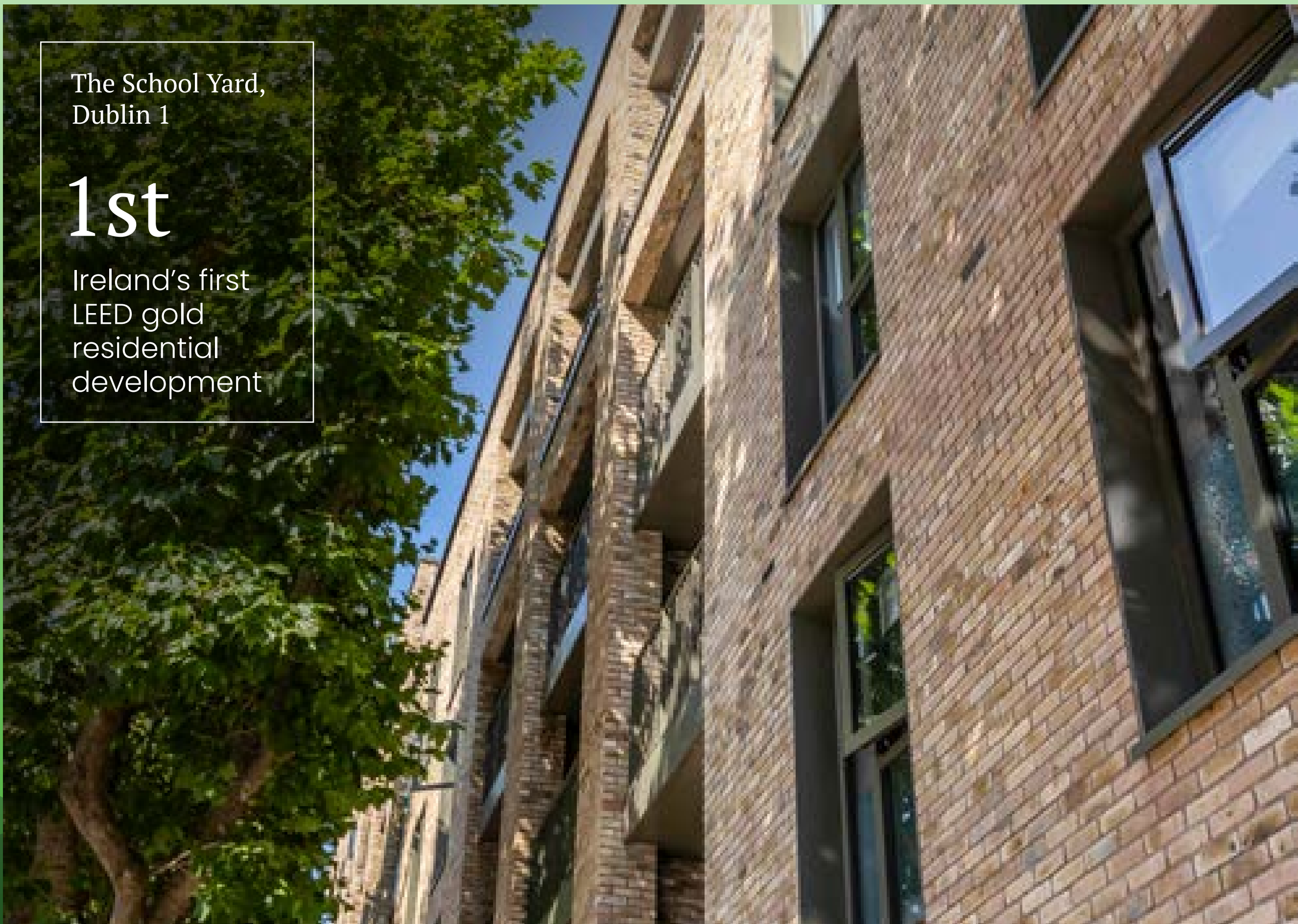
If the Group is unable to participate in sales processes for property investments because it has insufficient funds and/or debt financing available to it, including where its gearing is at or close to the maximum permitted level under the Irish REIT Regime, the Group is permitted to acquire property investments that meet the criteria specified in its Investment Policy (including the acquisition of shares in property holding companies) from time to time in accordance with the terms of warehousing or pipeline arrangements entered into or to be entered into by it with third parties, in each case, without shareholder approval and for a price calculated on a basis that has been approved in advance by the Directors of the Company.

Restrictions

Pursuant to the Irish REIT Regime, the Group is required, amongst other things, to conduct a Property Rental Business consisting of at least three properties, with the market value of any one property being no more than 40% of the total market value of the properties in the Group's Property Rental Business. Further, at least 75% of the Group's annual Aggregate Income will need to be derived from its Property Rental Business and at least 75% of the market value of its assets, including uninvested cash, will need to relate to its Property Rental Business. In addition to the foregoing, the Group will not do anything that would cause the Group to lose its status as a real estate investment trust under the Irish REIT Regime.

Changes to the Investment Policy

Material changes to the Group's Investment Policy set out above may only be made by ordinary resolution of the Shareholders of the Company in accordance with the Listing Rules of Euronext Dublin and notified to the market through a Regulatory Information Service. If the Company breaches its Investment Policy, the Company is required to make a notification via a Regulatory Information Service of details of the breach and of actions it may or may not have taken. A material change in the published Investment Policy would include the consideration of investments outside of the Focus Activity, other than as permitted under this Investment Policy. For as long as the Company's ordinary shares remain listed on the Official List of Euronext Dublin, any changes to the Company's Investment Policy must be made in accordance with the requirements of the Listing Rules of Euronext Dublin. I-RES has invested in accordance with the investment policy. Please refer to the property overview table on page 23 for further details.



SENIOR LEADERSHIP TEAM

I-RES' vision is to be the provider of choice for the Irish living sector, known for excellent service and for operating responsibly, minimising our environmental impact and maximising our contribution to the community. Delivering on this, the I-RES Senior Leadership team is responsible for executing the Company's strategy and ensuring strong operational alignment on business priorities, investments and actions.

The team has an extensive track record of delivery, operational excellence, digital innovation and transformational change. Leading our 95-strong Irish-based employee base, the leadership team is strongly committed to sustaining our excellent inclusive culture, underpinned by our values of Performance, Integrity, Sustainability, Respect, Agility & Teamwork.

I-RES Senior Leadership Team (L-R): Alan Kavanagh; Charles Coyle; Margaret Sweeney; Brian Fagan; Anna-Marie Curry

Margaret Sweeney
Chief Executive Officer and Board Director

Margaret Sweeney joined the Board in 2016 and was appointed as Chief Executive Officer in November 2017. Full bio on page 94.

Brian Fagan
Chief Financial Officer and Board Director

Brian Fagan joined the Company as Finance Director in April 2021 and was appointed CFO and Board Director in April 2022. Full bio on page 94.

Alan Kavanagh
Managing Director Operations

Alan Kavanagh has been with I-RES since December 2013, having previously worked in a variety of property roles in the UK and Ireland. He is an Associate member of Society of Chartered Surveyors Ireland and the Royal Institution of Chartered Surveyors.

Anna-Marie Curry
Company Secretary and General Counsel

Anna-Marie Curry was appointed Company Secretary & General Counsel in July 2021. Anna-Marie is a Solicitor, and previously worked with Arthur Cox and joined the Company from her role as Company Secretary and General Counsel with Bord na Móna plc.

Charles Coyle
Vice President, Investment and Asset Management

Charles Coyle has been with I-RES since December 2014. He previously held senior positions with NAMA and Goodbody Stockbrokers. Charles is a member of Society of Chartered Surveyors Ireland and the Royal Institution of Chartered Surveyors.

44% Female

56% Male

90% **employee satisfaction score**

Fully integrated Irish operating company some **95 employees**

SUSTAINABILITY REVIEW

Creating Long-Term Value Through Environmental and Social Responsibility

As a Company we recognise the challenge that sustainability and climate change present for our business and planet, and we are committed to playing our part in the transition to a more sustainable future.

Our ESG strategy is built on three core pillars:

1. **Operating Responsibly**;
2. **Protecting the Environment**; and
3. **Building Communities**.

In 2021, we conducted a Company-wide Materiality Assessment to identify sustainability topics material to our business. Our ESG Materiality Assessment informs our ESG strategy and ensures we stay abreast of emerging themes and legislative requirements. This assessment informs and guides our strategy and is regularly reviewed. In 2024, to ensure ongoing alignment and adaptation of our ESG strategy, we will revisit this assessment as part of a Double Materiality Assessment. A Double Materiality Assessment involves examining both the external environmental and social impacts on a company (outward-facing materiality) and the internal organisational impacts of sustainability issues (inward-facing materiality). This approach ensures a comprehensive understanding of material sustainability topics affecting the business.

As advocates of the UN SDGs, we have aligned our ESG strategy to contribute to seven specific goals (SDG 3, 7, 8, 11, 13, 15, 17). Please refer to our ESG Report 2023 for details. This alignment ensures that our business positively impacts the spaces we manage and the communities who live and work there.

We are currently integrating climate physical and transition risk management into our governance approaches.

We have aligned our ESG strategy delivery approach to ISO 14001 (2015) for Environmental Management. We have a structured framework in place for continual improvement. Alongside this, we completed an assessment of our ESG risks and opportunities mapping this across to internal business units and updating our processes as necessary.

	Operating Responsibly	Protecting the Environment	Building Communities
Pillar	Operating Responsibly	Protecting the Environment	Building Communities
Statement	We aim to maintain the highest standards of integrity and business ethics across our operations and supply chain	We aim to protect the environment by minimising our emissions and use of natural resources while ensuring we leave space for nature on our asset sites	We aim to support people by investing in sustainable and connected communities to create a diverse and welcoming environment with good transport links and employment opportunities which positively impact our localities
Material Topics	Health, Safety and Wellbeing	Climate Change	Customer Engagement
	Business Ethics and Compliance	Environmental Management	Community Engagement and Social Impact
	Data Management, Privacy and Security	Sustainable Supply Chain	
	Employee attraction and retention		

ESG Performance Snapshot 2023

Operating Responsibly

90%
Employee Satisfaction Score

44%
Self-identified female Board representation

33
Average training hours per employee

Protecting the Environment

2050
Committed to Net Zero Carbon by 2050

↓ 59%
Scope 1 GHG Emissions reduction (like for like) (I-RES' Headquarters)

↓ 0.3%
Scope 2 GHG Emissions reduction (like for like) (Wholly managed assets)

Building Communities

↑ Increasing resident satisfaction levels

Investors in Diversity Silver Award

EWOB European Women on Boards Award

2-star GRESB Rating

EPRA Gold sBPR Award

100%
of directly managed common areas powered by renewable energy

90%
of I-RES properties boast A-C Energy Performance Rating (BER)

100%
Waste diversion from landfill for directly managed assets

C Rating

600+ hours
Combined employee time spent engaging in community activities

+80% Adoption Rate
of newly rolled out I-RES Living Resident mobile App

Our ESG Journey

Our objective is to cultivate a sustainable and responsible business aligned with our business model and investment philosophy, underpinned by our commitment to a strong values driven culture, and the creation of value for all stakeholders.

Through active dialogue and engagement with investors and residents, we seek to shape our strategy and objectives around the core values of social responsibility and environmental stewardship. We believe that this engagement has a positive impact on society and the success of our business. This collaboration guides how we evolve our sustainability strategy to generate enduring shared value.

2019

- Completed feasibility study and initial design for the 1st LEED rated residential development in Ireland
- Green Ambassador Committee formed

2020

- Submitted to GRESB for the first time
- ESG policy formalised
- All I-RES directly procured electricity switched to renewable energy tariffs
- Achieved EPRA Silver Award for sustainability reporting
- Annual companywide Sustainability Training began

2021

- Science-based carbon baseline assessment completed
- Formed Board Sustainability Committee
- Published the first I-RES ESG Report
- Completion of the Company's first Materiality assessment
- Development of 5 year ESG strategy roadmap
- Energy Performance Management Committee established
- Achieved EPRA Gold Award for sustainability reporting
- Achieved Investors in Diversity Bronze Award
- Completed an asset review of all heating and hot water systems within the portfolio
- Became official Supporters of the All Ireland Pollinator Plan 2021-2025

2022

- Committed to Net Zero Carbon by 2050 in line with the Paris Agreement
- Reduced Scope 1 absolute emissions by 41% (y-o-y)
- Reduced Scope 2 absolute emissions by 26% (y-o-y)
- Delivered Ireland's first LEED Gold property
- Submitted to Carbon Disclosure Project ("CDP") for the first time
- Achieved Investors in Diversity Silver Award
- Maintained EPRA Gold Award
- Integrated digital and cloud based technology solution
- Vendor ESG Engagement programme commenced

2023

- Pilot energy efficiency retrofit projects commenced
- Scope 3 building energy usage data collection programme began
- In progress to achieve WiredScore certification for 13 assets
- Achieved GRESB 2-star rating
- Maintained EPRA Gold Award
- Maintained Investors in Diversity Silver Award
- Recognised in Fitout Awards for sustainable fitout of The School Yard
- Launched I-RES Living mobile app

2024 & beyond

- Publish Net Zero Pathway
- Align to the EU Sustainability Reporting Standards (SFDR) and Corporate Sustainability Reporting Directive (CSRD)
- Target Investors in Diversity Gold Award
- Achieve full data coverage of Scope 3 building energy usage data
- Implement an ESG data management platform

Operating Responsibly

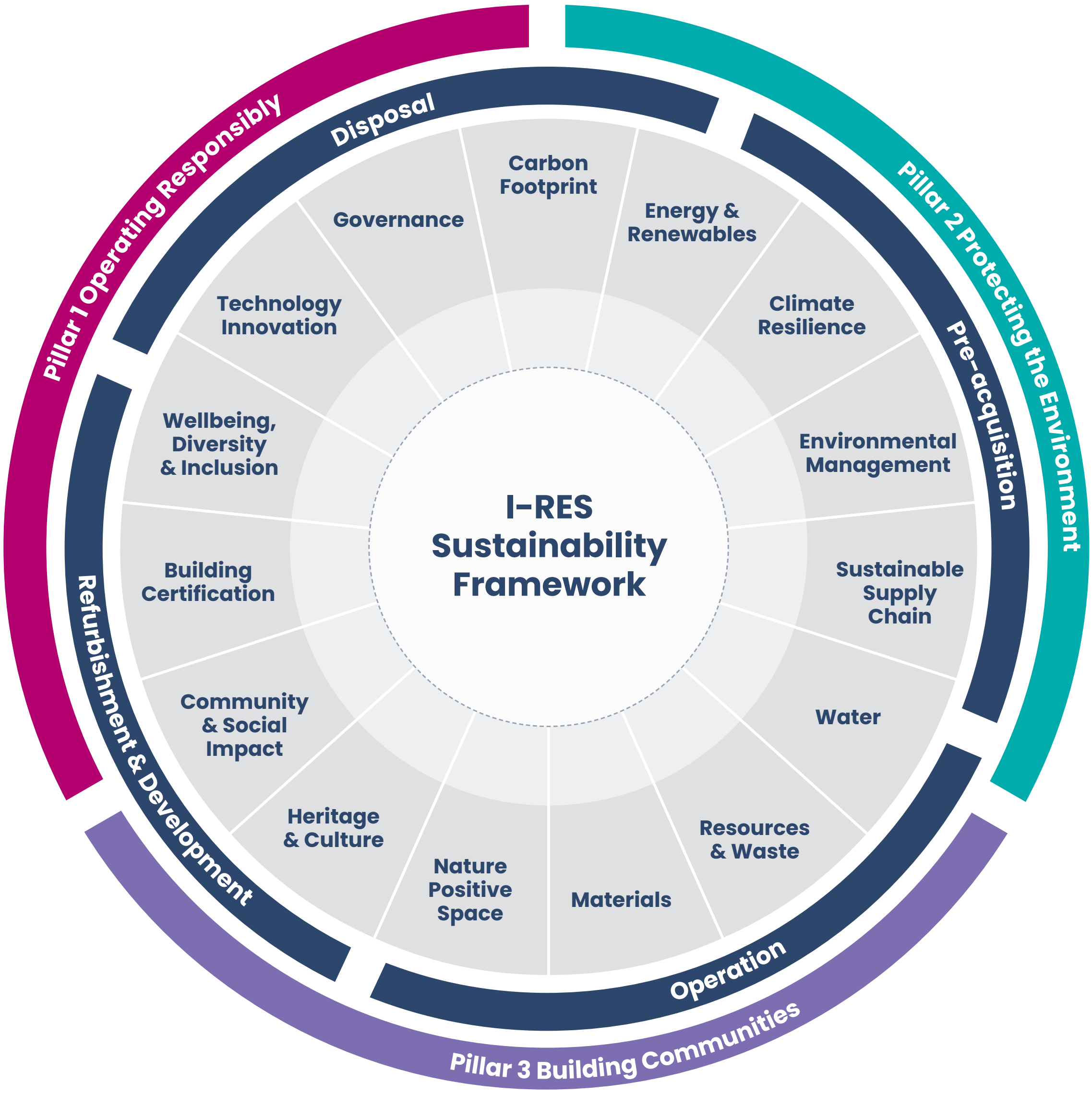
Operating Responsibly is a cornerstone of I-RES's corporate ethos, underscoring our unwavering commitment to conduct business with the utmost integrity and consideration for ESG principles.

Responsible Governance Practices

I-RES is committed to upholding the highest standards of governance, aligning with regulatory expectations, evolving industry best practices, our corporate strategy, and our risk appetite. ESG and responsible business objectives are integral to our policies and decision-making processes across the business and a key focus of the Board and our team.

Sustainability Throughout the Real Estate Lifecycle

We incorporate sustainability throughout the investment lifecycle of an asset, from pre-acquisition through to disposal. It forms an integral part of our policies and processes and is explicitly outlined in the Terms of Reference in our Audit and Remuneration Committees. We do not view sustainability in isolation but rather embedded across our Investment and Asset Management processes, and it is integral to all aspects of our business.

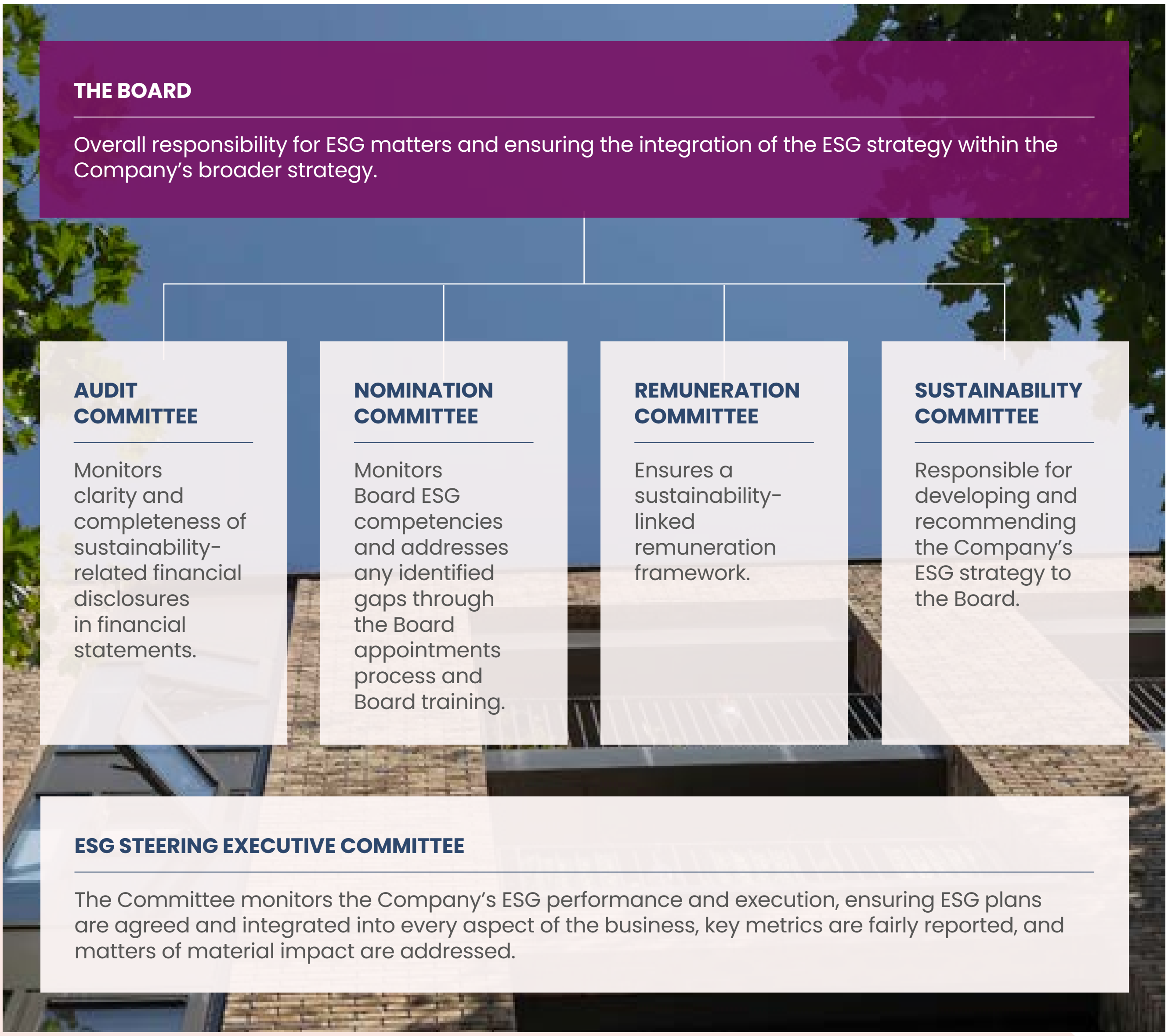

I-RES Sustainability Framework
Pillar 1 Operating Responsibly
Pillar 2 Protecting the Environment
Pillar 3 Building Communities
Disposal
Pre-acquisition
Operation
Refurbishment & Development
Carbon Footprint
Energy & Renewables
Climate Resilience
Environmental Management
Sustainable Supply Chain
Water
Resources & Waste
Materials
Nature Positive Space
Heritage & Culture
Community & Social Impact
Building Certification
Wellbeing, Diversity & Inclusion
Technology Innovation
Governance

ESG Oversight

We have established transparent and effective governance structures to oversee and make decisions regarding our ESG strategy. Clear reporting and governance structures and programmes are in place to communicate our progress to the Board, Senior Management and all stakeholders. The I-RES Board holds ultimate responsibility for directing and implementing our ESG strategy, ensuring the responsible advancement of the long-term interests of shareholders while balancing the interests of all stakeholders, including residents, employees and local communities.

The Board and Board Sustainability Committee continuously assess and monitor our approach to ESG through ongoing engagements with the CEO, Management, Workforce Engagement Director, Investor Relations, Sustainability Function, and employees. This ensures policies, practices and behaviours align with the Company's purpose, values and strategy.

Further details on I-RES' corporate governance strategy and approach can be found on page 100 of the 2023 Annual Report.



Our Benchmarking Scores

I-RES recognises that providing transparent reports on our impact and progress is a fundamental aspect of our ESG journey. Therefore, we are committed to delivering clear communication and transparent disclosure to all stakeholders.

Our environmental, social and governance data are all subject to 'reasonable assurance' verification by Evora Global (Evora), as determined by the AA1000AS Type 2 Moderate level assurance. The assurance statements are published in our latest ESG Report, which is available to download on our website.

Below is an overview of our scores across the benchmarks and ratings agencies we submit to.

		2023	2022
EPRA Sustainability Best Practices Recommendations	EPRA	**Gold**	**Gold**
GRESB Global Real Estate Sustainability Benchmark	GRESB	**2 star**	**1 star**
MSCI ESG Rating Report	MSCI	**BBB**	BBB
ISS E&S Quality Score* ***Highest E&S Disclosure = 1**	ISS	**Environmental 7** **Social 4**	Environmental 6 Social 4
Sustainalytics ESG Risk Rating	SUSTAINALYTICS	**12.2** **Low Risk**	13.3 Low Risk
S&P Corporate Sustainability Assessment	S&P Global Ratings	**34/100***	30/100
CDP Carbon Disclosure Project	CDP	**C Rating**	We began disclosing to CDP on climate change in 2022. A score is not received in the first year.

* 81st percentile amongst industry peers

Responsible Procurement

Rethinking how we source our products and services

We value our suppliers and consider them essential partners in meeting the needs of our residents. Our suppliers play a central role in our operations and support us in achieving our environmental goals. We partner with suppliers who uphold ethical and environmental principles that align with our core values, and we actively engage with our suppliers to ensure these principles are upheld.

Positively Impacting Our Supply Chain
In 2022, we began a programme to actively engage with our suppliers on ESG topics. This programme, continued in 2023, has proven highly successful. When we established a baseline for our Tier one suppliers only 15 percent had an ESG policy in place. By the end of 2023, this figure had increased to 50 percent. In addition, a further 30 percent were working on it. As part of our active engagement with suppliers, we have informed them about our ESG focus areas and communicated with them our requirement for them to align their ESG policies with our Supplier Code of Conduct.

Supplier Questionnaire
In 2023, our internal training programmes empowered our employees with a deep understanding of our supply chain requirements, allowing them to actively apply this knowledge in their engagements with our suppliers. Through a series of internal workshops, we developed a framework for a supplier questionnaire that will be rolled out in 2024. This framework has been aligned with industry best practice for supply chain management. In 2024, we will issue the supplier questionnaire to develop a deeper understanding of the ESG competence of our suppliers and allow us to rank them individually.

To support the roll-out of the supplier questionnaire, during 2023 we developed a roadmap and set of training materials to be shared with our suppliers during Phase Two of our supply chain engagement. We aim to ensure that our suppliers are fully aware of our sustainability targets and commitments, what a sustainable supply chain means in practice and our requirements of them. We are committed to ongoing engagement and collaboration with all of our suppliers to encourage them to improve their sustainability approaches.

Sustainable Fitouts
In all of our recent fitouts we have prioritised locally sourced products, and products with minimal waste packaging. We exclusively source wood products carrying the Forest Stewardship Council (FSC) label and carefully select products with foams that are free from harmful chemicals and that do not produce off-gassing. Additionally, our selection of fabrics consist of the highest possible percentage of recycled cotton, linen and wool.

We were delighted to be recognised at the Fitout Awards, winning 'Sustainable Fitout of the Year' for The School Yard.

Connecting with Our Employees and Investing in Them

Our employees are the backbone of our business and key to our success. We invest in them so that they feel rewarded and have a real sense of job satisfaction. Equipping our teams with the right skills for their roles is incredibly important for us as a business so that they feel empowered as they go about their day-to-day business.

Our resident facing teams are directly engaged with customers impacted by the recent cost of living crisis. Ensuring they have the right skills to respond empathetically to our residents is a crucial part of our service delivery.

In 2023, I-RES conducted an Employee Survey with an 81.5 percent participation and an employee satisfaction score of 90 percent. The survey was conducted by an independent research agency. Please refer to our 2023 ESG Report for the results.

Diversity, Equity and Inclusion
I-RES has proudly earned the Silver Investors in Diversity Award from the Irish Centre for Diversity in 2022 and 2023, reflecting our commitment to fostering an inclusive workplace. We are actively working towards a Gold Award in 2024.

In Q1 2023, I-RES established the Diversity & Inclusion Committee, functioning as an employee resource group representing the entire organisation. The Committee meets regularly to discuss various topics, including culture, social roles and language. These discussions are integrated into our internal training programmes and employee engagement initiatives. The Committee embodies the 'One Team' approach inherent to I-RES's business model, ensuring that all staff and residents feel valued, listened to, and can actively contribute to driving organisational improvements. We take immense pride in our open and transparent business model, recognising it as essential to realising our ambitious goals in the realm of diversity, equity and inclusion.

Investors in Diversity | SILVER

99%

99 percent of respondents are willing to put in extra effort for I-RES

90%

90 percent overall satisfaction score

Design Thinking training day

Pillar 1 Operating Responsibly

A summary overview of our key achievements in 2023 and our priorities for 2024 and beyond.

Objectives	2023 achievements
Health, Safety and Wellbeing Maintain building efficiency and actively promote the safety and well-being of our residents through our dedicated design and management approach	↘ Delivered customised and role-specific training on a company wide and role specific basis to employees, including Health & Safety and ESG ↘ Installed Electrical Vehicle charging stations and implemented energy efficiency upgrades at select buildings to reduce environmental impact ↘ Conducted a comprehensive, externally supported review of our Group Safety approaches. This included a full refresh to the Safety Statement and the supporting risk assessments and procedures in use
Strategy, Business Ethics & Compliance – governance and disclosure Develop and implement key policies, processes and governance procedures to deliver on the aims of our ESG strategy Review and enhance ESG reporting disclosures Disclose key performance indicators for measuring against ethical behaviour and compliance	↘ Achieved a two-star GRESB rating (Global Real Estate Sustainability Benchmark) in recognition of our commitment to ESG performance and benchmarking ↘ Maintained Gold-level EPRA recognition (European Public Real Estate Association) Sustainability Best Practices Recommendations for excellence across key environmental and social indicators ↘ Achieve a CDP C Rating (Carbon Disclosure Project) a measure of environmental action and transparency across a range of focus areas ↘ Implemented an Enterprise Risk Management (ERM) framework to systematically identify key business risks and responsively update emergency preparedness, including crisis scenario plans ↘ Conducted company-wide training initiatives focused on Diversity & Inclusion, Disability Awareness, and other priorities to promote a respectful, ethical work culture
Data management, Privacy and Security Improve data coverage to include resident consumption to enable whole building reporting across the portfolio Review & enhance data privacy & security management systems (including cyber security) and measure performance	↘ Successfully rolled out an energy data gathering program with at least one meter reading per unit completed in 2023 to establish energy consumption analytics and identify conservation opportunities ↘ Successfully launched the I-RES Living resident mobile app with over an 80% adoption rate among residents and 85% willing to recommend the user-friendly platform ↘ Completed a data protection impact assessment (DPIA) prior to the launch of the new resident app/portal to evaluate and mitigate potential data privacy risk ↘ Conducted a comprehensive data protection gap analysis to assess the Company's privacy compliance against 138 metrics aligned with GDPR standards and industry best practices
Employee attraction and retention Sustain our high employee satisfaction score by building an excellent culture with a strong focus on employee wellbeing, development, engagement and Diversity & Inclusion credentials	↘ Annual employee engagement survey resulted in a 90% employee satisfaction score ↘ Training, cultural and team-building events, fostering a collaborative and motivated workforce ↘ Enabled employees to complete on average, 33 training hours each in 2023, delving into diverse subjects such as sustainability, technology, and professional competencies ↘ Successfully introduced a performance review system incorporating ESG goals, aligning employees' performance assessments with our broader sustainability and ethical objectives ↘ Introduced the HR Locker system and app to enhance HR services to employees

Priorities for 2024 & beyond

- Continuously evolve our H&S frameworks and training programs, enhancing processes to ensure effectiveness and alignment with best practices
- Proactively monitor performance metrics for health, wellness, and sustainability initiatives across properties and at the corporate level to identify opportunities for improvement
- Prioritize nature-positive spaces and biodiversity net gain principles when enhancing environments to create healthy, environmentally friendly buildings for residents. This involves increasing green space and social amenities for residents, as well as reducing waste and emissions

- Continuously engage with leading rating agencies to benchmark and demonstrate continuous improvement across key sustainability indicators
- Target increased GRESB ratings annually while maintaining the Gold standard from EPRA Sustainability Best Practices Recommendations for consistent, transparent reporting
- Continue to proactively align data collection and reporting procedures with emerging regulatory frameworks for ESG disclosure
- Employ the I-RES Risk Management framework for ESG-related issues and develop risk appetite statements covering environmental, social, and governance priorities
- Continue to conduct ongoing reviews of internal policies and procedures to ensure governance and management processes fully support our ESG commitments
- Incorporate sustainability, Diversity, Equity, and Inclusion into mandated training programs for Board members, leadership, and all employees to embed these priorities holistically

- Expand energy data gathering to cover all residents and implement resident energy use notifications and reduction campaigns
- Continue to conduct regular cybersecurity and data privacy training for all employees to instil a security-first mindset and ensure understanding of policies and controls
- Enhance the I-RES Living mobile app and resident portal by adding new features for waste diversion, circular economy, community event information, and fully integrating with the core ERP system
- Implement an ESG data management platform to centralize sustainability metrics tracking across properties
- Develop refreshed I-RES websites for resident and stakeholder audiences focused on user experience, value-add content, company values, and community programming
- Continue to adopt an ISO 27001-based approach to the ongoing assessment and development of our cybersecurity and data protection arrangements

- Strengthen our employee training and development program by incorporating customised and focused ESG topics
- Continue to integrate an employee wellness programme, including training, events, wellbeing, CEO feedback sessions, and facilitated access to Workforce Engagement Director
- Continue to explore volunteering opportunities within cross-functional projects, fostering engagement through Green Ambassador and Diversity & Inclusion Committees, and external volunteering organisations
- Formulate and execute a plan to attain the Gold 'Investors in Diversity' Award within the next two years

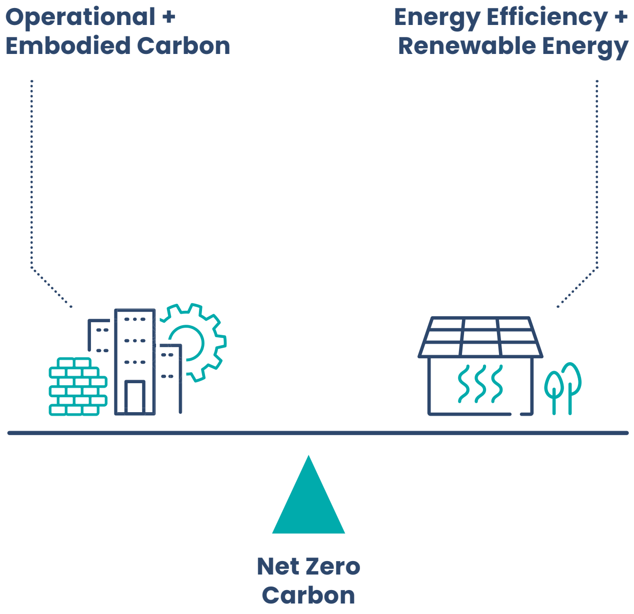
Protecting the Environment

OUR ROAD TO NET ZERO

A climate neutral built environment by 2050

Recognising the significant role of the built environment in global carbon emissions and climate change, I-RES is committed to achieving Net Zero Carbon by 2050. We acknowledge our responsibility to address the carbon impacts of our assets, encompassing embodied carbon and resident emissions beyond our operational control.

> **We have strategically invested in a well located energy efficient and sustainable portfolio of modern property assets with an average age of 15 years. Enabling our residents to save on energy costs in a period of structurally higher energy prices.**
>
> **Margaret Sweeney**
> Chief Executive



Our investment policy has been updated to incorporate climate and carbon considerations. We are developing a pathway to achieve Net Zero by 2050, focusing on enhancing the energy efficiency of our portfolio and sourcing energy from renewable sources. This approach aligns with the Net Zero framework outlined in the Better Building Partnership's Climate Change Commitment.

We continue to strengthen the foundations laid in previous years to advance towards Net Zero. A pivotal aspect of this progression was the development of a bottom-up Science-Based Target for our assets aligned to SBTi guidance. This is in line with our commitment to the 2015 Paris Agreement and Ireland's Climate Action Plan.

Energy and Waste Performance

We continually review and identify opportunities to either reduce or eliminate carbon emissions from our business activities. We monitor, benchmark and report on all available energy and waste data. Our monitoring program began in 2019. Since then, we have reported year on year reductions across our Scope 1 and 2 emissions on a like for like basis.

I-RES has expanded its data collection program to encompass Scope 3 emissions data. While we currently collect and report 100 percent of landlord-obtained energy data for wholly-owned properties under our management, we acknowledge that our Scope 3 emissions, stemming from resident activities beyond our control, constitute the majority of emissions. Monitoring these emissions is crucial for identifying carbon hotspots and tracking progress.

Understanding residents' energy use is integral to informing our Net Zero strategy. Higher carbon-intensive assets can be prioritised for for energy efficiency initiatives.

We are actively collaborating to receive 100 percent of the energy data in the future with our data gathering program.

Our sector must act swiftly to transform existing buildings and improve new developments if we are to limit emissions adequately. We take our responsibility in this regard seriously. By upgrading performance across our portfolio now, while pursuing both short and long-term emissions cuts, we aim to future-proof assets and lower climate risk exposure over time.

For Scope 2 performance of I-RES wholly managed assets, please refer to our 2023 ESG Report.

Disclosure on I-RES Offices Energy and Carbon Performance

The energy consumption and the associated carbon emissions at I-RES' offices has been analysed for 2022 and 2023 as reported below. Like-for-like consumption and intensities for both gas and electricity, and the associated GHG emissions, have all decreased between 2022 and 2023. Scope 1 GHG intensity fell by 59%, driven by a non-recurring reduction in consumption at I-RES Headquarters. Scope 2 GHG intensity fell by 16%, which reflects the ongoing energy saving initiatives implemented across all offices.

Energy and Carbon Performance

Metric	2022 Absolute and Like-for-Like Performance	2023 Absolute and Like-for-Like Performance	Year on Year Variance
Gas consumption (kWh)	104,952	42,538	(59%)
Gas intensity (kWh/m²)	107	43	
Electricity consumption (kWh)	221,469	186,623	(16%)
Electricity intensity (kWh/m²)	154	130	
Scope 1 GHG emissions (tCO_2e)	19	8	(59%)
Scope 1 GHG intensity ($kgCO_2e/m^2$)	19	8	
Scope 2 GHG emissions (tCO_2e)	64	54	(16%)
Scope 2 GHG intensity ($kgCO_2e/m^2$)	45	38	

Waste
Operational Performance Highlights for 2023

Like-for-like

354 tonnes

386 tonnes (2022)

Recycling Rate

26%

29% (2022)

Absolute

501 tonnes

543 tonnes (2022)

Diversion from Landfill

100%

100% (2022)

Figures are for assets directly managed by I-RES. Like-for-like waste decreased slightly between 2022 and 2023 and is likely to relate to I-RES' ongoing tenant engagement activities on waste awareness.

Nature Friendly Spaces

All-Ireland Pollinator Plan

We have actively championed the All-Ireland Pollinator Plan (AIPP) – a five-year initiative (2021-2025) dedicated to supporting pollinating insects, particularly bees and enriching biodiversity. Our AIPP commitment began with the introduction of pollinator gardens to our communal spaces in 2021, since then, we have extended our efforts to align all assets directly managed by I-RES with the AIPP. We are also partnering with our third-party managing agents to ensure the widespread adoption of AIPP initiatives.

This year our commitment to the AIPP took tangible form through various resident engagement events. These included planting days, an insightful webinar by AIPP, and a children's competition to design pollinator signs. These initiatives not only raised awareness but also garnered participation from many of our residents.

Our dedication goes beyond mere introduction; we have actively sought measurable impacts. The success of our engagement events in 2023 underscores our commitment to fostering environmental awareness within our communities. We strive to make a lasting positive impact on pollinator populations and contribute to the broader goals of biodiversity enhancement within our portfolio.

623 m^2

reserved for pollinator friendly flower beds

Pillar 2 Protecting the Environment

A summary overview of our key achievements in 2023 and our priorities for 2024 and beyond.

Objectives	2023 achievements
Climate Change Strengthen resilience to climate-related risks including the setting of long-term operational carbon reduction targets	↘ Reduced Scope 1 direct (driven by a non-recurring reduction in consumption) and Scope 2 indirect GHG emisisons (like for like) by 59% and 0.3% respectively. ↘ Completed a design study and trial for retrofits of heating systems, evaluating the feasibility of upgrading heat pumps at certain properties in our portfolio to improve energy efficiencies and costs ↘ Commenced the initial review of assets for water submeter installation for conservation insights ↘ Renewed Building Energy Rating (BER) certificates across the portfolio in compliance with regulatory expiration requirements to maintain energy performance transparency ↘ Expanded the due diligence checklist for acquisitions to assess key ESG criteria, including flood risk analysis, environmental site assessments, and sustainable land use factors
Environmental Management Enable the portfolio to make a measurable contribution to the environment, beyond legislative compliance	↘ Conducted walkability assessments for all properties to evaluate access to public transport, shops, restaurants, parks, and other amenities ↘ Pursued Wired Score digital connectivity certification for select buildings to validate digital connectivity infrastructure ↘ Expanded sustainability initiatives and transportation facilities, including solar panels, electric vehicle charging stations, and secure bike storage facilities ↘ Maintained 100% renewable electricity procurement for all common areas under direct management ↘ Completed a gap assessment of our current environmental management approach against ISO 14001 EMS standard requirements to inform potential future certification
Sustainable Supply Chain Minimise our environmental impact and deliver community benefits through better selection of products and services	↘ Formal supplier engagement program implemented requiring acknowledgment of I-RES ESG policies and code of conduct to ensure alignment – 50% of Tier 1 suppliers now aligned ↘ Incorporated sustainability criteria with weighted scoring into all tender processes to select suppliers committed to ethical practices and environmental standards ↘ Expanded supplier tender review metrics to include detailed questions on emissions, waste diversion performance, Diversity & Inclusion policies, and other ESG disclosures ↘ Received the Fitout of the Year award for the sustainable fitout of The School Yard

Priorities for 2024 & beyond

- Complete life cycle assessments for all properties to create data-driven net-zero carbon transition pathways tailored to each asset
- Set science-based emissions reduction targets over the next three years to align with our commitment to achieve Net Zero by 2050
- Implement pilot retrofit projects at select properties to demonstrate the viability of our decarbonisation measures, including heat pump upgrades
- Further embed emissions tracking and identify efficiency opportunities through technology use
- Incorporate the analysis of physical and transitional climate-related risks and opportunities into business processes and financial planning
- Collaborate with Irish Water to install metering and commence centralized water usage data collection for conservation

- Develop formal sustainable building operations policies and procedures covering issues like green cleaning, sustainable landscaping, and circular economy guidelines
- Expand green building certifications across our portfolio, where feasible
- Optimise energy and water efficiency in tenanted space through engagement campaigns and educational programs spotlighting conservation best practices
- Leverage building automation systems and smart controls to maximise efficient operations and meet strict internal sustainability KPIs
- Maintain zero waste to landfill status, increase % waste recycled and reduce contamination rates
- Identify opportunities to further enhance biodiversity and biophilic elements such as native plants, bird boxes, and natural materials
- Expand our formally documented environmental management system procedures aligned with ISO 14001 and continue leveraging the framework to guide project delivery

- Issue a supplier ESG questionnaire for existing partners focused on quantifying Scope 3 impacts, identifying emission reduction opportunities, and driving collective action towards documented science-based targets
- Conduct formal sustainability training sessions for top vendors to educate them on I-RES' ESG vision, priorities, and performance expectations as a client through a third-party training provider
- Establish responsible and sustainable procurement standards covering issues like materials selection, recyclability, recycled content, and circular design principles
- Integrate procurement under sustainable certification schemes where possible
- Proactively evaluate new products, technologies, and partnership opportunities to drive innovation and accelerate progress against our net-zero carbon and circular economy commitments

Building Communities

MAXIMISING SOCIAL IMPACT

I-RES are committed to the integration and wellbeing of all our residents and surrounding communities. All of our properties are strategically connected to public transit networks and proximity to local amenities, schools and workplaces. Investing in locations with robust connectivity and accessible local services has been a core principle of our investment policy.

We are dedicated to achieving customer service excellence and providing safe, secure, comfortable and high-quality homes and fostering vibrant communities for our residents. We ensure this is achieved through ongoing resident engagement, where we seek to understand and meet their needs.

Our Resident Promise

QUALITY

We are committed to delivering for our residents and stakeholders, and take pride in the quality of our service and the expertise of our team.

PEACE OF MIND

We appreciate the trust placed in us to provide and maintain safe homes. We also recognise our responsibility towards our stakeholders and hold ourselves to the highest standards on their behalf.

SUSTAINABILITY

We are committed to responsible business that minimises our environmental impact and maximises our contribution to the community.

SERVICE

We act with empathy and inclusiveness towards our residents, stakeholders and our team.

COMMUNITY

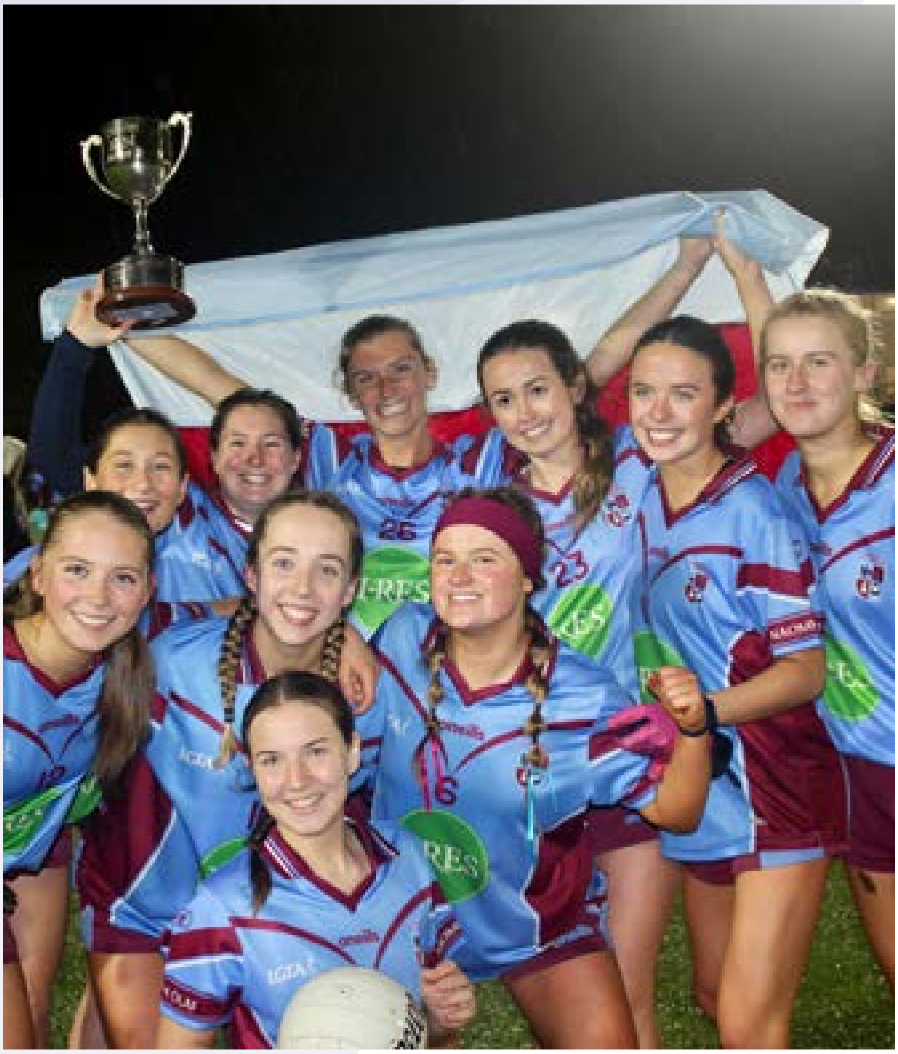
We work in an agile, innovative, responsive way to maximise social value for our residents and the business.

A well located and connected portfolio

We invest in well located assets that benefit from nearby amenities. We understand that our residents may work in hybrid or remote roles where their home is their workplace for part of the week. For this reason, during 2023, we invested in the expansion and enhancement of digital connectivity across our portfolio.

Sustainable and Inclusive Communities

We actively engage and contribute to the communities in which we operate through continuous collaboration and placemaking in our residences. This involves ongoing engagement with community groups, local business bodies, NGOs and sports clubs. Our stakeholder engagement programme has identified key groups within these communities where we can provide support throughout the year.



NAOMH ÓLAF GAA

I-RES has been a cornerstone sponsor of Naomh Ólaf GAA since 2017, an inclusive community club in Sandyford where I-RES provides 700 apartments. The club has a sustainability charter in place and a strong focus on community outreach which very much aligns with our own sustainability approach.

The partnership supports Naomh Ólaf in its mission to promote the health and wellness of its 2,600 members ranging from junior camogie players all the way through to Dublin County Senior.

Pictured: A winning Naomh Olaf's ladies football team

CITYWISE EDUCATION

This year we launched our partnership with Citywise Education in West Dublin. Citywise Education is an educational charity based in Tallaght, Dublin. It focuses on character-building, education and sporting programmes for children, with the aim of enhancing educational achievement in the areas where they operate.

Pictured: Meeting the Students at Citywise Education

BALLYFERMOT MEN'S SHED

As part of our programme we engaged the Ballyfermot Men's Shed - a local community group which forms part of a larger grassroots operation in Ireland who provide men with the opportunity to maintain and improve their wellbeing on their own terms and within their communities. The group built a large bug hotel for our Coldcut Park development which was installed during a resident engagement day at the development.

Pictured: Bug Hotel at Coldcut Park

Pillar 3 Building Communities

A summary overview of our key achievements in 2023 and our priorities for 2024 and beyond.

Objectives	2023 achievements
Customer Engagement Measure and maintain a high level of customer service and resident engagement ensuring positive social impact	↘ Successfully launched the I-RES Living resident mobile app with an 80% adoption rate among residents, and 85% willing to recommend the user-friendly platform ↘ Conducted customer service training for all property management staff to promote positive interactions and enhance the resident experience ↘ Amplified ESG Awareness through strategic partnerships such as Voice Ireland, to deliver key environmental initiatives and social impact program for residents ↘ Established a KPI dashboard for engagement participation rates, digital adoption, and event feedback to measure and improve programming success ↘ Hosted/organised ongoing resident programmes throughout the year, including workshops on well-being, education on energy conservation, and various community engagement activities to foster connection and support among residents
Community Engagement Social Impact Measure social value to ensure long term positive contribution to the communities where I-RES operates	↘ Provided donations, volunteering and active partnership support to numerous impactful community organisations and charities, including Naomh Olaf, Dragons at the Docks, and Co-operation Ireland

Priorities for 2024 & beyond

- Enance the I-RES Living app by adding new functionalities – such as waste diversion tools, promoting circular economy principles, community event listings, and fully integrating with the property management platform Yardi based on user feedback
- Create annual customer service improvement plans per findings from resident satisfaction surveys to continually advance and enhance the experience and exceed resident expectations
- Implement engagement initiatives informed by survey results featuring local neighbourhood-specific programmes, events, and app functionality additions
- Expand social impact data tracking across operations and assess methodologies for quantitative valuation to guide strategy

- Continue to cultivate formal partnerships with local charities and community groups to co-host educational events, fundraisers, and drives, amplifying our collective social impact
- Evaluate the feasibility of formal social value assessments like Social Return on Investment (SROI) analysis to benchmark and inform future community initiatives

CASE STUDY

The I-RES Living Platform

We fully embrace digital transformation within I-RES to drive innovation through technology and transform our business and the resident experience. Since 2022, we have strategically invested in the creation of I-RES Living, our unique vertically integrated operating platform.

I-RES Living combines market-leading technologies with our 95-strong team, alongside our country-leading local knowledge as the leading and most-experienced professional private residential landlord in Ireland. The I-RES Living Platform has already significantly transformed our operations and opens up further opportunities for the evolution of our digital transformation roadmap.

85%

Satisfaction Rate

A major milestone in 2023 was the launch of our I-RES Living mobile app and web portal across the whole portfolio. Within six months we had almost 80% coverage (at least one user per apartment) across I-RES homes and an 85% satisfaction rate.

For the business, the I-RES Living platform digitises many of our existing customer onboarding, relationship management and engagement processes, and also opens up opportunities for real digital transformation:

CLICK-OF-A-BUTTON COMMUNICATIONS

e.g., we now have almost 80% coverage (at least one user per apartment) on the I-RES Living mobile app – providing access to our services and latest updates at the touch of a button.

360 DEGREE VIEW OF CUSTOMER

e.g., a service request raised on the I-RES Living app can be handled directly by one of our in-house maintenance teams using a tablet, and the entire request is tied to our procurement and accounting processes and also recorded as part of the resident lifecycle. With the launch of our new website, we can track the end-to-end resident experience from initial contact to move-out.

REDUCED DATA ENTRY AND PAPERWORK FREES UP RESOURCES AND MINIMISES WASTE

- e.g., digital-based inspections & turnovers will deliver savings, with accuracy and speed as there is no more data re-keying - we are saving printing, handwriting, signing, and scanning individual attachments to units. These system improvements free up time for more value adding activities for the business and our residents.

SIMPLIFIED PROCESS FLOWS IMPROVES SERVICE LEVELS

e.g. automated bank reconciliation has replaced a huge ongoing and onerous task - providing more peace of mind for residents and improved collections data and reduced resource requirements for I-RES.

BETTER INFORMATION ENABLES BETTER DECISION-MAKING

e.g. increased efficiencies in reporting, more detailed information, means ability to generate more and better reports that our team can look at earlier – giving more time for analysis and decision-making.

ESG BENEFITS

These paperless & cloud-based systems also contribute towards Scope 1 emissions reductions and furthermore opens pathways to address our Scope 2 (utility) targets using other functionality within the Yardi system.

INTEGRATED SYSTEM

Combining datasets into one platform provides better insights, improves data integrity and enables more efficient processes.

GROWTH OPPORTUNITIES

It also creates specific opportunities to provide third-party services, and a capital-light property management model to scale our platform and grow our business.

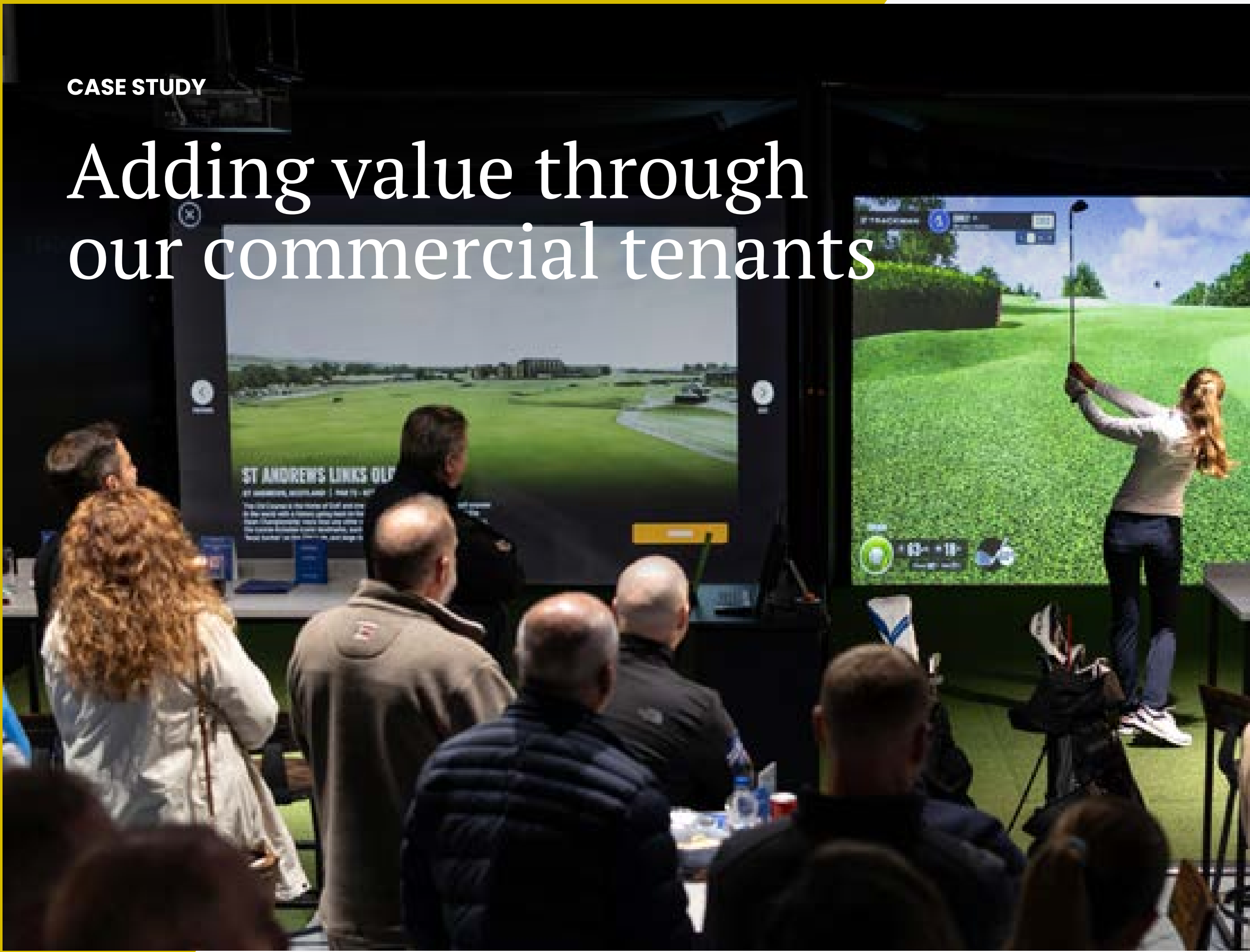
COUNTRY-LEADING SECURITY & COMPLIANCE

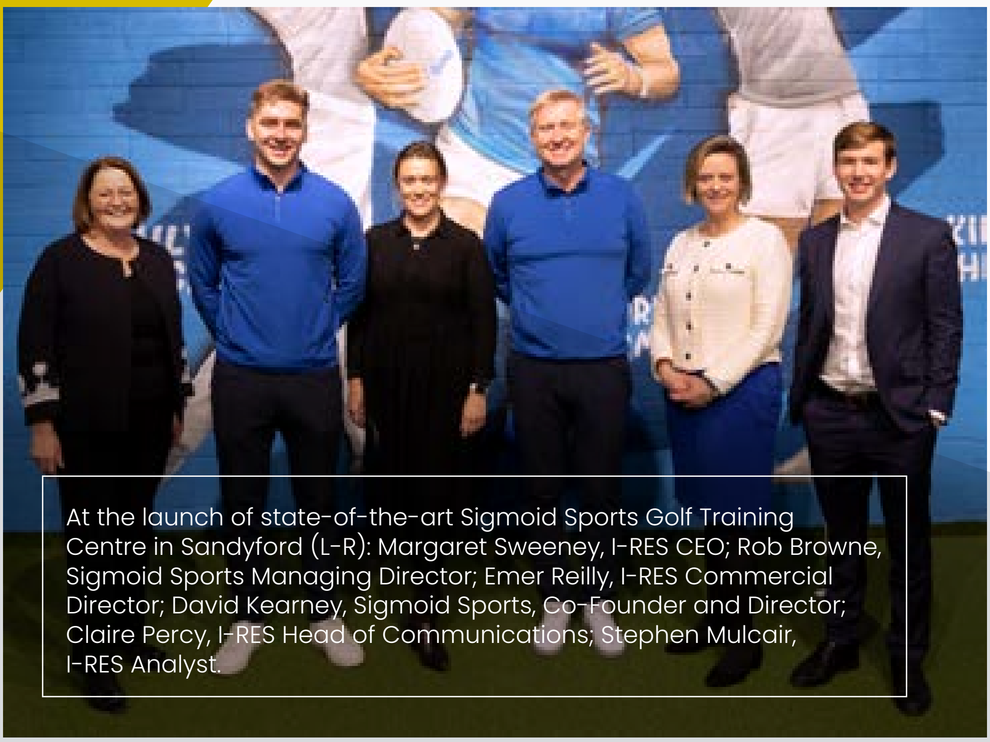
Management of our Residential Tenancies Act requirements is built into the system, while the resident application process streamlines new resident onboarding and ensures data security and GDPR compliance, reducing reliance on email and manual deletions of Personal Information.

The I-RES Living Platform has already significantly transformed our operations and opens up further opportunities for the evolution of our digital transformation roadmap

CASE STUDY

Adding value through our commercial tenants





At the launch of state-of-the-art Sigmoid Sports Golf Training Centre in Sandyford (L-R): Margaret Sweeney, I-RES CEO; Rob Browne, Sigmoid Sports Managing Director; Emer Reilly, I-RES Commercial Director; David Kearney, Sigmoid Sports, Co-Founder and Director; Claire Percy, I-RES Head of Communications; Stephen Mulcair, I-RES Analyst.

Alongside our residential portfolio, we operate 275,000 sq feet of commercial property, with 45 units across our portfolio, in attractive well-connected locations in established communities.

We work with a huge range of quality commercial tenants, adding great services and amenities to the communities where we operate. This year, we signed a number of new commercial tenants, including new food service outlets, a women's physiotherapy clinic and also Sigmoid Sports, a state-of-the-art Indoor Golf Centre in Sandyford.

Sigmoid Sports is an Irish athlete management and events company who entered into a long-term lease in Sandyford for some 3,000 sq. ft. at Beacon South Quarter. This followed a planning permission change from retail to leisure usage, enabling them to develop the indoor golf centre and ancillary retail outlet – an innovative use of an available space.

Sigmoid HQ operates an indoor golf centre that features a number of bespoke indoor golf simulators equipped with TrackMan technology, the world's leading developer of radar tracking technology for use in golf performance analysis. The space also includes; an indoor putting green delivered to top golf course standards, Sigmoid Apparel's first retail store, a Coffee Bar serving specialty coffee and a Performance Room which is available for physios, sports psychologists, coaches, dieticians etc. to rent on an hourly/daily basis. Sigmoid, who work with a number of professional golfers on the LPGA and Ladies European Tours, will offer customers - from beginners to elite players - the opportunity to have fun as well as improve their golf game, by booking simulators for personal use, attending golf classes, playing in golf leagues, or opting for custom golf club fittings.

The addition of Sigmoid HQ brings a new leisure and health amenity to the Sandyford District. It also builds upon I-RES' longstanding presence in the area. Here since 2014, I-RES has 700 apartments and several other commercial tenants in this area.

The transformation of this space into a unique, state-of-the-art indoor golf centre is a testament to the ambition of the teams involved, and we are proud to have partnered with Sigmoid HQ to deliver this new amenity to the Sandyford District. This new leisure destination will add to the area's footfall, supporting local businesses and the local economy as well as providing amenities for residents of the area and the wider region. In line with our strategy, we will continue to review opportunities to drive additional revenue streams from our portfolio that will deliver long-term value for the business.

I-RES team at Dragons at the Docks

CASE STUDY

Making a difference with Dragons at the Docks

DRAGONS AT THE DOCKS

Established in 2017, the annual Dragons at the Docks is a flagship fundraising event for the Irish property industry. Held annually in the Grand Canal area of Central Dublin, the event sees 60-80 teams of people from across the Irish real estate sector compete in dragon boat racing to raise vital funds for charity.

I-RES CONTRIBUTION

I-RES was a founding partner of this important event, and has been a cornerstone sponsor since its inception and has fielded a team of employees for every occasion.

€1.7 MILLION RAISED

Over the past 7 years, Dragons at the Docks has raised over €1.7 million for Dublin Simon Community, Aware, ALONE, ISPCC, Women's Aid and other charities.

SIMON COMMUNITY

During Covid, the Dragons pivoted to an online format which raised €100,000, but the in-person event has now resumed, and the 2023 event saw 750 participants in 68 teams across 7 sectors raising €250,000 solely for Dublin Simon Community.

"

Through six years of Dragons at the Docks, we have been able to provide homes for more than 50 people and families who have been through the trauma of homelessness. Our ultimate goal in Dublin Simon Community is to end homelessness and it is only with your support that we have been able to do this for these 50 people and families.

In 2023, a donation of €250,000 brings total donation to over €1.2million Funds raised this year will support Dublin Simon to acquire and develop up to 5 homes allowing more people to exit homelessness.

Using innovative funding models Dublin Simon can leverage donations to acquire homes. Under a new model, every €50,000 raised provides the initial funding required for Dublin Simon to acquire a further property.

In 2022, there were 715 adults and children living in our independent houses, an increase of 13% year-on-year. This would not be possible without the support of the Dragons At The Docks.

Catherine Kenny
CEO of the Dublin Simon Community

CASE STUDY

Developing future leaders with Co-Operation Ireland

At I-RES we are committed to supporting local communities and are delighted to partner with all island peace-building organisation Co-Operation Ireland on their Future Leaders programme.

Young Leaders Workshop

Co-operation Ireland works to build a shared and cohesive society by addressing legacy issues of the conflict and facilitating contact and collaboration between people from different backgrounds across these islands. Their programmes are primarily targeted at young people and marginalised communities which have experienced the worst impacts of the conflict. The Future Leaders programme, with which I-RES is involved, is an accredited leadership programme connecting emerging leaders and building the next generation of peacebuilders on the island of Ireland.

Each year, many of the I-RES team act as mentors and ambassadors with students of the programme, contributing skills and knowledge to the students via various workshops and activities. This mentorship also benefits the I-RES team from a personal development perspective through their engagement with participants.

In 2023 we worked with Co-operation Ireland to develop a 2-day intensive workplace immersion for a group of young leaders where, our employees provided the chance for the students to participate in a range of workshops, activities, offsite partner visits and interactions in an environment completely removed from the everyday and experience aspects of the corporate world and imagine what might be possible for their future.

RISK REPORT

The Board has reviewed the effectiveness of the risk management and internal control systems and is satisfied that they are operating effectively.

Risk Management Approach

Managing risk is an integral part of our business and a key to the successful long-term delivery of I-RES' strategic objectives. I-RES recognises that its ability to manage risk effectively continues to be central to its success. While our risk appetite is dynamic and can vary over time in general the Group maintains a conservative approach to risk appropriate to our overall strategic objective of delivering long-term sustainable value.

While the Board is ultimately responsible for risk management within the Group, it has delegated responsibility for monitoring certain key areas to Board Sub Committees as outlined in the table on page 75.

The Board has set out delegated responsibilities and procedures for the management of risk across the Group. The risk management process is designed to identify, evaluate, and respond to the significant existing and emerging risks that I-RES faces in pursuing its strategic objectives.

While risk can never be fully eliminated, the process aims to understand and appropriately manage and mitigate identified risks, and in that context therefore can only provide reasonable, but not absolute assurance that risks will not materialise.

In approaching risk management, I-RES actively looks to both manage risk exposure but to also ensure that we make the most of opportunities that arise from a dynamic and changing market environment.

The Board recognises the reality that it has limited control over many of the external risk factors it faces such as macroeconomic, geopolitical, political, or regulatory change. However, the Board does actively consider the potential impacts of such changes for the business and what consequential actions may be required.

The more internal facing risks are actively monitored by the Board to ensure that appropriately designed controls are in place and operating to manage them.

The Board carries out a review of the effectiveness of the Group's Risk Management and internal control systems at least annually. In addition, the principal risks are subject to review as part of the half-year reporting cycle. All risk commentary is subject to review and challenge by the Senior Leadership Team prior to discussion with and approval of the Audit Committee and the Board.

Further detailed commentary on the principal risks facing the Group which the Board have determined could impact the achievement of our strategic objectives, and any change in the profiles of those risks are set out from page 82.

The Groups consideration of viability and going concern are set out on page 80.

Governance, Risk Management and Internal Control Systems Overview

Governance Overview

Shown below is how responsibility for governance and risk management is cascaded down into the Group.

Board

The Board has overall responsibility for maintaining and monitoring the Group's system of risk management and internal control and assessing its effectiveness. Such a system is designed to identify, manage, and mitigate financial, operational and compliance risks inherent to the Group and allow the Group to meet its strategic objectives.

↓

Board Committees

Under its Governance Framework (page 102) the Board is supported by four sub-committees in discharging its duties. The Board relies on the Audit Committee to assist with certain responsibilities relating to internal controls, risk management and reporting. Refer to the Report of the Audit Committee on pages 112 to 119 for the procedures established by the Audit Committee to discharge these responsibilities.

↓

Management

Management within I-RES is responsible for designing, implementing, and operating an effective system of internal controls to identify, mitigate and manage key risks facing the Group and allowing it to meet its strategic objectives. All functions oversee risks in some respects in carrying out their day-to-day responsibilities.

Three Lines of Defence

The Group employs a three lines of defence approach to risk management in line with established best practices. This approach has been implemented to ensure there is clear ownership and delegation of responsibility for the management and oversight of risk throughout the Group.

The risk management framework informs strategic planning at both Group and Business area levels and includes climate-related risks.

1ST LINE

Management & Employees

Executive and Operational Management are responsible for risk identification, managing the internal control environment and monitoring changes in the risk profile.

2ND LINE

Risk & Compliance

Group functional teams ensure the first line is operating as designed, manage performance reviews and facilitate risk assessments. This includes Finance, Legal, Risk & Compliance and IT & Cyber Security.

3RD LINE

Internal Audit

Group Internal Audit along with other external assurance providers perform reviews which provide independent assurance over the operation of the internal control framework, risk management systems and governance processes.

Delivery of risk and control processes is supported by a combination of experienced personnel in key positions, clearly documented and communicated processes and procedures, and enabling technology to support operational delivery.

Entity Level Controls

- Board oversight of Management and financial, operational and compliance matters
- Experienced personnel and oversight established by Management
- Tone at the top
- Defined structure and clear lines of authority
- Communication and disclosure controls such as management meetings and compliance certifications

Policies and Procedures

- Corporate governance policies
- Code of Conduct and Employee Handbook
- Signing Authority and Delegation
- Policy governing day-to-day transactions and larger corporate initiatives
- Risk management and regulatory monitoring practices
- Investment decision policies, including due diligence policies and procedures
- Financial reporting and risk management processes
- Asset valuation procedures
- Operations policies and practices
- Information technology and security policies and procedures

Process Controls

- Preventative, detective and corrective financial, compliance and operational transaction level controls
- Information technology controls surrounding key financial and operational systems
- Establishing and monitoring budgets and business plans, including consideration of risk
- Monitoring of financial results and key operational, financial and compliance performance indicators (e.g., net asset value, net rental income, capitalisation rates, occupancy, average monthly rents, gearing and debt covenant compliance, revenue collectability and REIT status compliance)

The risk assessment and management process incorporates both a top-down and bottom-up evaluation to identify key risks that require to be actively monitored and mitigated. The output from this process is consolidated to determine the principal risks and uncertainties for the Group, which are subject to review and challenge by senior management prior to submission to the Audit Committee and Board for discussion and final approval. The results of this risk assessment process and a summary of the key and emerging risks in the risk register are reviewed with the Audit Committee and the Board on a quarterly basis. The risk assessment process and risk register also assist the Board in determining the Group's principal risks and uncertainties, which have been included on pages 82 to 91.

Key process owners are responsible for maintaining a risk register consisting of key strategic, operational, financial, compliance and regulatory risks impacting the Group along with associated mitigating controls.

Throughout the year, the risk management function meets with process owners to maintain the risk register and incorporate any changes to risks, including any new or emerging risks and mitigating factors or controls. This risk register and related assessments include content and discussion relating both to principal risks as well as other key business risks, including emerging risks. While emerging risks may not always become principal risks, they are identified and monitored throughout the year by process owners, since they may require actionable mitigation activities. In addition to discussion with process owners, the risk management function may also seek guidance from outside advisors in relation to certain inherent, external, technical, or emerging risks.

I-RES' Risk Management function is also responsible for assessing the Group's risks that require insurance and ensuring that adequate cover is procured to protect the Group from significant exposures. From time to time, I-RES' risk management function engages third party expertise to assist it in carrying out risk assessments and to provide risk advisory services, as well as in procuring optimal insurance coverage for the Group on the most cost-effective basis.

The Board is satisfied that I-RES' risk management function has the necessary authority, resources, expertise and access to relevant information to fulfil its role and is operating effectively as at the date of this Report.

The Group has established an internal audit function to assist the Audit Committee and Board assess the effectiveness of the Group's risk management and internal control systems. This role is currently outsourced to the professional services firm EY Ireland.

The mandate of the internal audit function includes auditing the design and operating effectiveness of key operational, financial and compliance related internal controls making up risk mitigation activities. The internal audit function has adequate authority and access to personnel, processes, and records to perform its work and meets with the Group's external auditor to discuss internal control and audit matters. Additionally, the Group's external auditor has access to the internal audit function's findings and reports.

Effectively managing Health & Safety risks is a priority

The internal audit function presents quarterly to the Audit Committee on its work related to the internal controls of the Group. The Audit Committee has direct access to the internal audit function through quarterly Audit Committee meetings, including in-camera sessions as required.

2nd and 3rd line oversight and challenge support the organisation in growing profitably, responsibly, and sustainably by challenging how the 1st line manages our risk exposures.

Furthermore, the Audit Committee plays a key role in assessing the annual internal audit plan proposed by the internal audit function and in reviewing any significant findings resulting from the audit work carried out under this plan.

In addition to the above, I-RES engages third party expertise, where needed, to assist in carrying out processes and to provide advisory services.

The Board has appointed two independent external third-party valuation firms to complete valuations of the property-related investments of the Group. Management reviews the assumptions and inputs used by the third-party valuation firms, as well as the results of their valuation process. Additionally, the Group has a rotation policy for its third-party valuation firms.

In respect of key IT infrastructure and Applications, I-RES utilises two recognised industry leading providers in Microsoft and Yardi to provide best in class, resilient cloud-based platforms to underpin our operations. In addition, specialist expertise is in place in the areas of IT and Cyber strategies, and operational management of the platforms, to support our internal team in assuring the confidentiality, integrity and availability of the Group's infrastructure and key systems.

Shown overleaf is an overview of the assurance activities undertaken within the Group that, taken together, provide assurance to the Board that the governance and control activities are operating effectively.

Considering the information on principal risks and uncertainties provided and the ongoing work of the Audit Committee in monitoring the risk management and internal control systems on behalf of the Board, the Board:

- is satisfied that it has carried out a robust assessment of the principal risks and emerging risks facing the Group, including those that would threaten its business model, future performance, solvency, or liquidity; and
- has reviewed the effectiveness of the risk management and internal control systems, including all material financial, operational and compliance controls (including those relating to the financial reporting process), and no material failings or weaknesses were identified.

SOURCES OF ASSURANCE FOR THE BOARD

BOARD OF DIRECTORS

Management Reporting

- Board Reports
- Annual Reports
- Management Reporting
- Periodic Reports

Board Committees

- Board delegates certain areas to key Committees while retaining overall responsibility
- Quarterly meetings with related reporting

Internal Control

- Outputs from established and stable internal control and reporting systems that are subject to a 3 lines of defense review
- Also includes reports from Internal (IFML) and external sources (BNP/valuers etc.)

Risk & Compliance

- Review and oversight of management's day to day responsibilities for adequate internal control, etc.
- Independent reporting to Board committees on any issues identified

External Auditor

- Annual interim review and final audit process with key focus on compliance with accounting reporting requirements and provision of a true and fair view
- Ensure independence of Statutory External Auditor

Internal Audit

- Review of key risk areas. Reporting on the annual work programme, follow up on remediation actions

Going Concern Statement

The Directors, after making enquiries, reviewing assumptions, and considering options available, have a reasonable expectation that the Company, and the Group have adequate resources to continue operating for at least 12 months from the date of approval of the financial statements.

For this reason, the going concern basis of accounting continues to be adopted in preparing the financial statements included in this Report. The Group's projected financial results and current position as set out in the statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows are rigorously tested by management and the Directors.

Sensitivity analysis has been applied to reflect the potential impact of some of the principal strategic and commercial risks of the Group, as described on pages 82 to 91. The principal strategic and commercial risks that were factored into the analysis were the economy, inflation, and regulation/legislation. Sensitivity analysis included stress testing for a decline in revenues to ensure the Group has sufficient cash resources to continue in operation for at least the next 12 months given the ongoing volatile macroeconomic and geopolitical landscape and its potential impact on the overall economy.

After reviewing assumptions about future trading performance, valuation projections, capital expenditure and debt requirements expected and the options available to it, the Directors have a reasonable expectation that the Group will have sufficient funds available to meet liabilities as well as other planned expenditures as they fall due in the foreseeable future. The Directors also considered potential business, credit, market, and liquidity risks, including the availability and repayment profile of bank facilities and other debt obligations, as well as forecast covenant compliance. Based on the above, the Directors continue to adopt the going concern basis of accounting for the preparation of the financial statements for the year ended 31 December 2023.

Viability Statement

Assessment of Prospects

The Group's current strategy is outlined from page 32. As outlined the Group has entered a Strategic Review to consider and evaluate all strategic options that may be available to maximise and unlock value for Shareholders. The Board remains committed to executing on its existing strategy of operational excellence, value maximising portfolio management, disciplined capital allocation, and sustainability whilst the Strategic Review is in progress and this is reflected in the Viability Assessment.

The Assessment Period

The Group's viability assessment includes the budget for the next financial year, together with a forecast for the following two financial years. Achievement of the one-year budget has a greater level of certainty and is used to set near-term targets across the Group. The achievement of the three-year plan is less certain than the budget but provides a longer-term outlook against which strategic decisions can be made. The Directors concluded that three years was an appropriate period for the assessment given that this is the key period of focus within the Group's strategic planning process, and it fits well with the Group's development cycle. The objectives of the strategic planning process are to consider the key strategic choices facing the Group and to build a consolidated financial model with various stress scenarios, considering the principal risks and uncertainties facing the Group.

The Assessment and Key Assumptions

Detailed financial forecasts are prepared and subjected to a rolling forecast process throughout the year. Subsequent years of the forecasts are extrapolated from the first year, based on the overall content of the strategic plan. Progress against financial budgets and key objectives is reviewed in detail monthly by the Group and shared with the Board on a quarterly basis. Mitigating actions are taken, whether identified through actual trading performance or the rolling forecast process. The key assumptions within the Group's financial forecasts include organic revenue growth supplemented by investment in acquisitions and development, supported by market trends, impact of inflation on our cost base, projected interest rates and valuation of our portfolio.

Assessment of Viability

The Viability assessment has considered the Group's profitability, capital values, LTV, cash flows and other key financial metrics over the period. These metrics are subject to sensitivity analysis, in which the underlying assumptions are flexed based on some of the principal risks of the Group, as described on pages 82 to 91 to reflect a comprehensive range of outcomes, particularly assessing the Group's REIT and financial covenants. Under the stressed scenarios, the Directors believe that the Company can mitigate for liquidity and cash flows by a reduction in discretionary capital expenditure, disposal of assets and deferral of future commitments. In addition, repair, and maintenance expenses and property management expenses, which are two significant components of the operating expenses are, to a certain extent, variable expenses that can be managed to reduce costs. The Group's LTV which is required to be maintained below 50% through its debt facilities and REIT legislation is impacted by changes in the valuation of our assets. Significant yield expansion could cause LTV to increase. The Company has the ability to recycle capital through asset disposals for the purpose of capital management and balance sheet management, as is outlined in the Business Strategy Section of the report on page 32 The Group is required to consider its debt obligations by the end of the assessment period, principally the RCF which matures in April 2026. For the purposes of the Viability Assessment, we have assumed that the RCF can be rolled on similar commercial terms to the current facility.

The Directors have assessed the viability of the Group over a three-year period to December 2026, taking account of the Group's current position and the potential impact of the principal risks. While the sensitivity analysis is hypothetical, the Group has control and mitigation measures. Our Operational Management team is responsible for risk identification in place to withstand or avoid potential unfavourable impacts under the scenarios, such as reducing non-essential expenditure, disposal of assets and deferral of acquisitions and development. Based on this assessment, the Directors have a reasonable expectation that the Group will be able to continue to sustain its operation and meet its liabilities as they fall due over the period to December 2026, and meet its financial covenants.

The Group has a strong balance sheet, with no near-term debt maturities, and currently has sufficient headroom on its RCF. In making this statement, the Directors have considered the resilience of the Group, its current position, the principal risks facing the business in severe but reasonable scenarios, and the effectiveness of any mitigating actions. The Directors also note that whilst a Strategic Review is underway, no outcome from this process has been determined that may have an impact on the assessment over the forecast period.

Principal Risks and Uncertainties

The Directors of the Company set out below the principal risks and uncertainties that I-RES is currently exposed to and that may impact performance under the existing strategic pillars as set out on pages 34 to 35. I-RES proactively identifies, assesses, monitors and manages these risks. The principal risks and uncertainties, along with their strategic impact on the business and mitigating factors, have been outlined below. I-RES has also provided its belief on how the risk has trended during the year ended 31 December 2023.

The risk management process is designed to identify, evaluate and respond to the significant existing and emerging risks that I-RES faces in delivering on its agreed strategy. The process aims to understand and appropriately manage and mitigate identified risks. As previously announced the Board is commencing a strategic review which will revisit the options available and possible changes to the future strategy of the organisation. It is expected that the currently identified risks will continue to be relevant to any future strategy. The output from the strategic review process once completed will be evaluated to identify any emerging key risks and uncertainties that might warrant inclusion in any future analysis of principal risk in I-RES.

Geopolitical Instability, Economy and Inflation ●●● ▲

Continuing heightened levels of global instability in economic and geopolitical arenas could lead to a general weakening of the Irish economy and increasing inflation. The ongoing conflict in the Ukraine, coupled with the recent escalation of the situation in Gaza continues to cause heightened global uncertainty with related macroeconomic impacts.

Of key concern are potential negative impacts on the Irish economy generally and on the residential property sector for the greater Dublin area in particular where the majority of our portfolio is located.

Strategic Impact

High ●●●

Reduced economic activity could have a negative impact on business performance, asset values and net rental income, which could affect cash flows going forward. In addition, inflationary increases in respect of input cost and payroll in excess of rent inflation would put downward pressure on NRI and earnings.

Mitigation Strategy

On an ongoing basis there is active monitoring of business performance, economic and macro environment reviews, and residential sector developments, with reports to the Board on a regular basis. The Board regularly considers the impact of the wider economic and macro-outlook and its impact on I-RES's strategy and budgetary processes. We continue to monitor the impact that changes in inflation and interest rates are having on our sector. I-RES's business is primarily focused on the greater Dublin area, which continues to be economically resilient. Demand for I-RES properties continues to far outstrip supply, with occupancy of 99.4% as at 31 December 2023, (99.4% at 31 December 2022). There is also strong continuing focus on active cost control within the day-to-day business operations. I-RES retains its strong financial position, with a robust balance sheet and ample liquidity. The business has entered into interest rate hedging arrangements in relation to its Revolving Credit Facility (RCF) which has resulted in 83% of I-RES's total drawn debt being fixed at 31 December 2023. I-RES has no debt maturities until April 2026 with laddering out to 2032.

Risk Trending Since 31 December 2022

Increasing ▲

The continuing level of global uncertainty, in particular in the European context around the economic implication of the ongoing conflicts in Gaza and Ukraine, continues to have knock-on impacts on key economic metrics thereby creating challenging market conditions both at a national and sectoral level. While inflation has slowed across the euro area the rate of inflation remains above the ECB target of 2 per cent which triggered another interest rate increase of 25 basis points by the ECB in September 2023. These continuing uncertainties are being reflected in impacts on the possible trajectory of key metrics such as interest rates, energy costs, and inflation levels and the continuing implementation of a conservative monetary approach by the Central Banks.

Operating cost pressures will continue to emerge during 2024 in response to existing inflationary pressures.

Strategic Impact			Risk Trending		
High	Medium	Low	Increasing	Stable	Decreasing
●●●	●●	●	▲	◀▶	▼

Regulatory and Legislative change

That material changes to key legislation, including tax and rent legislation has an adverse impact on the performance of I-RES.

In recent years, the REIT regime in Ireland has been amended and changes have been made to the applicable fiscal terms which have resulted in some diminution in the attractiveness of Irish REITs for international investors. In addition, the Department of Finance is currently conducting a wide-ranging review of the funds sector as part of its "Funds Sector 2030: A framework for Open, Resilient and Developing Markets Consultation" which is expected to report during 2024.

Strategic Impact

High

There is a continuing need for stability in relation to all aspects of the regulatory, policy and planning environment, to enable companies to accurately factor in the market backdrop in their investment and operational decision-making. There is currently a range of structural issues relating to the provision of housing which is resulting in a supply imbalance in the Irish market. The delivery of affordable residential housing remains a key challenge and there will continue to be a requirement for well capitalised companies who can both fund large scale developments and professionally manage these residential units upon completion.

Changes in policies or regulatory requirements can delay or prevent investment decisions, and impact on the attractiveness of Ireland as a preferred destination for domestic and international investment. Changes, in Government policies, can materially impact on sector performance. The industry currently faces an environment of increasing costs of financing and operation, while at the same time having legislative constraints on revenues. Also, if there are changes to tax policies and/or the tax treatment of I-RES's income, these may decrease the attractiveness of the Company as an investment to current or potential shareholders.

Also, as legislation changes, we may have to incur incremental costs to comply with new requirements, such as staff training, modification of procedures and technology systems, and consultations with professional advisors.

Mitigation Strategy

I-RES takes account of current regulations, rent legislation, as well as the wider economic environment, in considering its strategy, its investment decisions, expectations of financial performance and growth.

If any new legislation or regulations are under consideration the impacts are assessed and I-RES' strategy is adapted accordingly. When legislation is enacted, relevant staff will receive training and education in order to ensure compliance with regulations and legislation.

I-RES also monitors and manages costs keeping in mind any limitations on revenue growth.

I-RES engages a public affairs firm to advise in relation to these matters as well as actively participating in industry groups to ensure ongoing consultation and engagement with relevant authorities, regulators and government departments on significant policy and regulatory matters likely to impact on its affairs.

As part of its wider strategy, I-RES is actively engaged with the Irish Government and relevant departments and regularly contributes to material consultations relevant to the sector, such as the Department of Finance's Fund's Sector 2030 consultation, the outcome of which will be an important determinant for the future fiscal framework for Irish REITs.

Risk Trending Since 31 December 2022

Stable

There continues to be a significant supply constraint in the Irish housing market, coupled with increasing demand due to population growth and other demographic factors. In September 2021, the Government introduced a new housing policy to 2030, 'Housing for All – a New Housing Plan for Ireland', which is a multi-annual, multi-billion-euro plan to "improve Ireland's housing system and deliver more homes of all types for people with different housing needs". However, housing continues to be a significant political issue and the Government continues to look to identify measures to increase direct supply of social and affordable housing including in partnership with the private sector.

In addition, regulatory restrictions in Ireland imposing annual rent increases of no more than 2% since December 2021 continue to impact on I-RES' ability to increase rents despite high demand for properties continuing.

Investment and Asset Management ●●● ◀▶

At the core of our success is the need to effectively manage the investment and asset management activates we undertake.

Investment management involves the ongoing review and optimisation of the portfolio through targeted value adding acquisitions, development projects, (directly or through Joint Ventures) and disposals with the aim of maximising returns on the capital invested whether new funding or recycling of assets.

Asset Management comprises those activities involving maintaining and enhancing asset values through active initiatives in areas such as ongoing investment in the infrastructure to address key deliverables such as building maintenance and retrofitting and sustainability initiatives. These activities serve to deliver a best-in-class tenant experience to support revenue maximisation over time.

Investment assets may decrease in value or may require material unanticipated expenditures after acquisition because of unknown risks and conditions at the time of purchase, including structural deficiencies or non-compliances with building code.

Investment opportunities in an active growth pipeline are currently limited in the Irish Market and as a result I-RES may not grow its number of apartments relative to the past if there is a lack of development and acquisition projects. If growth opportunities are limited, it may impact I-RES's ability to generate growing returns for its shareholders.

Strategic Impact

High ●●●

I-RES may not meet its performance targets if it cannot continue to grow and optimise its overall portfolio, or if there are material cost overruns in excess of budget estimates for development or maintenance works, unanticipated delays in securing planning permissions or delays in timelines for construction works associated with new development or maintenance projects.

Poor decisions in either the investment or divestment of assets may impact on the overall value of the portfolio. Poor investment decisions may result in material unanticipated expenditures subsequent to acquisition.

Poor operational asset management may also result in negative impacts on the valuation and revenue generation capacity of the portfolio.

Mitigation Strategy

There is also ongoing focus on opportunities for recycling of assets where such projects are value enhancing through targeted divestments.

Where investments or divestments are under consideration the Group carries out financial, legal, operational, technical and environmental due diligence on every investment or divestment opportunity to determine it fits with the Group's stated investment policy.

Ongoing review is carried out of the anticipated current and future income expectations and operational costs associated with managing the assets.

The Board must approve material development opportunities prior to commencement and all material contracts are executed by the Board. The CEO and Board reviews and approves investment proposals for over €1m including consideration of risks during the due diligence process. A full review is completed in respect of the anticipated current and future income expectations and operational costs associated with acquiring and managing assets.

Strategic Impact			Risk Trending		
High	Medium	Low	Increasing	Stable	Decreasing
●●●	●●	●	▲	◀▶	▼

Investment and Asset Management continued

Mitigation Strategy continued	I-RES engages subject matter experts in conducting financial, legal, operational, technical, and environmental due diligence on every investment opportunity (both acquisitions and development projects) to determine it fits with I-RES' stated investment policy. I-RES has in place framework agreements with third party experts for conducting technical and engineering studies and investigations on potential acquisitions, developments, or forward purchase contracts as well as engaging specialist property lawyers to conduct legal due diligence and to advise on purchase and development contracts. Over the last two years, through the addition of new properties with high sustainability ratings, and the disposal of properties, individual units and non-income earning assets at or above book value and significantly above cost, I-RES has strengthened its balance sheet and the quality of the portfolio. I-RES is well managed and benchmarked across key cost metrics, including operational expenditure and general and administrative costs. I-RES maintains cost levels in line with its comparable European residential peers. I-RES continues to control costs, reflected in ongoing focus and initiatives to mitigate cost inflation, maximise revenues from the portfolio and to leverage its operating platform. Since 2022 I-RES, as a fully internalised and integrated residential business with a strong operating platform, has greater flexibility and is now in a better position to leverage a range of options for future growth and ensure it fully utilises and maximises a return on all its assets including its operating platform (which is now considered a strategic asset in its own right in this sector). However, there are clear sectoral issues with the current underlying economic challenges facing residential property developers that are significantly constraining the availability of an active pipeline of relevant development projects. These are driven by factors such as revenue constraints, escalating construction costs, increasing interest rates, accelerating inflation, ongoing planning challenges and constriction in the capital available to fund schemes.

Risk Trending Since 31 December 2022	**Stable** Completed assets at competitive cost continue to be in limited supply, and new supply continues to come online more slowly than expected. I-RES believe that growth opportunities will be there in the medium to long term for organisations with a strong balance sheet, access to capital and a proven record of successful acquisition and integration of new assets into a professionally run portfolio. However, in the short to medium term this impacts on current growth opportunities. I-RES has reduced exposure in respect of construction cost escalation as the only currently active project is the completion of the planned purchase of the last phase of the Ashbrook project. I-RES continues to monitor and adapt to impacts on the supply of construction labour and materials, both for development activity and any ongoing repair and maintenance related activity.

Access to Capital

The ability to access capital may become limited, which would impact the growth strategy of I-RES.

Strategic Impact	**Medium** If I-RES is unable to source debt financing at attractive rates or raise equity, it may not be able to meet its growth objectives through acquisitions and development or preserve its existing assets through maintenance or capital expenditures.
Mitigation Strategy	The CEO and CFO have developed relationships with lenders, both in Ireland and internationally, which provide ongoing financing possibilities for I-RES. The quality of the I-RES' property portfolio and the LTV target of 45% on total assets (particularly apartments) are attractive credit characteristics for potential lenders, which to date have facilitated the raising of debt financing. I-RES currently has a revolving credit facility of up to €500 million and Private Placement Notes of c.€200 million. I-RES invests in properties that generate a strong rate of return for its investors and, in turn, increases the attractiveness of its shares and dividends. I-RES actively manages its liquidity needs and monitors capital availability. Through pro-active capital management and maintenance of a robust financial position, I-RES has not needed to raise new capital nor place restrictions on, or withdrawals of, its dividend policy as a response to the recent challenging market environment.
Risk Trending Since 31 December 2022	**Stable** As at 31 December 2023 I-RES had drawn on its credit facility in the amount of €373 million and Notes Private Placement of c.€200 million. I-RES continues to monitor liquidity needs to ensure that future capital requirements are anticipated and met within the limits of its leverage thresholds. Based on its financial position and performance, as well as its relationships with lenders and current and potential investors, I-RES has the ability to access capital should the underlying fundamentals and current financial obligations support the business case.

Strategic Impact			Risk Trending		
High	Medium	Low	Increasing	Stable	Decreasing
●●●	●●	●	▲	◀▶	▼

Cost of Capital, Interest Rate Increases and Loan to Value Ratio

A fundamental facet of I-RES' business relates to the cost of capital it deploys and its leverage level. Interest rate increases and/or property valuation decreases, result in higher debt service costs and restriction of future leveraging opportunities due to its regulatory requirement to maintain LTV below 50%.

Strategic Impact

Medium

I-RES is exposed to risks associated with availability of capital (equity and debt) and movements in interest rates on its floating rate bank debt, as well as movements in property valuations.

Significant increases in interest rates and the cost of equity, could affect I-RES' cash flow and its ability to meet growth objectives or preserve the value of its existing assets. Elevated interest rates clearly represent a significant downside risk as it impacts both on the costs of existing borrowing, the cost of raising new funding and the viability and return available from new opportunities in the market.

Additionally, property valuations are inherently subjective but also driven by market forces. A contraction in property values could make I-RES too highly geared, which could result in higher interest costs and potential covenant breaches.

Mitigation Strategy

I-RES has a proven record of strong financial results. Strong results, combined with being in a residential industry with a strong underlying market, helps manage our ability to meet shareholders' expectations and thus, the cost of equity.

As noted in the access to capital heading I-RES has developed strong relationships with lenders, both in Ireland and internationally, which provide ongoing financing possibilities for I-RES.

I-RES's revolving credit facility is €500 million with the interest margin fixed at 1.75%, plus the one-month EURIBOR rate. On 11 February 2022, I-RES exercised an option for an extension of the entire facility with the new maturity date of 18 April 2026.

I-RES completed a private placement of Notes of circa €200 million equivalent in March 2020, with a weighted average fixed interest rate of 1.92% inclusive of swap costs. The Notes have a laddered maturity over six, nine, and eleven years, with the first repayment due in 2027. As of 31 December 2023, I-RES has c.€7 million of cash and €127 million of committed undrawn debt under its Revolving Credit Facility. I-RES maintains an active programme of engagement with its debt and equity providers, including an ongoing Investor Relations programme.

I-RES's net loan to value ratio was 44.3% as at 31 December 2023, below the 50% maximum allowed under the Irish REIT rules and the financial covenants under I-RES's debt agreements. I-RES also manages its headroom on its interest coverage ratio.

I-RES closely monitors property values by updating its property valuations twice annually using two independent property valuation firms.

Risk Trending Since 31 December 2022

Increasing

Capital markets in the early part of 2024 continue to be constrained in terms of overall liquidity.

Late 2022 and 2023 saw a succession of interest rate increases by central banks across the world to address rising inflation. This included the European Central Bank who raised their rates for the first time in 11 years. While there are some positive indicators that the level of volatility may be stabilising given the continuing uncertainty the risk of further increases continues to persist.

The valuation of the portfolio as at 31 December 2023, when compared to year end 2022 has decreased, driven by the successful completion of our asset disposal programme, whilst yield expansion has resulted in fair value adjustments to the portfolio. A fair value loss has been recorded in the year ended 31 December 2023 which has negatively impacted the loan to value ratio. The decrease in valuation is due to a softening of yields particularly driven by the previously mentioned interest rate increases.

Cybersecurity and Data Protection ●●▲

Failure to have in place appropriate cyber security and data governance frameworks and arrangements, both internally and with its service providers, could result in the Group's data being subject to a cybersecurity attack leading to disruption of service and / or loss of confidential commercial or personal information.

Strategic Impact	**Medium** ●● Failing to have in place and comply with appropriate cyber security data protection requirements and practices could lead to outcomes such as disruption of service unauthorised access to data and possible fraudulent activities surrounding confidential/non-public business information or personal data, particularly that belonging to I-RES's residents. This could result in direct losses to stakeholders, penalties to I-RES for non-compliance, potential liability to third parties and reputational damage to I-RES. Inadequate security on systems by IT providers could result in cybersecurity breaches.
Mitigation Strategy	I-RES continues to monitor for threats posed from the external cyber risk landscape, and to invest in our controls around information technology. As part of the internalisation process, there has been a significant focus on cyber capability and IT resilience, with the development of an enhanced Cyber Security Framework during 2023. This framework forms the basis for future iterations of I-RES's Cyber Strategy. I-RES is responsible for data privacy and protection as a data processor and remains adaptable either itself or through its sub processors to ongoing technological and legislative change. Employees receive regular awareness training on cybersecurity, privacy, and data protection. Access to personal data is controlled through physical measures (e.g. locked offices and storage locations, alarm monitoring, cameras), administrative measures (e.g. data minimisation, data retention policies, data destruction practices, and audits) and IT security measures (e.g. password protection, firewalls, antivirus software, intrusion detection and encryption). Cyber security personnel and third-party consultants/advisors are engaged where required, to assist with assessing the IT environment and cyber risks. I-RES maintains cybersecurity insurance coverage and continues to monitor and assess risks surrounding collection, processing, storage, disclosure, transfer, protection, and retention/destruction practices for personal data.
Risk Trending Since 31 December 2022	**Increasing** ▲ As technological change has occurred at a rapid pace, the inherent risks surrounding cybersecurity and data protection have also evolved and continue to evolve at an equally rapid pace. European Union Data Protection legislation (e.g., General Data Protection Regulation and ePrivacy) is increasing in prescriptiveness, obligation, and administration. Additionally, issues such as vendor risk complexities, and phishing and social engineering attempts continue at an accelerating pace due to criminal online "business models" focusing on high volume/quick hit ransomware deployment and basic financial fraud via wire transfer. While the external risk is both dynamic and constant, I-RES continues to implement industry recommended practices to mitigate key cyber and information risk areas.

Strategic Impact			Risk Trending		
High	Medium	Low	Increasing	Stable	Decreasing
●●●	●●	●	▲	◀▶	▼

Regulatory and Legal Compliance

The ability to access capital may become limited, which would impact the growth strategy of I-RES.

Strategic Impact	**Low** Potential breaches of laws and regulations could result in litigation or investigations, the imposition of significant fines, sanctions, loss of REIT status, adverse operational impact, and reputational damage.
Mitigation Strategy	There is proactive monitoring of I-RES's compliance with the rules and regulations across key areas of activity, including the REIT rules and Tax legislation. This includes an independent tax review of compliance with the REIT rules. The results of these compliance reviews are reported to senior management, the Audit Committee and the Board on a quarterly basis, at a minimum. Within the business there are legal, risk and compliance personnel who monitor both compliance with current requirements and any impending or emerging changes in rules and regulations or tax policies that may impact on the organisation. There is ongoing monitoring of I-RES's compliance with the rules and regulations affecting I-RES status and regular reviews of how I-RES's planned operations may impact compliance with these rules. The results of these compliance reviews are reported to the Board on a quarterly basis, at a minimum.
Risk Trending Since 31 December 2022	**Stable** I-RES does not believe the risk of non-compliance has changed from last year and the Audit Committee continues its review and monitoring as well as taking expert advice when necessary.

Environmental Sustainability

Failure to respond appropriately and sufficiently to environmental sustainability risks or failure to benefit from the potential opportunities could lead to adverse impact on reputation, property values and shareholder returns.

Strategic Impact	**Medium** There is an increasing exposure to environment and climate-related risks across the portfolio. The environmental risks/opportunities include, but are not limited to, management of resource use (energy, water), waste disposal, material sourcing and use, greenhouse gas emissions and other impacts from operating, maintaining and renovating our properties. The climate-related risks/opportunities include, but are not limited to, more extreme and volatile weather events, changes in regulations or government policies, reputation management, market demand shifts, developing technology and investor pressure and expectations.
Mitigation Strategy	I-RES places building a sustainable business at the heart of its strategy, providing and operating a modern residential asset portfolio with high sustainability features (I-RES delivered Ireland's first LEED Gold residential apartment building in 2022). I-RES also embraces social impact and building communities into its day-to-day operating plans as well as close liaison with key stakeholders and has been making significant strides on its carbon reduction programme. This strategy has supported the resilience of the business including during the COVID pandemic as well as ongoing uncertainties due to inflation, energy crises and consumer stress from macro-economic movements. The Board of I-RES has in place a sustainability committee (the "Board Sustainability Committee") which among other duties is responsible for developing and recommending to the Board the ESG strategy, policies, risks, targets, and investment required to achieve the approved ESG strategy. Additional working groups have been established to drive management, and asset level ESG strategy and monitor environmental and sustainability metrics. There is active engagement between the working groups and the Board. I-RES produces an ESG Report annually with key data and performance points which are externally assured and has recently completed a materiality assessment, a key tool to deliver on its multi-year ESG strategy. There is ongoing monitoring of both supply and demand for rental apartments in operating areas where I-RES' investment properties are located, with reporting on key metrics around investment performance and risk, as well as compliance with I-RES' stated investment policy, on a quarterly basis to the Board.
Risk Trending Since 31 December 2022	**Stable** I-RES and the Board continue to monitor the organisation's environmental sustainability performance and mitigating actions and will continue to monitor for changes to legislation, regulation and policy impacting environmental and sustainability issues. Additionally, I-RES benchmarks its environmental, social and governance (ESG) reporting against industry benchmarks.

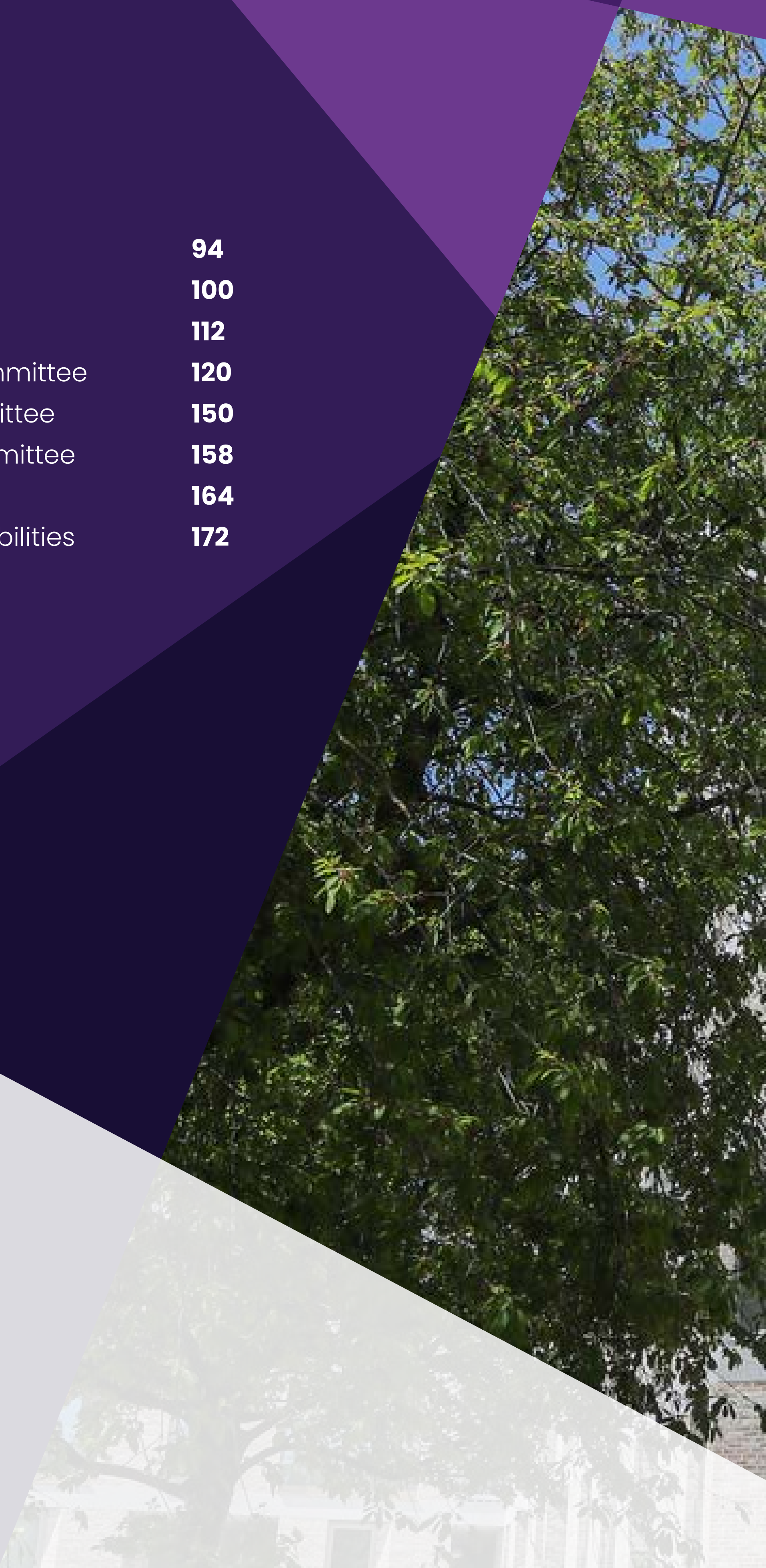
Strategic Impact			Risk Trending		
High	Medium	Low	Increasing	Stable	Decreasing
●●●	●●	●	▲	◀▶	▼

Major Safety, Health or Environmental or Asset Loss Incident

Failure to respond appropriately to a Major Safety, Health, Environmental incident or to the loss of a material asset leading to adverse impact on reputation, property values and shareholder returns.

Strategic Impact	**Medium** Failure to respond appropriately to a major site-based incident and in particular, failure to identify, mitigate and/or react effectively to a major health, safety, or security incident, leading to: ↘ Serious injury, illness, or loss of life ↘ Delays to major building projects ↘ Access restrictions to our properties resulting in loss of income ↘ Inadequate response to regulatory changes ↘ Reputational impact Could result in impacts in terms of loss of income, impact on share price, loss of stakeholder confidence and criminal/civil proceedings.
Mitigation Strategy	Health and Safety is a core consideration in all management activity and the protection of the health and safety of our tenants, staff and the public are an area of continual focus. I-RES complies with relevant regulation in particular in key areas such as fire safety and housing standards. The operations team is staffed by experienced industry professionals who are based on site at the locations they are responsible for. In addition to ongoing monitoring of our sites, procedures also include an annual safety assessment at letting unit level. This team is also supported where necessary by specialist contractor suppliers in respect of the ongoing maintenance of our sites. There is also ongoing engagement on Health and Safety issues with Owner Management Companies ("OMC's") and Managing Agents on sites not managed by I-RES. All sites are fitted with fire detection systems which are subject to ongoing monitoring and quarterly testing. Emergency response arrangements are in place as part of the business continuity and crisis management framework and are aligned to best practice procedures. Test exercises are undertaken and lessons learned reviews completed both on those exercises and any actual incidents that arise from normal operations.
Risk Trending Since 31 December 2022	**Stable** I-RES has a proven record of the successful management of its portfolio of properties over an extended period. With successful completion of the internalisation process all elements of this activity are now within the direct control of I-RES. The safe management of our sites in compliance with relevant regulations and requirements remains a key and ongoing priority for the organisation.

Governance



Tara View,
Dublin 4

64

Residential Units

BOARD OF DIRECTORS

Hugh Scott-Barrett

Independent Non-Executive Director and Chair

Independent	M&A
Real Estate	Corporate Finance
Financial Expert	Committee Chair Experience
Governance	Executive Management Experience
Regulated Entities	Asset Management
Capital Markets	Sustainability

Appointed to the Board 29 September 2022
Appointed Chair 23 February 2024

Committees
Renumeration Committee, Nomination Committee

Skills and Experience
Hugh has significant board experience across real estate, asset management and banking. He was until 23 February 2024 a Non-executive Director and Senior Independent Director on the Board of Balanced Commercial Property Trust Limited, a FTSE250 UK listed REIT. He was Non-Executive Chairman at the UK specialist property REIT Capital & Regional plc, having previously served as Chief Executive Officer of the company for nine years as well as roles held as a Member of the Board of Directors of GAM Holding AG and Non-Executive Director Goodwood Estate Company Limited.

Hugh was previously a member of ABN AMRO's managing Board serving as Chief Operating Officer and Chief Financial Officer and before that worked at SBC Warburg and Kleinwort Benson.

Hugh holds a BA in Modern History, University of Oxford.

Significant External Appointments
None

Nationality: British

Margaret Sweeney

Executive Director and Chief Executive Officer

Governance	Financial Expert
Public Company Boards	Risk Management
Capital Markets	M&A
Committee Chair Experience	Sustainability
Real Estate	Regulated Entities
Government Relations	Irish Market Experience
Public Sector	

Appointed to the Board 23 March 2016
Appointed as CEO 1 November 2017

Margaret Sweeney will not seek re-election to the Board at the Company's Annual General Meeting to be held on 2 May 2024

Committees
Sustainability Committee

Skills and Experience
Margaret brings to the Board a wealth of strategic, commercial, M&A, real estate and public company experience. Margaret is a proven business leader with significant CEO experience across a range of industries. She previously led DAA Plc and Postbank Ireland Limited as CEO. She is an advisory board member of EPRA, a Chartered Director and Chartered Accountant with 15 years spent at KPMG, including as a Director of Audit and Advisory Services. She served as Chair of Irish Institutional Property, until December 2023, supporting active engagement with Government, policy makers, regulators and key stakeholders in Ireland. Margaret also has prior experience operating in the regulated fund (including AIFMs) sector holding Central Bank of Ireland approved roles within the funds industry. She served as a non-executive director on the board of Dalata Hotel Group plc until April 2023.

Significant External Appointments
- Non-Executive Director of Bank of Ireland Group plc and the Court of Directors of The Governor and Company of the Bank of Ireland.

Nationality: Irish

Brian Fagan

Executive Director and
Chief Financial Officer

Real Estate	Risk Management
Development	Corporate Finance
Financial Expert	M&A
Internal Control	Regulated Entities
IT	Irish Market Experience

Appointed to the Board and as CFO 11 April 2022
having acted as Finance Director since 26 April 2021

Committees
None

Skills and Experience
Brian brings to the Board extensive commercial and financial experience, having worked at board director and senior executive level in private and public companies across a variety of industries including property investment and development, healthcare manufacturing and distribution, oil and gas importation and distribution, agribusiness and manufacturing.

He has significant international property development experience, having spent seven years as chief financial officer of Island Capital an international real estate-oriented investment company and sixteen years as group finance director of Ballymore Group, an international property development and investment group with operations in Ireland, the United Kingdom and continental Europe. Prior to that, he worked for DCC plc and as Finance Director for Flogas plc.

Brian also has experience in the regulated funds sector having previously held Central Bank of Ireland approved roles. He is a Chartered Accountant and holds a B.COMM and a post-graduate Diploma in Professional Accounting from UCD.

Significant External Appointments
None

Nationality: Irish

Declan Moylan

Independent
Non-Executive Director

Independent	Foreign Direct Investment
Governance	Government Relations
Public Company Boards	Real Estate
Committee Chair Experience	Corporate Finance
M&A	Irish Market Experience

Appointed to the Board 31 March 2014
Appointed as Chairman 31 March 2017
Stepped down as Chairman 23 February 2024

Declan Moylan will not seek re-election to the Board at the Company's Annual General Meeting to be held on 2 May 2024

Committees
Nomination Committee (Chair), Remuneration Committee

Skills and Experience
Declan brings to the Board a wealth of legal, international and public company board expertise. His areas of expertise include real estate, finance and government relations. He is a solicitor (admitted in Ireland, England and Wales) and is a former Managing Partner and Chairman of Irish law firm Mason Hayes & Curran. He has significant chair and board leadership experience in commercial and not-for-profit organisations with extensive fund experience from current and previously held Central Bank of Ireland approved roles within the funds industry.

Significant External Appointments
- Chairman of Corum Butler QIAIF ICAV, an investment fund regulated by the Central Bank of Ireland focused on real estate assets across the eurozone.
- Non-Executive Director of Nitro Software EMEA Limited a subsidiary of a public company listed on the Australian Securities Exchange in 2019.
- Non-Executive Director of Monster Energy Limited, a subsidiary of a public company listed on NASDAQ.

Nationality: Irish

Denise Turner

Independent
Non-Executive Director

Independent	Irish Market Experience
Real Estate	Regulated Entities
Capital Markets	Risk Management
Financial Expert	

Appointed to the Board 4 May 2023

Committees
Audit Committee, Renumeration Committee, Nomination Committee

Skills and Experience
Denise has significant international experience across property acquisition, investments, valuations, rent reviews and asset sales. She spent 3 years as Head of Asset Management Ireland at KanAm Grund REAM GmbH & Co.KG, a privately managed, German based real estate investment specialist with current assets under management in excess of €6 billion. Denise spent 20 years with Savills Ireland, including 11 years as Director of Savills Commercial (Ireland) Limited with responsibility for risk, strategy and operations.

Denise is a Chartered Surveyor in Ireland and the UK and has a BSc in Property Economics and a post graduate Diploma in Company Direction from the Institute of Directors.

Significant External Appointments
None

Nationality: Irish

Joan Garahy

Independent Non-Executive Director and Senior Independent Director

Independent	M&A
Senior Independent Director	Pensions, Investments and Remuneration
Governance	Regulated Entities
Public Company Boards	Entrepreneur
Capital Markets	Sustainability
Committee Chair Experience	Irish Market Experience
Financial Expert	

Appointed to the Board 18 April 2017

Committees
Renumeration Committee (Chair), Nomination Committee

Skills and Experience
Joan brings a wealth of experience as a director of public companies and non-profits with extensive governance experience and knowledge of remuneration matters in a global context gained over the last decade. She has served as an Independent Non-Executive Director for approximately 7 years and was recently selected as the Senior Independent Director. She chaired the Audit Committee from 2017 to 2023 and has been Chair of the Remuneration committee since the AGM in 2023.

Joan has significant financial services and investment experience having spent over 30 years advising on and managing investment funds. Joan's executive career included roles as a personal financial planner, equity analyst, fund manager and head of research and she held leadership roles in the investment and pensions industry including with ClearView Investments & Pensions, the National Treasury Management Agency (Ireland), Hibernian Investment Managers and Goodbody Stockbrokers. She is a former member of the Board of Kerry Group plc, where she held the positions of Senior Independent Director, Chair of the Remuneration Committee and a member of the Audit Committee.

She is a Qualified Financial Advisor, a registered stockbroker with an ACCA Diploma in Accounting & Finance and a Masters of Science, UCD.

Significant External Appointments
- Non-executive director of ICON plc, Chair of the Compensation & Organisation Committee, Member of the Nominations & Sustainability Committee.
- Non-executive director of IPB Insurance CLG, Chair of the Audit Committee, Member of the Remuneration Committee, Member of the Investment Committee, Member of the Sustainability Committee.

Nationality: Irish

Phillip Burns

Non Independent,
Non-Executive Director

Governance	M&A
Public Company Boards	Regulated Entities
Real Estate	Restructuring
Financial Expert	Development
Capital Markets	Entrepreneur
Corporate Finance	

Appointed to the Board 23 March 2016

Committees
Sustainability Committee

Skills and Experience
Phillip has extensive senior executive experience with significant knowledge of real estate and investments. He is the founder and a principal of Maple Knoll Capital, a real estate principal investor, sponsor and investment manager. He was CEO and a trustee of European Residential Real Estate Investment Trust (ERES) (TSX:ERE.UN), an unincorporated, open-ended real estate investment trust, a position he held as an employee of CAPREIT LP, which is the majority unitholder of ERES. ERES is Canada's only European-focused residential REIT with a portfolio comprised of approximately 7,000 residential units in the Netherlands.

Phillip was CEO of Corestate Capital, an investment manager focused on distressed real estate transactions in Europe. Prior to this, he was a Managing Director at Terra Firma Capital Partners, where he specialised in infrastructure, real estate and credit.

Phillip spent his early career with Goldman Sachs, where he focused on mortgage finance, real estate and general corporate finance, and Skadden Arps, where he worked as a corporate attorney.

Phillip holds a Bachelor of Science in Aerospace Engineering, University of Michigan; and a Juris Doctor, summa cum laude, Syracuse University.

Significant External Appointments
None

Nationality: American & British

Stefanie Frensch

Independent
Non-Executive Director

Independent	Financial Expert
Real Estate	Regulated Entities
Governance	Internal Control
Public Company Boards	Development
Capital Markets	Sustainability

Appointed to the Board 1 July 2021

Committees
Sustainability Committee (Chair), Audit Committee

Skills and Experience
Stefanie has extensive board and senior executive experience in real estate. She is currently a member of the Management Board of Becker & Kries Holding, a German family office with significant real estate investments including 6,000 residential units and approx. 350k sqm commercial space.

Stefanie was a member of the Supervisory Board of Alstria Office REIT, an investment trust listed in MDAX. She was also formerly a member of the Management Board of Howoge Wohnungsbaugesellschaft GmbH, the municipal housing association in the federal state of Berlin, with 60,000 apartments under management, from 2011 to the beginning of 2019.

Stefanie has extensive ESG experience. She is a director of a number of associations, including ZIA (the leading professional association of the German real estate sector), where she is Chair of the CSR and Sustainability Committee, ICG (Institut für Corporate Governance) a German Institute in the Real Estate Industry with a specific focus on social impact, compliance and corporate governance.

In her early career, Stefanie was a partner of EY Real Estate and advisory services.

Stefanie is an Engineer and Architect.

Significant External Appointments
- Non-Executive Director of Hapimag AG, a Swiss company operating high quality sustainable holiday apartments.
- Member of the supervisory Board of the Berlin Zoo (Zoologischer Garten).

Nationality: German

Tom Kavanagh

Independent
Non-Executive Director

- Independent
- Restructuring
- inancial Expert
- Real Estate
- Corporate Finance
- Sustainability
- Committee Chair Experience
- Irish Market Experience
- M&A

Appointed to the Board | June 2018

Committees
Audit Committee (Chair), Sustainability Committee

Skills and Experience
Tom brings to the Board a wealth of experience in professional practice having served as partner at Deloitte Ireland. He has wide-ranging experience in professional practice as a business adviser, corporate restructuring expert and insolvency practitioner. His practice included advising on the restructuring of large portfolios of distressed Irish property assets.

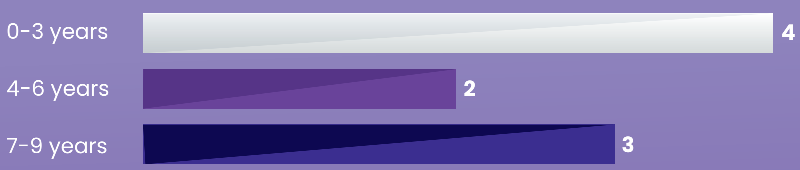
Tom has extensive board experience, having served as a director on the boards of a number of private companies and was a member of the board of the Credit Union Restructuring Board (REBO).

He is a Chartered Accountant by profession and his executive education includes Value Creation through Effective Boards in Harvard Business School/IESE in 2019 and Sustainability Leadership in Cambridge University in 2020.

Significant External Appointments
- Chair of Chapter Zero Ireland, a community of Non-Executive Directors that lead Irish boardroom discussions on the impacts of climate change.

Nationality: Irish

BOARD TENURE
as at 31 December 2023



BOARD OF DIRECTORS NATIONALITES
as at 31 December 2023

BOARD OF DIRECTORS AGE DEMOGRAPHICS
as at 31 December 2023

Priorsgate,
Tallaght

108

Residential Units

CORPORATE GOVERNANCE REPORT

On behalf of the Board, I am pleased to present the Corporate Governance Report for the year ended 31 December 2023. This report describes our governance arrangements, the operation of the Board and its Committees, and how the Board discharged its responsibilities during 2023.

The focus of the Board during 2023 from a governance perspective was on overseeing the management of the Company through the volatile macro-economic conditions while also arranging for a smooth transition to the new Chair and CEO. In addition, we focused on optimising the systems, technology and governance framework for the Company.

There were a number of Board and Committee changes during 2023. Denise Turner joined the Board with effect from 4 May 2023 and became a member of the Audit, Remuneration and Nomination Committees. Denise brings a wealth of real estate experience, which complements the wider European and listed real estate expertise of our other Board members. Biographical information about Ms Turner is included on page 96. As previously announced, Aidan O'Hogan stepped down from the Board following our AGM in May 2023. Joan Garahy succeeded Mr. O'Hogan as Senior Independent Director and Chair of the Remuneration Committee stepping down from her role as Chair of the Audit Committee. At the same time, we took the opportunity to review the membership of our Committees to ensure that our new and existing Board members experience and expertise were being best leveraged. Further details on the Committee changes which took effect during 2023 are set out on on page 150 in the Nomination Committee Report.

I am grateful to shareholders for understanding the desirability of balancing continuity in stewardship and avoiding changing both the Chair and the Senior Independent Director at the same time in 2023. I stated in the 2022 Annual Report and at the 2023 AGM, that I would be stepping down as Chair at the latest at the AGM in 2024. On 11 January 2024, the Board announced its decision to appoint Hugh Scott-Barrett to succeed me, as Chair of the I-RES Board, with effect from the publication of the Company's 2023 results on 23 February 2024. As previously announced by the Company, I will not seek re-election to the Board at the Company's Annual General Meeting in 2024.

Hugh's appointment follows a rigorous succession process, led by Joan Garahy, Senior Independent Director, with a selection committee from the Board and conducted with the assistance of external advisers in line with the UK Corporate Governance Code. In making this appointment, the Board took into account Hugh's extensive board and governance experience and his deep understanding of the international listed real estate sector.

As Chair, Hugh will oversee the I-RES Strategic Review announced on 8 January 2024. That review will comprise a comprehensive consideration of all strategic options available to the Company to maximise and unlock value for Shareholders.

On 13 March 2024, the Board announced the appointment of Eddie Byrne as CEO Designate, with effect from 8 April 2024. Mr Byrne will succeed Margaret Sweeney as CEO and Executive Director of the Board with effect from 1 May 2024.

As announced on 31 October 2023, Margaret Sweeney notified the Board of her intention to retire from I-RES in April 2024, having served as CEO for the past six and a half years. Margaret will step down on 30 April 2024 following an agreed transition period with the CEO Designate.

Eddie Byrne's appointment also follows an extensive and rigorous selection process, led by the Nomination Committee, and assisted by Chair Hugh Scott-Barrett following his appointment to the role in January 2024.

I leave the Board in good hands with an experienced Chair and a skilled and diverse membership with appropriate, highly experienced individuals and local market knowledge. The Board has been significantly refreshed. By the time of the 2024 AGM, more than 50% of the Directors will have a tenure of less than 3 years, and the Committee Chairs and the Senior Independent Director role will all have been rotated within the previous 12 months.

I look forward to engaging with our Shareholders for one last time at our AGM on 2 May 2024, full details of which can be found in the notice of AGM.

Declan Moylan
Chair Nomination Committee

Compliance with the 2018 Corporate Governance Code

This Corporate Governance Report, in conjunction with the Committee reports, describe how I-RES has applied the principles and followed the provisions of the 2018 UK Corporate Governance Code and the Irish Corporate Governance Annex (the "Code") and details any departures from their specific provisions during 2023. The Code sets out expected standards of good practice in relation to issues such as board leadership and company purpose, division of responsibilities, composition, succession and evaluation, audit, risk and internal control, and remuneration.

This year we complied with the Code throughout the year with the following exception:

Provision 36 -As disclosed in prior years, option awards granted as part of the remuneration of the CEO under the long-term incentive plan ("LTIP") prior to the 2020 financial year do not comply in full with the holding and vesting recommendations of Provision 36 of the UK Code. Although the Company is not fully compliant in relation to such options previously granted, any Restricted Shares (as defined under the rules of the LTIP) awarded to the executive Directors under the LTIP as and from 2020 are subject to the Company's Remuneration Policy and arrangements described in the Report of the Remuneration Committee, and comply with Provision 36.

Provision 38 - The pension contribution rates of the Executive Directors are not yet fully aligned with those available to the workforce as a whole. The Remuneration Committee have committed to ensuring alignment between the Executive Directors and the workforce from 1 January 2027. Further details are set out in the Remuneration Committee report on page 123.

Alternative Investment Fund Manager

IRES Fund Management Limited (IFML), which is wholly owned by the Company, continues to serve as the Company's Alternative Investment Fund Manager (AIFM) under the Alternative Investment Fund Managers' Regulations 2013 (the AIFM Regulations). IFML continues to be authorised as an alternative investment fund manager by the Central Bank of Ireland (CBI) under the AIFM Regulations. The Company continues to have in place an alternative investment fund manager's agreement with IFML under the terms of which the Company has delegated certain portfolio, property management and other functions to IFML. Management continues to engage with the CBI in respect of the transfer to the Company of all aspects of IFML's business and the Company's application to become authorised as an internally managed Alternative Investment Fund.

Governance Framework

Our governance framework, described below provides a clear and comprehensive summary of the principal aspects of our structure and the governing roles within the Company. It sets out the procedures and guidelines we adhere to which facilitates responsive and effective decision-making, ensuring that the Board and its Committees, with the Senior Leadership Team are able to collaborate proactively, consider issues and respond effectively.

The Board

The role of the Board is to provide effective leadership and oversight of I-RES, set the strategic objectives for the Company and determine the nature and extent of the principal risks it is willing to take in achieving these strategic objectives. The Board is collectively responsible for the long-term sustainable success of the Company and delivery of value for its shareholders and other principal stakeholders, including employees, residents, lenders and suppliers. The Board leads the development of the culture, purpose, values and strategy in I-RES and aims to ensure that these are aligned. The Board is responsible for I-RES' dividend policy, corporate governance, approval of financial statements and shareholder documents and formulating, monitoring and reviewing the effectiveness of the Group's risk management and internal control systems.

The Board also seeks to ensure that its obligations towards its shareholders and other stakeholders are understood and met. The Board is responsible for ensuring the accuracy of financial and business information provided to shareholders and for ensuring that such information presents a fair, balanced and understandable assessment of the Company's position and prospects.

There is a clear division of responsibilities within I-RES between the Board and the Senior Leadership Team. Responsibility for day-to-day running of I-RES' operations is delegated by the Board to the CEO, CFO and Senior Leadership Team, with the Board reserving to itself a formal schedule of matters over which it retains control.

The I-RES board, (L-R): Denise Turner; Hugh Scott-Barrett; Brian Fagan; Joan Garahy; Declan Moylan; Margaret Sweeney; Phillip Burns; Tom Kavanagh; Stefanie Frensch.

Board Committees

The Board is supported by its four principal Board Committees in discharging its duties. At each Board meeting, the Chair of each of these Committees provides an update on their committee's activities.

The duties and responsibilities of each of these Committees are set out clearly in written terms of reference which are approved by the Board and published on the Company's website. These terms of reference were reviewed and updated in November 2023.

Audit Committee

(See page 112 for full report)

This Committee is responsible for monitoring the integrity of the financial statements of the Company, including its annual and half-yearly reports, preliminary announcements and any other formal statements relating to its financial performance, and reviews and reports to the Board on significant financial reporting issues and judgements which those statements contain. The Committee is also responsible for reviewing the Group's risk framework (including IT and cyber security) and internal controls and maintaining the auditor relationship.

Remuneration Committee

(See page 120 for full report)

This Committee is responsible for the remuneration policy, performance-linked pay schemes and share-based incentive plans. The Committee has delegated responsibility for determining the policy for Directors' remuneration and setting remuneration for the Company's Chair and Executive Directors and senior management, including the Company Secretary, in accordance with the Principles and Provisions of the Code.

Nomination Committee

(See page 150 for full report)

This Committee is responsible for regularly reviewing the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and making recommendations to the Board with regard to any changes, this includes proposing new Board appointments and monitoring the Board's succession needs.

Sustainability Committee

(See page 158 for full report)

This Committee is responsible for developing and recommending to the Board the Company's ESG strategy and ensuring it remains fit for purpose, developing and recommending policies, risks, targets and investment required to achieve the Company's ESG strategy as well as ensuring any ESG commitments are consistent with the Company's business strategy and Code of Ethics, and it advises the Audit Committee on ESG-related risks, including climate-related issues.

Other Committees have been and may be established from time to time in accordance with the Company's Constitution, including most recently the Strategic Review Committee, the Committee established in respect of the 2024 EGM and the Committees established to oversee the Chair Succession and CEO Succession processes.

Senior Leadership Team

The Senior Leadership team is responsible for executing the strategy. It manages, monitors and provides the senior leadership input underlying the Company's strategic and operational decisions, ensuring strong alignment on business priorities, investments and actions and that appropriate internal control structures are in place to manage risk.

Board Composition

The Board is currently composed of nine (9) Directors, the Non-Executive Chair, two Executive Directors, five independent Non-Executive Directors and one non-independent Non-Executive Director. The Board is therefore majority independent. Board size is a matter that the Nomination Committee keeps under continuous review and one which they intend to address as current Board members come to the end of their normal 9 year term. As part of the annual Board Evaluation process, the Nomination Committee reviewed the overall balance of skill, experience, knowledge and independence of the Board and its Committees to ensure that they can effectively discharge their responsibilities. The Nomination Committee is satisfied that the Board composition provides a suitable balance of skills and experience across a number of industry sectors. The Board collectively has strong experience of acquiring and managing real estate assets providing the Company with a good knowledge base. As highlighted in the biographies of the Directors on pages 94 to 98, each of the Directors brings a different set of skills and experience to the Board. The Directors' diverse skill sets facilitate the consideration of issues at meetings of the Board from a range of perspectives. As evidenced by the skills matrix that is completed by each Director as part of the Board evaluation, the Directors have diverse skills. The Committee is satisfied that the current Board composition includes an appropriate diversity of skills. These skills are outlined in the skills matrix set out below.

Skill	Number of Directors with that skill
Management Experience	9
Financial Acumen	9
Capital Markets	8
Real Estate Experience	9
Property Development Experience	7
Sustainability	8
Human Resources/ People Management	9
Government Relations	5
Audit, Risk Management and Compliance	9
Health & Safety	9
Technology/Digital/ Cyber Security	4
PLC Experience	8
International Experience	9
Mergers & Acquisitions	9

For information on the Company's Board Diversity and Inclusion Policy, please refer to the Report of the Nomination Committee on page 150.

The division of responsibilities between the Chair, the CEO and the Senior Independent Director has been clearly established, set out in writing and agreed to by the Board.

Board Meetings and Attendance

Directors are expected to participate in all scheduled Board meetings as well as each annual general meeting. A schedule of Board meetings for the following year is circulated to the Board in advance of the financial year-end.

At each quarterly meeting of the Board, there are certain standing agenda items (for example, strategy discussion, update on investment and development plans, review of risk, operations and financial reports, update on ESG progress and update on investor relations). This agenda seeks to ensure that the Board has the opportunity to have in-depth discussions on key issues across all aspects of the Group's activities. The Chair and the Company Secretary ensure that the Directors receive clear, timely information on all relevant matters necessary to assist them in the performance of their duties. Each committee also approves a committee work plan for the following year.

BOARD MEETINGS ATTENDED/ELIGIBLE TO ATTEND (INCLUDING AD HOC MEETINGS)
1 January- 31 December 2023***

Declan Moylan	19/19
Margaret Sweeney	19/19
Brian Fagan	19/19
Joan Garahy	18/19
Phillip Burns	18/19
Stefanie Frensch	16/19
Tom Kavanagh	17/19
Hugh Scott-Barrett	18/19
Denise Turner*	13/13
Aidan O'Hogan**	5/6

* Denise Turner was appointed to the Board on 4 May 2023.
** Aidan O'Hogan retired from the Board on 4 May 2023.
*** All Board members attended all scheduled quarterly Board meetings.

The Board meets a minimum of four (4) times each calendar year and otherwise as required. Prior to such meetings taking place, an agenda and Board papers are circulated electronically via a secure Board portal to the Directors to ensure that there is adequate time for them to be read and to facilitate constructive challenge and robust and informed discussions. The portal is also used to distribute reference documents and other useful resources. The Company Secretary is responsible for the administrative and procedural aspects of the Board meetings.

The Board held 19 meetings during 2023. All Board members attended all scheduled quarterly Board meetings. In accordance with Principle 13 of the UK Code, the Chair met during the year with the Non-Executive Directors without the presence of the CEO.

Time Commitment

The Board, supported by the Nomination Committee, carefully considered the external commitments of the Chair and each of the Executive and Non-Executive Directors. As evidenced by the attendance levels shown on the table, the Board is satisfied that each Director has committed enough time to be able to fulfil their duties and has capacity to continue doing so.

Information, Support and Independent Advice

Directors have direct access to the Company Secretary. The Board has also approved a procedure for Directors to seek independent professional advice at the expense of the Company, where appropriate.

Remuneration

Details of the remuneration of Directors are set out in the Report of the Remuneration Committee on page 141.

Director's Induction

The Chair, with the support of the Company Secretary, is responsible for preparing and coordinating a comprehensive induction programme for newly appointed Directors. This is intended to give a broad introduction to the Group's business, its areas of significant risk and to enable new Directors to understand the Company's core purpose and values so that they can be effective Directors from the outset. As part of this induction programme, new Directors receive an information pack which includes an I-RES Group structure overview, key policies, historical financial reports, schedule of Board meetings and information on how to access the Company's Board portal. A number of governance matters are also outlined, including Directors' duties, conflicts of interest and Market Abuse Regulations. The Company Secretary is available to advise each Board member on queries or concerns.

Other key elements of the induction programme include a tour of the Group's property portfolio with Senior Management in order to familiarise the new Director with the Group's operations, property management, the property portfolio and key stakeholders. This meeting also provides new Directors with an opportunity to ask any questions they may have on the nature and operations of the business, and on the implementation of the Group's business strategy. The new Director is also invited to meet with other key people at I-RES responsible for risk, insurance, internal audit, acquisitions and development, operations and financial reporting.

Development of Directors

The Nomination Committee, on behalf of the Board, assesses the training needs of the Directors on at least an annual basis. A combination of tailored Board and Committee agenda items and other Board activities, including briefing sessions, further assist the Directors in continually updating their skills, and their knowledge of and familiarity with the Company, as required to fulfil their roles. The Board also arranges for presentations from Senior Management and I-RES' other advisors on matters relevant to I-RES' business.

During the year, the Board received presentations by external experts on the Market Abuse Regulations, CSRD, Current Real Estate market and implications of wider macro and interest rate volatility, Anti-Money Laundering/Terrorist Financing as well as property related topics. They also received presentations on the Political and Regulatory landscape for property in Ireland, Interest Rate Management and Corporate Sustainability-related Reporting with a Focus on Property, Construction and Real Estate.

Independence

The independence of each of the Non-Executive Directors is considered upon appointment and on an annual basis by the Board. The Board has determined that all of the Non-Executive Directors, save Mr Phillip Burns, are independent within the meaning of the Code. The Chair, Hugh Scott-Barrett, was independent on appointment within the meaning of the Code.

At the time of his appointment as a Director, Phillip Burns was regarded as an Independent Non-Executive Director. In 2017, the Board determined that Mr Burns was no longer considered to be independent having regard to certain cross directorships he held at the time with another (now former) Director and, latterly, due to the position that Mr Burns' held until March 2023 as an employee of CAPREIT, the Company's largest shareholder, and the parent of IRES Fund Management Limited ("IFML"), the Company's investment manager until its internalisation in January 2022. Having stepped down from his position as an employee of Capreit on 31 March 2023 the Board reviewed Mr Burns' position and concluded that Mr Burns should not be regarded as independent, given, in particular, his previous senior employment position at CAPREIT which continued to have a material business relationship with the Company until the termination on 30 April 2022 of the Transitional Services Agreement between the Company and CAPREIT that had been put in place as part of the internalisation of IFML. Under the Code, such a material business relationship is considered to be a circumstance that is likely to impair, or appear to impair, a Non-Executive Director's independence while in place and for a period of three years following its cessation.

The Board is of the view that Mr Moylan's performance as a Non-Executive Director (and as Chairman throughout 2023 and up to 23 February 2024) continues to be effective, that he contributes significantly in these roles through his individual skills, considerable knowledge and experience of the Company, and that he continues to demonstrate strong independence in the manner in which he discharges his responsibilities. As announced at the 2023 Annual General Meeting Mr Moylan will not stand for re-election at the 2024 Annual General Meeting. Consequently, the Board is satisfied that, despite his length of tenure, there is no association with management which could compromise his independence.

Re-election

In accordance with the provisions of the Code, each I-RES Director is obliged to retire at each annual general meeting and offer themselves for re-election at the annual general meeting.

Conflicts of Interest

The Board reviews potential conflicts of interest as a standing agenda item at each Board meeting. Directors have continuing obligations to update the Board on any changes to these conflicts. Section 231 of the Companies Act, 2014 requires each Director who is in any way, either directly or indirectly, interested in a contract or proposed contract with the Company to declare the nature of his or her interest at a meeting of the Directors. The Company keeps a register of all such declarations, which may be inspected by any Director, secretary, auditor or member of the Company at the offices of the Company (attention Company Secretary), South Dock House, Hanover Quay, Dublin 2, Ireland with reasonable prior notice and during normal business hours.

Subject to certain exceptions, the Articles of Association generally prohibit Directors from voting at Board meetings or meetings of Committees of the Board on any resolution concerning a matter in which they have a direct or indirect interest which is material to, or a duty which conflicts or may conflict with the interests of, the Company. Directors may not be counted in the quorum in relation to resolutions on which they are not entitled to vote.

Risk Management and Internal Control

The Board has overall responsibility for the effectiveness of the Company's system of risk management and internal control. The management of risk is critical to the execution of the Company's strategy. The material risks and uncertainties the Group faces across its business are key areas of Board and management focus. The Board has delegated responsibility for monitoring the effectiveness of the risk management and internal control system to the Audit Committee. The work done by the Audit Committee in this area is set out in the Report of the Audit Committee on page 112. The Board and the Audit Committee have ensured that management has maintained a robust system of risk management and internal control. The Board and the Audit Committee periodically review and consider if the risk management and internal control systems are operating effectively.

EY were appointed as I-RES' external provider of internal audit services in 2021. The Audit Committee received and reviewed internal audit reports from EY to help in their annual assessment of the principal risks facing I-RES and the controls in place to mitigate these risks.

The Board confirms that there is an ongoing process for identifying, measuring and managing the significant risks, including any principal risks, and emerging risks, faced by the Group in achieving its strategic objectives, that this process has been in place for the year ended 31 December 2023 and up to the date of approval of this Report, and that this process is regularly reviewed by the Board. For further details on the principal risks being faced by the Group, please see the Principal Risks and Uncertainties Section of the Risk Report on pages 82 to 91.

The process adopted complies with the guidance contained in Guidance on Risk Management, Internal Control and Related Financial and Business Reporting (2014) as published by the Financial Reporting Council.

Board Evaluation and Effectiveness

The performance and effectiveness of the Board and its Committees is reviewed on an ongoing basis and is subject to a formal and rigorous annual evaluation according to the principles of the Code. As the Company is a smaller company for the purposes of the Irish Annex, the Company is not required to engage an external facilitator to conduct the annual performance evaluation process; however, it does so on a voluntary basis every three years.

Full details of the 2023 externally facilitated Board evaluation are set out on page 151 of the Nomination Committee Report.

Engagement and Culture

Each stakeholder group requires a tailored engagement approach to foster effective and mutually beneficial relationships. By understanding stakeholders, the Board can factor the potential impact of its decisions on each stakeholder group and consider their needs and concerns. Our ambition is to build a sustainable and responsible business that is aligned with the long-term approach we take to investing, building, and maintaining our properties, supporting, and servicing our residents, employees, our vendor partners and the wider community in which we operate. We will continue working with key stakeholders to further develop a responsible business.

In developing a collaborative and partner-focused organisation that clearly defines how it intends to lead, the Board and Senior Leadership Team continue to actively engage with all employees of the Company to support a company culture that promotes integrity, openness, diversity and active responsiveness with our Shareholders and wider stakeholders. Elected by our Shareholders to oversee the management of the Company, I-RES' Board ensures that the long-term interests of shareholders are advanced responsibly, while balancing the interests of our other stakeholders, including our residents and our communities. The Board has the opportunity to assess and monitor I-RES' company culture through ongoing engagements between the Board, and senior management of the Company and also through the engagements between Tom Kavanagh, as Workforce Engagement Director, and the wider workforce. In so doing the Board can ensure policies, practices and behaviours are aligned with the Company's purpose, values and strategy. Examples of the Group's engagements with shareholders, employees, residents and communities during 2023 are set out below. Full details of I-RES' engagement activities during 2023 are set out in the ESG Report which is accessible electronically at www.i-res.ie.

Shareholder Engagement

The Board recognises the importance of effective engagement with its shareholders in order to obtain the views of shareholders as a whole. I-RES has a comprehensive investor relations program including providing detailed presentations to both existing and prospective institutional shareholders, after the release of the interim and year-end results, as part of investor days organised by brokerage firms, EPRA, investment banks, amongst others, and following significant announcements. The CEO, the CFO and members of senior management participated in various conferences and property tours and engaged in ad-hoc meetings and calls with shareholders on an ongoing basis during 2023. The Executive Directors provide the Board with regular feedback from investor meetings so that the Board are kept up to date on all relevant matters. In addition, the Board receives regular market updates and commentary from brokers and analysts in respect of the Company. The Chair and the other Directors engage directly with shareholders and also welcome the opportunity to address shareholders questions at the Company's annual general meeting each year. The Chair, Senior Independent Director and Committee Chairs arrange meetings with shareholders to consult on governance and other matters and to address issues or concerns that cannot be dealt with through the usual investor relations channels.

The Chair and Board members had significant engagement and communications with shareholders during 2023. In accordance with the Company's ongoing commitment to direct and transparent dialogue with our stakeholders, the Board engaged with shareholders in order to understand and discuss any concerns with respect to the resolutions at the 2023 AGM which received less than 80% of the votes cast in favour. These resolutions related to the 2022 Remuneration Report, an annual request for authority to disapply pre-emption rights in specified circumstances and the re-election of Executive Directors.

In advance of the 2023 AGM the Chair, SID and Executive Directors engaged directly with shareholders to discuss the proposed resolutions and concerns raised by Vision Capital.

During 2023, the Chair of the Remuneration Committee consulted extensively with shareholders, and particularly those who voted against the 2022 Remuneration Report, in order to identify concerns in respect of the 2022 Remuneration Report and as part of the preparation process for the drafting of the new 4 year Remuneration Policy being put to the 2024 AGM for approval. As part of this process, she had significant engagement with 11 of our largest institutional shareholders (covering c. 40% of our total issued share capital). Based on feedback collated by the Company from this process, apart from Vision Capital, who have made their views on the Company's strategy public, no single overarching theme has been identified by shareholders, rather dissent expressed reflects a range of individual factors (including weighting of TSR, concern over potential windfall gains on LTIP, removal of NAV metric from STIP, reduced dividends). The Remuneration Committee has completed a comprehensive review of the existing Remuneration Policy, taking on board all of the feedback received from shareholders, and will put a new 4 year remuneration policy (the 2024 Remuneration Policy), which it believes will address these concerns, to shareholders for approval at the 2024 AGM. Further details of the review and the new policy are set out in the Report of the Remuneration Committee on pages 126 to 133.

Pre-emption rights continue to be an area with a range of shareholder views and evolving guidance. Although the pre-emption resolutions proposed by the Board align fully with what the Company believes to be standard resolutions for companies listed on the main market of Euronext Dublin as well as the UK Investment Association's Share Capital Management Guidelines and the Pre-Emption Group's Statement of Principles, the Board understands from the shareholder engagement process that some shareholders have policy guidelines which prevent them from supporting these resolutions and a small number of shareholders have made their views on the Company's strategy public and so do not support these resolutions. The Board considers that these resolutions continue to be in the best interests of the Company, and in particular are necessary to afford flexibility to the Company to the extent they may be required to implement the findings of the ongoing Strategic Review, and so the Board has resolved to table these resolutions again at the Company's Annual General Meeting in 2024.

From the shareholder discussions held by the Chair and non-executive Board members, both before and after the 2023 AGM, the Company notes that it is the same small number of shareholders who disagree with the Company's strategy, who have also voted against the pre-emption resolutions, and voted against the re-election of the Executive Directors at the 2023 AGM. As evidenced by the results of the 2023 AGM, the majority of shareholders voted in favour of the re-election of these Executive Directors and have generally expressed their confidence in the senior management team. The Board reiterates that it is unanimous in its confidence in the senior management team and their ability to deliver on the Company's strategy.

On 18 December 2023 the Company received a notice from a 5% shareholder, Vision Capital requisitioning an Extraordinary General Meeting ("EGM") of the Company to consider resolutions seeking to remove five of the nine existing Directors of I-RES, to appoint five nominees as directors of the Company filling any vacancies arising, seeking the issue of a shareholder direction to the Board to appoint an adviser(s) to assist I-RES in a strategic review process with a view to concluding a sale of I-RES or its assets or a liquidation within the next 24 months and seeking to amend the Company's Articles of Association to require that the Board comply with any such shareholder direction.

The Board was required by law to convene the requisitioned EGM. For the detailed reasons which are set out in the Company's Circular dated 8 January 2024 (the "Circular") available on the Company's website at www.i-res.ie, the Board recommended that shareholders vote against all of these resolutions. This recommendation was endorsed by leading corporate governance advisory institutions, Institutional Shareholder Services ("ISS") and Glass Lewis which each also recommended that shareholders vote against the resolutions.

In December 2023 after receiving the EGM Requisition, the Board formed a special Committee consisting of the then Chair, Declan Moylan, Chair designate Hugh Scott-Barrett, Senior Independent Director, Joan Garahy, INED Denise Turner and CEO Margaret Sweeney. This Committee met on 40 occasions from 19 December 2023 to the EGM on 16 February 2024 and provided regular updates to the Board including at 6 specially convened meetings of the Board in the same period.

The then Chair, Chair designate, Senior Independent Director and the Executive Directors had extensive shareholder engagement with c. 70% of the shareholder register leading up the EGM in respect of these resolutions.

In addition, as set out in the Chronology of Events in the Circular, the then Chair and Board members engaged in extensive discussions with Vision Capital on an ongoing basis from July 2021, including detailed discussions with a view to exploring whether there was a basis on which it could agree the withdrawal of the EGM Requisition Notice. The discussions included the offer of adding a Board member, whilst being mindful of the minority nature of their holding, the balance of existing Board skills and considering the interests of all shareholders to try and avoid the unnecessary cost and disruption of an EGM. They also included the nature of a proposed I-RES strategic review. These discussions were unsuccessful.

The EGM was held on 16 February 2024 and all of the shareholder resolutions were defeated. The Board continues to try to seek resolution through engagement with Vision Capital, in the interests of all stakeholders.

The Company is grateful to all of those shareholders who took the time to engage in these discussions. The Board will continue to engage with shareholders, and to consider the views expressed, as it makes its decisions on each relevant matter going forward.

General Meetings of Shareholders

The 2024 Annual General Meeting will be held on 2 May 2024 at the Herbert Park Hotel, Ballsbridge Terrace, Ballsbridge, Dublin 4. Formal notification will be sent to shareholders in advance of the meeting.

The annual general meeting (AGM) gives shareholders an opportunity to hear a presentation on the Group's activities and performance during the year, to ask questions of the Chairman and, through him, the Board Committee Chairs and members, and to vote on each resolution put to the meeting.

For a description of the operation of general meetings, the key powers of such meetings, shareholders' rights and the exercise of such rights at general meetings, see General Meetings in the Report of the Directors on page 170.

Workforce Engagement

Our diverse and talented team of professionals are the drivers of the I-RES culture. We believe that building an inclusive culture and making the most of the strength and diversity of our people will continue to be important for our success. As a business we recognise the importance of our employees in maintaining our position as Ireland's leading provider of private rental accommodation and in the successful delivery of our business strategy and strong results. We continuously invest in our employees, providing them with opportunities to improve their skills and to attend personal development programmes supported by good communications and a supportive working environment.

As at 31 December 2023 the Company had 95 employees. One of the Board's priorities is to ensure that I-RES has a collaborative, inclusive culture, ensuring our employees feel a strong sense of belonging and that we treat people equally and fairly and employ based on the principle of equal opportunity.

In March 2022, the Board appointed Tom Kavanagh as the Workforce Engagement Director to allow the Board the opportunity to receive, understand and consider the views of our employees and take account of employee interests in its discussions and decision making.

Since his appointment, Mr. Kavanagh has engaged directly with all employees across I-RES. In 2023 he visited all of the regional offices and the head office, met with the teams and received presentations from team members on projects being undertaken such as the Green Ambassadors programme, the I-RES intranet - known as the 'I-RES Times' and the I-RES Living app. Mr Kavanagh reports regularly to the Board on these engagements.

In 2023, our new Director, Denise Turner undertook property tours of the new properties in the portfolio together with a number of the employees who work at those sites. This provided another informal opportunity for the employees to meet a Board member.

In January 2024, after the announcement of his appointment as Chair Designate, Hugh Scott-Barrett also visited all of the regional offices and the head office in order to meet the teams and gain a deeper understanding of the business.

In Autumn 2023, I-RES conducted its second annual employee engagement survey as an internally managed Company. Focusing on a range of key engagement dimensions designed to explore and evaluate employee experience whilst boosting engagement. I-RES is pleased to report a very strong performance with an overall employee engagement score of 90% despite the challenging external landscape.

Resident, and community-level engagement

During 2023, the I-RES team continued with its comprehensive programme of resident and community engagement further details of which are set out in the 2023 ESG report accessible at www.i-res.ie.

Details of this programme and the feedback from residents and communities are reported to the Board through the Sustainability Committee and through the results of the annual Resident's Survey.

The 2023 Annual Resident Survey had over 1,300 responses, and provides the Company the opportunity to measure resident sentiment, assess resident satisfaction and to identify areas for improvement.


Bakers Yard,
Dublin 1
81
Residential
Units

REPORT OF THE AUDIT COMMITTEE

Dear Shareholder,

It is my pleasure to present my first Report as Chair of the Audit Committee, for the year ended 31 December 2023.

Audit Committee Membership

Tom Kavanagh (Chair)	Appointed 1 June 2018 Appointed Chair 4 May 2023
Denise Turner	Appointed 4 May 2023
Stefanie Frensch	Appointed 1 July 2021
Hugh Scott-Barrett	Appointed 4 May 2023 Stepped down 23 February 2024
Joan Garahy	Appointed 18 April 2017 Stepped down 4 May 2023

I joined the Board in June 2018 and have been a member of the Audit Committee since then. I took over as Chair of the Committee from 4 May 2023, when Ms. Garahy stepped down from the Committee having served as the Chair since April 2017. I would like to thank Joan for her many years chairing the Committee and her support as part of the handover process.

This report demonstrates how the Audit Committee fulfilled its responsibilities during the year under the appropriate regulatory frameworks.

Given the volatile macro-economic environment and rising interest rates during 2023 a key focus area for the Committee was on risk management and in particular balance sheet management. In line with its focus on driving value for shareholders, the Company identified €100 million of assets for disposal during 2023. As part of its capital optimisation and shareholder value strategy, the Committee, together with the Board, kept the disposal process under continuous review.

As in previous years, a key focus of the Audit Committee was to ensure that the semi-annual and 2023 year-end investment property valuation processes were conducted appropriately. For both valuations, the investment property portfolio was split for purposes of valuation and valued by two independent external valuers. The Audit Committee objectively assessed the valuations prepared by the independent valuers and was satisfied that the assumptions and methodologies being used were appropriate and reasonable.

As part of embedding the internalised structure and the control environment in respect of that structure, in 2023 the Audit Committee had a particular focus on IT and cyber security. The Committee received regular reviews and updates from the Company's external Chief Information Security Officer (CISO) in respect of the Company's Cybersecurity Risk Management Programme. The Committee assessed the programme and satisfied itself that, while cyber security risks will continue to evolve, the risk management programme in place in the Company is robust and progressing well.

The Audit Committee reviewed KPMG's audit findings with them in detail and noted that no material issues arose during the audit. The Committee continues to monitor KPMG's objectivity and independence.

One of the Audit Committee's key responsibilities is to review the Group's risk management and internal control structure, including in particular the operational effectiveness of internal controls. During the year, the Committee carried out a robust assessment of the principal risks facing the Company and closely monitored the risk management and internal control structures, ensuring that the enterprise risk management system was embedded throughout the Company on an ongoing basis.

The Committee meets regularly with EY as the external provider of internal audit services. The Committee also meets regularly with the Company's tax advisers to ensure that it is kept informed of anticipated changes to tax laws and regulations that may impact the Group.

The Audit Committee assisted the Board in determining that the 2023 Annual Report and Consolidated Financial Statements, when taken as a whole, are fair, balanced, and understandable and provide the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

Looking ahead

Looking ahead to the 2024 financial year, the Audit Committee will remain focused on the audit and assurance processes within the business, and maintain its oversight of risk, financial, valuation, taxation and evolving regulatory requirements. Key focus areas of the Audit Committee during 2024 will include, balance sheet management and covenant compliance, cyber and IT security and the upcoming ESG related reporting requirements.

I trust that you will find this report to be useful in understanding the operations and activities of the Audit Committee during the year.

Tom Kavanagh
Chair of the Audit Committee

Composition of the Audit Committee

The Audit Committee is chaired by Tom Kavanagh. All members of the Audit Committee were independent Non-Executive Directors when appointed by the Board and continue to be independent. Accordingly, the Audit Committee is constituted in compliance with the Code.

The Board is satisfied that the Audit Committee members are appropriately qualified and experienced to fulfil their roles and have a broad mix of skills and experience arising from senior roles they hold or have held with other organisations, and that the Audit Committee as a whole has competence relevant to the sector in which the Company operates. In accordance with the requirements of the Code, Mr Kavanagh and Mr. Scott-Barrett, in particular, are considered by the Board to have recent, significant and relevant financial experience.

Meetings of the Audit Committee

The Audit Committee meets at least four times per year and otherwise as required. The Audit Committee met five (5) times during the period from 1 January 2023 to 31 December 2023 and the external auditor was in attendance at all five (5) meetings. The CEO and CFO attend the Audit Committee meetings, as required. The external valuers attend the Audit Committee meetings when the year-end and interim valuations of the Group's properties are being considered. The Company's tax advisers also meet with the Audit Committee at least bi-annually to address any tax developments and as otherwise required. EY, in their capacity as providers of internal audit services, attend at least a portion of each Audit Committee Meeting.

Terms of Reference and Principal Duties

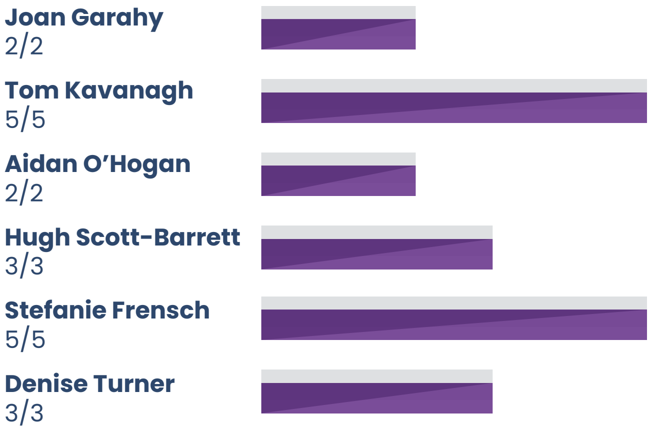
The terms of reference of the Audit Committee are reviewed annually and updated for best practice and compliance with the Code. The Board reviewed the terms of reference of the Audit Committee in November 2023. A number of changes were made to give the Committee explicit responsibility in the areas of cyber and IT security.

The Audit Committee's terms of reference are available on the Company's website.

The Audit Committee evaluates its own performance relative to its terms of reference. Following the 2023 annual review which was carried out by an external company, Independent Audit Limited, it was concluded that the Audit Committee was operating effectively.

The Chair of the Audit Committee reports to the Board at each meeting on the Audit Committee's activities.

AUDIT COMMITTEE MEETINGS ATTENDED/ELIGIBLE TO ATTEND (INCLUDING AD HOC MEETINGS)
1 January - 31 December 2023



Joan Garahy stepped down from the Committee as Chair and member on 4 May 2023.
Aidan O'Hogan retired from the Board and Committee memberships on 4 May 2023.
Hugh Scott-Barrett joined the Committee on 4 May 2023 and stepped down on 23 February 2024 on taking up the role of Chair.
Denise Turner joined the Committee on 4 May 2023.
Tom Kavanagh became Chair of the Committee on 4 May 2023.

The Audit Committee's principal duties include:

Reporting and External Audit

- To monitor and keep under review the scope and effectiveness of the Group's financial reporting;
- To monitor the integrity of the financial statements of the Group, including its annual and semi-annual financial reports and any other formal announcement relating to its financial performance;
- To review and report to the Board on summary financial statements and any financial information contained in other documents, such as announcements of a price-sensitive nature;
- To review the clarity and completeness of sustainability related financial disclosures made in the financial statements having regard to ongoing legislative requirements and to matters communicated to it by the auditor;
- To oversee relations with the external auditor and to consider and make recommendations on the appointment, reappointment and removal of the external auditor;
- To ensure the independence and objectivity of the external auditor annually;
- To ensure that the provision of non-audit services by the external auditor does not impair the external auditor's independence or objectivity; and
- To review with the external auditor the findings of their work, including any major issues that arose during the course of the audit and have subsequently been resolved.

Valuations

- To monitor and review the valuation process;
- To review the valuation reports, assumptions and methodology; and
- To assess the independent valuers' competence and effectiveness.

Risk and Internal Control

- To monitor and keep under review the scope and effectiveness of the Group's internal financial controls, risk management and internal control systems;
- To assess and review regular reports on such matters from the Risk Manager, EY (internal auditor), the finance team and management; and
- To keep under review the Company's internal control systems designed to manage information security risks including, but not limited to, cyber risk management controls and technology developments.

Other

- To review the Audit Committee's terms of reference and monitor its execution; and
- To consider compliance with legal and other regulatory requirements, accounting standards; and The Euronext Dublin Listing Rules.

How the Audit Committee Discharged its Responsibilities in 2023

The Audit Committee's agenda is set based on the Group's financial calendar and the Audit Committee's work plan, which allows the Audit Committee to fulfil its role in an efficient manner. While not intending to be an exhaustive list of the Audit Committee's considerations and activities during the 2023 financial year, the principal activities of the Audit Committee were as follows:

February 2023 – Q4 2022

- Considered the approach adopted by the independent valuers, including assumptions, procedures and methodologies applied in valuing the Group's property portfolio
- Discussed the reports received from the external auditor following the audit process in respect of the 2022 financial year
- Discussed the Q4 2022 internal audit reports from EY
- Reviewed the appropriateness of Group accounting principles, practices and policies, and monitored changes to and compliance with accounting standards
- Reviewed the Group's preliminary announcement of financial results YE 2022
- Discussed the proposed dividends YE 2022 and recommended them to the Board
- Reviewed and approved the annual internal audit plan for 2023 presented by EY
- Reviewed the related party transactions for appropriate financial statement disclosures
- Reviewed and considered the Group's key risks, internal control policies and procedures and risk management systems
- Discussed and reviewed the REIT compliance test with the external tax advisers
- Reviewed and discussed quarterly tax update
- Reviewed and discussed a cyber and data security report from the external CISO
- Reviewed quarterly reports from IFML (as AIFM)
- Reviewed and discussed the reports received from the external auditor following the audit process in respect of the 2022 financial year

March – 2022 Annual Report

- Reviewed the Group's 2022 Annual Report, including the financial statements therein to include content and supporting assurance activity, and considered the key areas of judgement before recommending them to the Board for approval
- Assessed the viability model for long-term sustainability
- Reviewed and assessed the effectiveness of the Company's risk management and internal control systems
- Reviewed and discussed a Report on the Directors' Compliance Statement

May – Q1 2023

- Monitored the levels of non-audit fees in relation to the total fees paid to the external auditors
- Carried out a review with the CFO of the Company's compliance with debt covenants
- Reviewed and considered the Group's key risks, internal control policies and procedures and risk management systems
- Reviewed and discussed a quarterly internal audit update from EY
- Reviewed and discussed a quarterly tax update from the external tax advisers
- Reviewed and discussed a cyber and data security report from the external CISO
- Monitored progress on the Committee work plan
- Reviewed quarterly reports from IFML (as AIFM)

August – Q2 2023

- Reviewed and considered the approach adopted by the independent valuers, including assumptions, procedures and methodologies applied in valuing the Group's property portfolio
- Carried out a review with the CFO of the Company's compliance with debt covenants
- Reviewed the Group's Interim announcement of financial results for HY2023
- Reviewed and discussed the reports received from the external auditor following the review process in respect of the Interim report for the period to 30 June 2023
- Discussed the proposed H1 2023 dividends
- Reviewed and discussed a quarterly internal audit update from EY
- Reviewed and considered the Group's key risks, internal control policies and procedures
- Reviewed and discussed a quarterly tax update
- Reviewed and discussed the I-RES Insurance Programme
- Reviewed and considered a cyber and data security report from the external CISO
- Reviewed quarterly reports from IFML (as AIFM)

November – Q3 2023

- Reviewed and approved the report received from the external auditor on the proposed audit plan and strategy in respect of the 2023 financial year
- Carried out a review with the CFO of the Company's compliance with debt covenants
- Reviewed and considered the Group's key risks, internal control policies and procedures and risk management systems
- Received and discussed the IT Security Update
- Reviewed and discussed a quarterly internal audit update from EY
- Reviewed and discussed a quarterly tax update
- Reviewed and recommended for approval amendments to the Committee Terms of Reference
- Reviewed quarterly reports from IFML (as AIFM)

Financial Reporting and Significant Financial Judgements

With respect to this Report and the financial statements included herein, the Audit Committee assessed whether suitable accounting policies had been adopted and whether management had made appropriate judgements. The Audit Committee paid particular attention to matters which it considered could have a material impact on the Group's results and those matters which involve a higher level of complexity, judgement or estimation by management. The most significant matters considered by the Audit Committee in relation to this Report and the financial statements contained herein for the year were as follows:

Investment Property Valuations

The Group had investment property with a fair value of €1,274 million as at 31 December 2023, as set out in note 5 to the Group financial statements. The Group has appointed two independent valuers, CBRE Unlimited Company ("CBRE") and Savills Advisory Services (Ireland) Ltd. ("Savills"). The Audit Committee considered the investment property valuation process carried out by management in order to satisfy itself that the balances were stated appropriately. These reviews involved an understanding of management's analytical procedures, management's discussions with CBRE and Savills, and an assessment of the market inputs utilised on each property prior to recording the valuations obtained. The Audit Committee assessed the performance and independence of the two valuers and is satisfied with their performance, and that both valuers are independent. The CFO has confirmed to the Audit Committee that he is satisfied that the valuers conducted their work in accordance with the Royal Institution of Chartered Surveyors' Valuation Standards.

In addition, the Audit Committee met with the two independent valuers and discussed the year-end valuations, valuation methodology and significant assumptions used. The Audit Committee also discussed the current market dynamics with both valuers, specifically focusing on the broader macro-economic environment including the evolving interest rate environment, inflationary pressures along with the continued very high demand for rental accommodation in Ireland and the impact of these circumstances on the interim and year-end valuations. As both valuers rely, as part of their assumptions, on comparable evidence from recent market transactions to benchmark and support their valuations of the Group's properties, the Audit Committee assessed the relevance and appropriateness of these transactions, in conjunction with management.

Following a review of the detailed valuation analysis provided by management and detailed discussions with management and the independent valuers, the Audit Committee was satisfied that the significant inputs used for the valuation, any provisions recorded against the valuation of the investment properties, and the valuation of the investment properties were appropriate. The Audit Committee discussed the valuation process with management and each valuer and confirmed with each of them that they are satisfied with the quality and accuracy of the property information provided to them. The external auditor also inspected the valuers' reports, performed test work on the information provided by the Company to both valuers, met with the valuers as part of their audit procedures, and communicated to the Audit Committee their comments and observations.

Other Matters

Other matters considered by the Audit Committee included the disclosure of non-IFRS measures ("Alternative Performance Measures"), tax compliance, and regulatory obligations and accounting disclosures.

Going Concern

The Audit Committee has reviewed and is satisfied with a presentation from the CFO in support of the Board's Statement on Going Concern as set out on page 80.

Viability Statement

The Audit Committee has reviewed a report from the CFO and is satisfied that this assessment adequately addresses the principal risks disclosed in the Risk Report on pages 83 to 91 and that a three-year time horizon for the viability model is appropriate to the Company's business. Furthermore, the Audit Committee has reviewed the assessment of the Group's viability by management, as stated on page 80. The review included:

- Key assumptions used;
- Assessment of prospects; and
- Assessment of viability.

REIT Status

The Audit Committee reviewed a report from the CFO demonstrating the Company's compliance with the REIT requirements as at 31 December 2023. The Audit Committee has confirmed to the Board that the Company is compliant with the REIT rules.

Fair, Balanced and Understandable

The Code requires that the Board should present a fair, balanced and understandable assessment of the Company's position and prospects, and specifically that they consider that the annual report and financial statements included therein, taken as a whole, are fair, balanced and understandable, and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

At the request of the Board, the Audit Committee considered whether this Report and financial statements included herein met these requirements.

The Audit Committee considered the process put in place by management for the preparation of the annual report and financial statements included herein, and in particular the timetable, co-ordination and review activities. The Audit Committee discussed these arrangements with management. Key considerations of the Audit Committee when reflecting on these requirements included:

- The information and reporting the Audit Committee had received during the course of the financial year;
- The balance of information included in the annual report against the Audit Committee's understanding of the operations and performance of the Group;
- The compliance of the financial statements with all applicable financial reporting standards and any other required regulations; and
- The language used in the annual report ensuring it was understandable to a wide variety of shareholders.

Arising from the Audit Committee's work in this regard, the Audit Committee and the Board concluded that this Report and the financial statements included herein, taken as a whole, are fair, balanced and understandable, and that they provide the necessary information for shareholders to assess the Company's position and performance, business model and strategy. The Board statement to this effect is on page 172.

Risk Management and Internal Controls

The Board has delegated responsibility to the Audit Committee to monitor the Group's risk management and internal control systems. In order to discharge this responsibility for the period from 1 January 2023 to 31 December 2023, the Audit Committee:

- Reviewed the Group's principal risks and uncertainties, including any emerging risks;
- Reviewed the Company's enterprise risk management framework and internal control systems and their operating effectiveness with the Risk Manager. For further details on these systems, please see the Risk Management and Internal Control Systems section of the Risk Report on pages 75 to 79;
- Reviewed quarterly reports from IFML (as AIFM) relating to investment management, fund risk management, regulatory compliance, operational risk management, capital and financial management and distribution;

- Reviewed quarterly updates from the external Chief Information Security Officer in respect of the company's cyber and data security programme;
- Received quarterly updates on any internal control compliance issues, risks or material legal matters; and
- Appointed EY, with effect from 1 February 2022, to provide an outsourced internal audit service for the Group and reviewed quarterly reports from EY in this role.

In addition, the Board receives quarterly reporting from the CEO, CFO, the Managing Director, Operations and the Vice-President, Investment and Asset Management.

External Audit

One of the key roles of the Audit Committee is to monitor the performance, objectivity and independence of the external auditor. Open, direct and honest communication between the Audit Committee, the external auditor and management is essential in ensuring both an effective audit and auditor independence.

In November 2023, the Audit Committee met with the external auditor to agree the FY 2023 audit plan. To ensure a quality audit, the external auditor needs to be aware of the business risks. Therefore, the Audit Committee discussed and agreed with the External Auditor the key business, financial statements and audit risks, and the materiality being used for the audit to ensure that the audit was appropriately focused. In advance of the commencement of the annual audit, the Audit Committee reviewed the external auditor's letter of engagement, together with a presentation from the external auditor confirming their independence within the meaning of the regulations and professional standards.

In February 2024, in advance of the finalisation of the Group's financial statements for the year ended 31 December 2023, the Audit Committee received a report from the external auditor on their key audit findings, including the key areas of risk and significant judgements, and discussed any issues arising with them in order for the Audit Committee to form a judgement on the financial statements. In order to assist the Audit Committee in evaluating the external audit process and to ensure continuous improvement, following the completion of the audit, the Audit Committee members discussed with management the effectiveness of the external auditor and the external audit process in general.

At least annually, the Audit Committee meets with the external auditor without the presence of management to discuss any matters the external auditor may wish to raise. The Audit Committee continues to be satisfied with the performance of the external auditor, and has determined that KPMG remain effective, objective and independent.

Statutory Auditor

On completion of a tender process in 2017 and having considered the requirements of the Statutory Audit Directive of 15 June 2016 (Statutory Instrument SI 312 of 2016), the Board approved the appointment of KPMG as statutory auditor with effect from the financial year ended 31 December 2018. This appointment was approved by the shareholders at the 2019 annual general meeting. KPMG remains the statutory auditor for the financial year ended 31 December 2023. The audit partner in charge within KPMG for the 2023 audit was David Moran. The Audit Committee will keep the tenure of the external auditor under review in light of best practice and recent legislation. The Audit Committee currently has no plans for re-tendering of the statutory auditor.

Independence and Non-Audit Services

The Company has a policy which requires the preapproval by the Audit Committee of all non-audit services to be provided by the external auditor. The level of non-audit services provided by the external auditor is reviewed at least on a quarterly basis and, in conjunction with the external auditor, the impact on independence and objectivity is assessed. KPMG completes the audit of the financial statements and PricewaterhouseCoopers completes the tax related reviews, ensuring that both parties remain independent.

Details of the amounts paid to the external auditor during the year for audit and non-audit services are set out in note 29 to the Group financial statements.

Internal Audit

In February 2022, the Audit Committee approved the appointment of EY as the external provider of an internal audit function for the Group. EY continued to provide outsourced internal audit services to the Group during 2023. The Committee is satisfied that EY have sufficient experience and expertise to provide the internal audit services for the Group.

The Audit Committee has direct access to EY's internal audit team. The Audit Committee assessed the annual internal audit plan put forth by EY's internal audit function and received periodic reports on work performed during 2023.

REPORT OF THE REMUNERATION COMMITTEE

Dear Shareholder,

It is my pleasure to present my first Report as Chair of the Remuneration Committee, for the year ended 31 December 2023.

Remuneration Committee Membership

Joan Garahy (Chair)	Appointed 18 April 2017 Appointed Chair 4 May 2023
Declan Moylan	Appointed 31 March 2014
Denise Turner	Appointed 4 May 2023
Hugh Scott-Barrett	Appointed 4 May 2023
Aidan O'Hogan	Appointed 31 March 2014 Retired 4 May 2023
Tom Kavanagh	Appointed 1 June 2018 Stepped down 4 May 2023

I joined the Board in April 2017 and have been a member of the Remuneration Committee since then. I took over as Chair of the Committee from 4 May 2023, having succeeded Aidan O'Hogan when he retired from the Committee and as a member of the Board at our AGM in May 2023. I would like to thank Aidan for his many years chairing the Committee and his support as part of the handover process.

At the AGM in May 2024 our revised Directors' Remuneration Policy will be put forward for an advisory shareholder vote. As is customary our Annual Remuneration Report will also be put forward for an advisory shareholder vote. Finally, as I detail further in this report our LTIP rules expire this year and therefore we will also be seeking shareholder support via a binding resolution for an updated version of our LTIP Rules. It is very important that we secure shareholder support for our Remuneration related resolutions at this AGM to enable us to continue to incentivise and reward management for delivering the strategy and maximising shareholder value.

Performance Overview

In 2023, our revenue increased by 3.5%, due to the full year impact of new supply in 2022 and organic rental growth backed by our consistently high occupancy levels. Net Rental Income increased to €67.9 million, with a broadly stable margin of 77.3%, showing the strength of the business's fundamentals as well as continued and active cost management initiatives and discipline, despite inflationary pressures.

Adjusted EBITDA grew to €56.0 million, an increase of 3.3% year on year, showing the strong consistent cash generation of the business with the EBITDA margin remaining stable at 64%. EPRA Earnings reduced to €27.6 million (2022: €30.9 million), with the decrease largely attributable to increases in interest costs, offset by increased operating profit and the saving of the non-recurring costs from internalisation.

2024 Remuneration Policy

The current Remuneration Policy was approved by shareholders at the 2020 AGM and, in line with the EU Shareholders' Rights Directive legislation, is subject to renewal at our 2024 AGM. Accordingly, a new Remuneration Policy will be put forward for shareholder approval on an advisory basis at our 2024 AGM.

Over the past 18 months, my predecessor and I have engaged extensively with shareholders in relation to remuneration arrangements, including most recently in respect of the significant vote against the Directors' Remuneration Report at our

2023 AGM. The Board are grateful for all of the time shareholders have taken to engage with us and for the feedback we have received.

The feedback we received reflected a range of individual factors and not all of which were directly related to the executive remuneration arrangements, rather than one overarching theme. These included the weighting of the TSR metric within the LTIP, concern over potential windfall gains in respect of the 2023 LTIP awards granted, the removal of the NAV metric from the annual bonus, and reduced dividend payments. We have taken this feedback into account in reviewing our Remuneration Policy.

The Committee has also had to take into consideration a number of factors which I will outline below, but above all we have sought to balance incentivising the delivery of the existing agile business model and strategy, aligned with prevailing macroeconomic conditions ensuring that we can continue to deliver sustainable growth and performance, while also undertaking a Strategic Review.

The macro-economic environment in which we operate has changed since 2020 when the current policy was introduced and continues to be challenging, with persistent inflation and an elevated interest rate environment having a negative impact on both valuations and liquidity in the global real estate market during 2023. We are subject to more onerous regulatory limits on rental increases. The macro-economic challenges have continued to impact the share price, despite strong operating performance and the business is trading at a discount to NAV.

There has been significant change to the I-RES business model and with potentially significant changes to come through the Strategic Review. The key change is that since 2020, I-RES has transitioned to internalised management and we now have a fully integrated business enabling us to provide enhanced operational capability across our professionally managed portfolio of high-quality residential units with enhanced responsibilities for executive management.

In January this year, reflecting the continued weakness in the share price, we announced that a Strategic Review will be conducted by the Board which will comprise of a comprehensive consideration of all strategic options to maximise value. Options to be assessed will include but not be limited to, new strategic initiatives, consolidation, combinations, mergers or other corporate action, a review of the Company's status as a listed REIT, the sale of the entire issued share capital of the Company and selling the Company's assets and returning value to shareholders.

The challenge for the Committee has therefore been to structure remuneration arrangements which incentivise executives to deliver against KPIs aligned to the current business model and strategy, against a backdrop of potential change in the future and a wide range of options which may transpire.

We have therefore sought to capture the successful delivery of a comprehensive Strategic Review in 2024 and if, as a result of this, the Policy no longer incentivises the future strategy of I-RES, we will of course consult on further changes and ask Shareholders to review this policy with this context in mind.

Key Changes in the 2024 Remuneration Policy

Following the Committee's review, and taking into account feedback from shareholders, we have determined that it is appropriate to retain the current overall incentive framework of an annual bonus and performance based long-term incentive plan ("LTIP") to ensure management are incentivised to deliver short and long-term performance and are fairly rewarded in line with the shareholder experience.

A critical part of our review has been to carefully consider the performance metrics for the annual bonus and LTIP awards, to ensure that they are well aligned to our financial KPIs and our key strategic pillars; Operational Excellence, Asset Management Strategy, Capital Management and Sustainability.

As a result of that review and taking on board shareholder feedback, we have decided to significantly broaden the scope of the incentive framework to include, for 2024, five separate metrics for the annual bonus and four separate metrics for the LTIP each of which rewards a specific but complementary outcome. Further details of these performance metrics are summarised below and set out on page 146 of this Report along with how these link to our strategy.

We are not proposing any changes to the incentive opportunities for 2024. The CEO will continue to be eligible for a maximum annual bonus award of 150% of salary and an LTIP award of 135% of salary. The CFO will continue to be eligible for a maximum annual bonus award of 125% of salary and an LTIP award of 100% of salary.

Our overall annual bonus policy maximum will remain unchanged at 150% of salary. The annual LTIP policy maximum is currently 135% of salary. Given the new Remuneration Policy is intended to apply for a four-year period, to ensure that we have appropriate flexibility we propose to increase the annual LTIP policy maximum to 150% of salary which is more aligned with typical market practice for a company of our size. However, we commit not to implement an increased LTIP award maximum for the Executive Directors in 2024 or in 2025. Furthermore, we would intend to consult with major shareholders should we consider increasing the LTIP award maximum for the Executive Directors in the future.

Under the new Remuneration Policy, pension provision for the current Executive Directors will be reduced over the next three years such that it is aligned with the pension contributions available to the majority of the workforce by 1 January 2027. In practice, this will only impact our current CFO, Mr Fagan. Our current CEO, Ms Sweeney, will step down as CEO and retire from the Board on 30 April 2024. Our new CEO, Eddie Byrne, will receive pension provision at the same level as the majority of the workforce, currently 3% of base salary.

2024 LTIP Rules

The rules of the Irish Residential Properties REIT Long Term Incentive Plan 2014 (the "2014 Rules") are due to expire in April 2024 and therefore shareholder approval is required for the renewal of the LTIP rules at the AGM in May 2024. The LTIP rules will operate on broadly similar terms to the 2014 Rules and will reflect common market practice for similar types of plans. We use the LTIP, not just to grant awards to our Executive Directors, but to the wider LTIP eligible workforce as well. Shareholder approval for the renewal of the LTIP rules will therefore be critical to enable us to continue to grant awards to incentivise management to deliver the strategy and create value for shareholders.

Remuneration Outcomes for 2023

The 2023 annual bonus outcome was subject to a combination of EPRA earnings (35%), net rental income (NRI) (35%) and strategic objectives (30%). These metrics, in line with those used in 2022, were combined to ensure there was a balance between a continued focus on improving profit and rental income growth, while focusing on key non-financial deliverables which underpin our strategy, as well as core ESG priorities.

Based on the outcome of the financial and strategic metrics, the CEO and CFO would have earned a bonus equal to 87.6% and 85.1% of maximum bonus opportunity respectively. However, in recognition of the fact that Adjusted EPRA Earnings declined by 22% in 2023, in principal due to increased financing costs associated with the ECB interest rate increases, the Committee, in agreement with the Executive Directors, exercised its discretion not to make a pay-out on the Adjusted EPRA Earnings element (which accounted for 35% of the annual bonus). The CEO and CFO therefore earned a bonus equal to 52.6% and 50.1% of maximum bonus opportunity respectively, equivalent to 78.9% of salary for the CEO and 62.6% of salary for the CFO. See page 135 for details.

The LTIP awards granted in 2021 did not vest and so have lapsed in full as EPS performance was below threshold and relative TSR performance was below median to the FTSE EPRA NAREIT Europe Developed Index. See page 139 for details.

Our Executive Directors and Senior Leadership Team have continued to deliver across all key financial, operational and strategic metrics and navigate the business successfully through the uncertainty and challenges of the Irish Real Estate environment. However, the Committee also recognises that shareholders have been impacted by the Company's absolute share price performance during the year.

Therefore, on balance and following the exercise of Committee discretion to reduce the outcome of the EPRA Earnings metric under the annual bonus from 100% to 0%, the Committee considers the outcome of the annual bonus and LTIP awards for 2023 to be appropriate.

Board Changes

CEO

Ms Sweeney will step down as CEO and retire from the Board on 30 April 2024 following an orderly transition to her successor. The treatment of Ms Sweeney's remuneration arrangements are set out on page 145.

Eddie Byrne has been appointed as CEO Designate, with effect from 8 April 2024. Mr Byrne will succeed Margaret Sweeney as CEO and Executive Director of the Board with effect from 1 May 2024. The Committee has agreed the following remuneration arrangements for Mr Byrne:

- A base salary of €475,000. This is 13.6% less compared to Ms Sweeney's base salary and is positioned towards the lower end of market when compared with European real estate peers and ISEQ companies of a similar market capitalisation. The current positioning of the base salary reflects that this is Mr Byrne's first listed CEO role, but the Committee will look to keep this salary positioning under review as Mr Byrne gains experience in the role and may award larger than workforce base salary increases in the future. The positioning of the base salary also takes into account the Group's focus on cost control, consistent with the decision made in relation to the fee for the new Chair.
- Pension provision is in line with the pension contributions available to the majority of the workforce, currently equal to 3% of salary.
- A maximum annual bonus opportunity equal to 150% of salary (in line with Ms Sweeney's annual bonus opportunity). The 2024 annual bonus will be pro-rated for time served during the year.
- A maximum LTIP opportunity equal to 135% of salary (in line with Ms Sweeney's LTIP opportunity).
- Benefits - An annual taxable cash allowance towards e.g. car and health cover of €25,000.
- Mr Byrne's service contract is terminable either by the CEO or the Company providing six months' prior written notice.

Chair of the I-RES Board

Mr Scott-Barrett succeeded Mr Moylan as Chair of the I-RES Board effective from the publication of the Company's 2023 results on 23 February 2024. His annual fee was set at €175,000. This is 12.5% less compared to Mr Moylan's fee and is positioned between the lower quartile and median compared with European real estate peers and ISEQ companies of a similar market capitalisation. The reduction in fee primarily reflects the Group's focus on cost control.

Remuneration in 2024

Salary

Ms Sweeney's base salary for 2024 is €550,000, which is in line with her 2023 base salary. Mr Byrne was appointed on a base salary of €475,000.

As disclosed in our 2022 Directors' Remuneration Report, the Committee reviewed Mr Fagan's base salary in 2022 following an expansion in his CFO role and responsibilities and to provide closer alignment with market practice for similar sized companies. The Committee agreed to increase his base salary from €330,000 to €380,000 on a phased basis over a two-year period. His base salary was increased to €355,000 with effect from 1 January 2023, with the further increase to €380,000 to take effect from 1 January 2024 subject to his performance and Group performance. The Committee considered that the implementation of the second phase of the CFO's base salary increase to €380,000 was appropriate taking into account Mr Fagan and the Company performance and this will take place with effect from 1 January 2024 in line with disclosures set out in the 2022 Remuneration Report.

For reference, the average salary increases for the workforce effective from 1 January 2024 was 4% of salary.

Pension

Under the new Remuneration Policy, pension provision for the current Executive Directors will be reduced over the next three years such that it is aligned with the pension contributions available to the majority of the workforce by 1 January 2027.

Given Ms Sweeney's retirement as CEO in 2024, her pension contribution was retained at 10.9% of salary. As part of the glide path to align the CFO pension to the majority of the workforce by 1 January 2027, his pension for 2024 will be reduced by €9,500 from €49,500 (equivalent to 13.9% of base salary) to €40,000 (equivalent to 10.5% of base salary). Pension provision for Mr Byrne will be aligned with the pension contributions available to the majority of the workforce, which is currently 3% of base salary.

Annual bonus

The 2024 bonus opportunity for the CEO (outgoing and incoming) and CFO is equal to 150% of salary and 125% of salary respectively. Ms Sweeney's annual bonus will be pro-rated based on her period in employment for the 2024 financial year as will Mr Byrne's.

After extensive consideration as part of the Remuneration Policy review process, the 2024 annual bonus is subject to a combination of EPRA earnings (25%), net rental income margin (20%), Loan to value (10%), Net Asset Value (15%) and strategic objectives (30%). The strategic objectives to include the Strategic Review and other non-financial metrics. In our review of the Remuneration Policy and the 2024 metrics for the Annual Bonus and LTIP, the Committee specifically considered the Strategic Review and how to incentivise the executives appropriately to both keep a focus on the delivery of the current business and to ensure that the Strategic Review and any agreed actions are completed in as robust, thorough and timely a fashion as possible.

In that regard the Committee decided that it was appropriate that, for 2024, up to 20% of the 30% of the Annual Bonus that is allocated to strategic matters should be specifically dedicated to the timely completion of the Strategic Review and appropriate progress in respect of implementation of the recommendations of that Review in-line with the Board agreed timetable. In addition, the Committee are of the view that the reintroduction of the NAV metric and the introduction of the TAR metric in the LTIP will align with the objective of maximising shareholder value.

Performance targets are considered to be commercially sensitive and will be fully disclosed in the 2024 Remuneration Report.

LTIP

Subject to shareholder approval of the 2024 LTIP Rules, Mr Byrne and Mr Fagan will be granted LTIP awards with a maximum opportunity equal to 135% of salary and 100% of salary respectively. It is intended that the LTIP awards are subject to EPS (30%), relative TSR (30%), Total Accounting Return (30%) and ESG (carbon reduction) (10%) performance measures. The performance targets for 2024 are set out on page 147 of this Report. Full details of the grants for 2024 will be disclosed at the time of grant and in the 2024 Remuneration Report.

Conclusion

We remain committed to a responsible approach to executive remuneration, as I trust this Remuneration Committee Report demonstrates. The Committee considers that the remuneration received by the Executive Directors in respect of 2023 was appropriate, taking into account the Group's performance, the Executive Directors' personal performance and the experience of shareholders and employees.

We look forward to your support for the remuneration-related resolutions on the agenda of the 2024 AGM.

Joan Garahy
Chair of the Remuneration Committee

Composition of the Remuneration Committee

The Remuneration Committee is chaired by Joan Garahy. All members of the Remuneration Committee were independent Non-Executive Directors when appointed by the Board and continue to be independent. Accordingly, the Remuneration Committee is constituted in compliance with the Code and the Articles of Association.

No member of the Remuneration Committee has any conflicts of interest, nor do they have any personal financial interest other than as shareholders (where relevant).

All members of the Remuneration Committee are appointed for an initial term of up to three years, which may be extended by the Board. As highlighted in the biographies of each member of the Remuneration Committee on pages 94 to 98, the members of the Remuneration Committee bring a range of different experience and skills to the Committee.

Meetings of the Remuneration Committee

The Remuneration Committee met eight (8) times during the period from 1 January 2023 to 31 December 2023.

REMUNERATION COMMITTEE MEETINGS ATTENDED/ ELIGIBLE TO ATTEND (INCLUDING AD HOC MEETINGS)
1 January - 31 December 2023

Aidan O'Hogan (Chair) 4/4

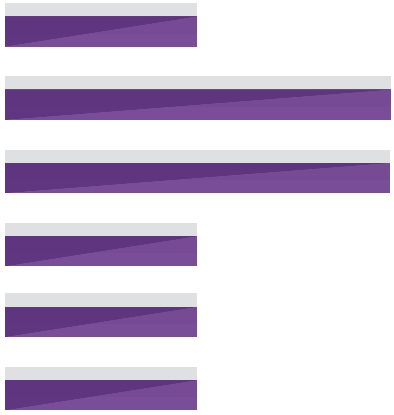
Joan Garahy (Chair) 8/8

Declan Moylan 8/8

Tom Kavanagh 4/4

Hugh Scott-Barrett 4/4

Denise Turner 4/4



Aidan O'Hogan retired from the Board and Committee memberships on 4 May 2023
Tom Kavanagh stepped down as member of the Committee on 4 May 2023
Hugh Scott-Barrett joined the Committee on 4 May 2023
Denise Turner joined the Committee on 4 May 2023
Joan Garahy became Chair of the Committee on 4 May 2023

Terms of Reference and Principal Duties

The terms of reference of the Remuneration Committee are regularly reviewed and updated for best practice and compliance with the Code. The Board reviewed the terms of reference of the Remuneration Committee on 22 November 2023 and confirmed that there were no material changes required. The roles and responsibilities delegated to the Remuneration Committee under the terms of reference can be accessed electronically at www.i-res.ie.

Following the 2023 externally managed Board and Committee evaluation, it was concluded that the Remuneration Committee was performing well.

The Remuneration Committee's principal duties include:

- delegated responsibility for determining the policy for Directors' remuneration and setting remuneration for the Company's Chair and Executive Directors and senior management, including the Company Secretary, in accordance with the Principles and Provisions of the Code;
- establishing remuneration schemes that promote long-term shareholding by Executive Directors that support alignment with long term shareholder interests, having regard to the recommendations of the Code;
- designing remuneration policies and practices to support strategy and promote long-term sustainable success, with executive remuneration aligned to Company purpose and values, clearly linked to the successful delivery of the Company's long-term strategy, and that enable the use of discretion to override formulaic outcomes and to recover and/or withhold sums or share awards under appropriate specified circumstances;
- when determining Executive Director remuneration policy and practices, considering the Code requirements for clarity, simplicity, risk mitigation, predictability, proportionality and alignment to culture;
- in determining remuneration policy, taking into account all other factors which the Remuneration Committee deems necessary including relevant legal and regulatory requirements, the provisions and recommendations of the Code and associated guidance;
- reviewing the ongoing appropriateness and relevance of the Remuneration Policy;
- within the terms of the agreed Remuneration Policy and in consultation with the Chair and/or CEO, as appropriate, determining the total individual remuneration package of each Executive Director, the Company Chair and senior managers including bonuses, incentive payments and share options or other share awards;
- appointing remuneration consultants and monitoring their independence;
- reviewing the design of all share incentive plans for approval by the Board and, where required, shareholders. For any such plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards for Executive Directors and senior managers, and the performance targets to be used;
- reviewing workforce remuneration and related policies; and
- working and liaising as necessary with other Board committees, ensuring the interaction between committees and with the Board is reviewed regularly.

REMUNERATION POLICY

The following section sets out the Company's Remuneration Policy for Executive and Non-Executive Directors (the "Policy"). The Policy will be put forth for shareholder approval on an advisory basis at the Company's 2024 annual general meeting and, if approved, will be effective from this date. It is intended that the Policy will remain in place until the 2028 annual general meeting.

In preparing the new policy, the Committee has had to take into consideration a number of factors including feedback from an extensive consultation with shareholders, but above all we have sought to balance incentivising the delivery of the existing agile business model and strategy, aligned with prevailing macroeconomic conditions ensuring that we can continue to deliver sustainable growth and performance, whilst also undertaking a Strategic Review.

The macro-economic environment in which we operate has changed since 2020 when the current policy was introduced and continues to be challenging, with persistent inflation and an elevated interest rate environment having a negative impact on both valuations and liquidity in the global real estate market. We are subject to more onerous regulatory limits on rental increases. The macro-economic challenges have continued to impact the share price, despite strong operating performances and the business is trading at a discount to NAV.

The Committee's preparation of the next Remuneration Policy has also been undertaken against the backdrop of significant change to the I-RES business model and also with potentially substantial changes to come through the Strategic Review. The key change is that since 2020, I-RES has transitioned to internalised management and we now have a fully integrated business enabling us to provide enhanced operational capability across our professionally managed portfolio of high-quality residential units with enhanced responsibilities for executive management.

In January this year, reflecting the continued weakness in the share price, we also announced that a Strategic Review will be conducted by the Board which will comprise of a comprehensive consideration of all strategic options to maximise value. Options to be assessed will include but not be limited to, new strategic initiatives, consolidation, combinations, mergers or other corporate action, a review of the Company's status as a listed REIT, the sale of the entire issued share capital of the Company and selling the Company's assets and returning value to shareholders.

The challenge for the Committee has therefore been to structure a new policy which aligns to the current strategy, against a backdrop of potential change in the future and a wide range of options which may transpire. We have therefore sought to capture the successful delivery of a comprehensive Strategic Review in 2024 and if, as a result of this, the Policy no longer incentivises the future strategy of I-RES, we will of course consult on further changes and ask Shareholders to review this policy with this context in mind.

The key changes to the Policy are set out in the Remuneration Committee Chair's letter.

In developing the Policy, the Committee has been mindful of the factors set out in the UK Code Provision 40:

Alignment to strategy and culture:	Executive remuneration includes a balanced mix of basic salary and short and long term incentives, aligned to the Company's strategy and key performance indicators. Please see page 32 of this Annual Report for more information on the Company's strategy and key performance indicators. The Company's core values are reflected in the remuneration arrangements.
Clarity and Simplicity:	The remuneration structure is simple to understand for both participants and shareholders and is aligned to the strategic priorities of the business.
Risk:	The Policy includes a number of points to mitigate potential risk: ↘ Defined limits on the maximum opportunity levels under incentive plans ↘ Provisions to allow malus and clawback to be applied where appropriate ↘ Performance targets calibrated at appropriately stretching but sustainable levels ↘ Bonus deferral, LTIP holding periods, within-employment and post-employment shareholding requirements ensuring alignment of interests between Executive Directors and shareholders and encouraging sustainable performance
Predictability:	We aim for our disclosure to be clear to enable shareholders to understand the range of potential values which may be earned under the remuneration arrangements.
Proportionality:	A significant part of Executive Directors' reward is linked to performance with a clear line of sight between business performance and the delivery of shareholder value.

Policy table for Executive Directors

Element	Operation	Opportunity	Performance Metrics
Basic Salary To provide a fixed level of compensation reflecting the individual's skills and experience	The Committee will consider the salary level from time to time (typically annually) during the policy period, having regard to the levels of increase across the workforce, the size and scope of the role and the business, market data for similar roles and individual development.	No maximum level. Salary increases (in percentage of salary terms) will normally be considered in relation to those applied to the workforce. The Committee retains discretion to award higher increases in certain circumstances including, but not limited to: significant changes in the size and scope of the role; a material change in the size and scale of the business; a material change in market practice; an Executive Director's development or performance in role (e.g. to align a new appointment's salary with the market over time); and/or to take account of relevant market movements.	Not applicable
Benefits To provide benefits which are competitive with market practice	Benefits include, but are not limited to: an annual taxable cash allowance towards car and health cover Relocation expenses may be offered (on a one-off or on-going basis) in certain circumstances.	No maximum level.	Not applicable
Pension To provide appropriate post-retirement benefits	Fixed contributions into an approved Company defined contribution executive pension scheme or an equivalent cash supplement (or combination of both).	For the incoming CEO the maximum pension contribution will be aligned with the contribution available to the majority of the workforce (currently 3% of base salary). For the CFO the pension contribution for 2024 will be €40,000. This will be reduced over time to align with the pension contribution available to the majority of the workforce by 1 January 2027. For any new Executive Director appointment, the maximum pension contribution or cash supplement (or combination of both) will be aligned with the contribution available to the majority of the workforce.	Not applicable

Element	Operation	Opportunity	Performance Metrics
Annual Bonus To support the delivery of the Company's business strategy and KPIs and reward annually for contribution to financial and non- financial performance	Annual bonus based on stretching performance metrics set by the Committee usually at the start of each year. 80% of any amount earned is normally paid in cash with the remainder delivered in the form of shares which are held in trust for the Executive Director for three years, and are subject to disposal restrictions. Dividends will be paid as they arise. Malus and clawback provisions apply (see table on page 130). The Committee has the discretion to override formulaic outcomes in circumstances where it judges it would be appropriate to do so and, in such circumstances, the basis for the exercise of any such discretion will be disclosed in the Remuneration Report. The cash portion of the bonus may be payable (in whole or in part) as an employer pension contribution if agreed between the individual and the Committee.	Maximum opportunity of up to 150% of basic salary in respect of a financial year. For the achievement of target performance, 50% of the maximum opportunity would normally be expected to be payable.	The Committee will determine the performance metrics, their weightings and the calibration of targets each year and will disclose these in the Remuneration Report. 2024 performance metrics are set out on page 146.
Long-Term Incentive Plan (LTIP) To align the interests of the Executive Directors with those of shareholders and reward the delivery of long term sustainable performance and the creation of shareholder value	Annual awards of performance shares, normally subject to three year performance metrics. Awards will normally be subject to a two year post-vesting holding period. Dividend equivalents may accrue (as a cash amount or additional shares) on performance shares. Malus and clawback provisions apply (see table on page 130). The Committee has the discretion to override formulaic outcomes in circumstances where it judges it would be appropriate to do so and in such circumstances, the basis for the exercise of any such discretion will be disclosed in the Remuneration Report.	Maximum opportunity of up to 150% of basic salary in respect of a financial year.	The Committee will determine the performance metrics, their weightings and the calibration of targets each year and will disclose these in the Remuneration Report. Performance metrics for the 2024 awards are set out on page 147.
Shareholding Requirement To further align the interests of the Executive Directors with those of shareholders and encourage sustainable performance	Within-employment: Executive Directors are expected to build and maintain a shareholding interest in the Company equivalent to at least 200% of basic salary. Post-employment: Executive Directors who step down from the Board are normally expected to retain a shareholding in 'guideline shares' equal to 200% of basic salary (or their actual shareholding on stepping down if lower) for a period of two years after stepping down from the Board. 'Guideline shares' do not include shares that the Executive Director has purchased or shares that have been acquired pursuant to the vesting of share plan awards granted prior to 1 January 2020. The Committee retains discretion to waive this post-employment guideline if it is not considered to be appropriate in the specific circumstances.	Not applicable	Not applicable

Notes to the Policy table

Malus and clawback

Malus and clawback provisions apply to annual bonus, deferred bonus and LTIP awards over the following time periods:

	Malus	Clawback
Annual bonus	To such time as payment is made.	Up to two years following payment.
Deferred bonus awards	Not applicable	Up to three years following award
LTIP awards	To such time as the award vests.	Up to two years following vesting.

Malus and clawback may apply in the following circumstances:

- A material misstatement of the Company's financial results.
- An error in the information in which the bonus outcome or the number of shares granted or vesting under deferred bonus awards or LTIP awards was determined.
- Action or conduct of a participant which amounts to gross negligence, serious misconduct or fraud.
- Action or conduct of a participant which results in serious reputational damage to the Company.
- A material corporate failure.

Choice of performance metrics

The performance metrics for the annual bonus and LTIP reflect the Company's annual and long term financial, strategic and ESG priorities, and are aligned broadly with performance metrics used by real estate sector peers. A proportion of the LTIP is subject to total shareholder return performance relative to the residential real estate sector. This helps support an incentive framework whereby Executive Directors may be rewarded for outperforming peers and delivering shareholder value in a cyclical market. Targets are set taking into account a number of reference points, including the Company's internal forecasts and the external market.

Details of the performance metrics for the 2024 annual bonus and LTIP awards are set out on pages 146 and 147.

Discretions retained by the Committee in operating the annual bonus and LTIP

The Committee will operate the annual bonus (including the deferred share element) and the LTIP according to their respective rules. The Committee retains certain discretions, consistent with market practice, relating to the operation and administration of these plans, including:

- The ability to adjust or set different performance metrics or targets if events occur (such as a change in strategy, a material acquisition and/or divestment of a Group business or a change in prevailing market conditions) which cause the Committee to determine that the performance metrics and/or targets are no longer appropriate and the amendment is required so that they achieve their original purpose and are not materially less difficult to satisfy.
- The ability to make adjustments to existing awards in the event of a variation in share capital or a demerger, delisting, special dividend or other exceptional event that may affect the Company's share price.

Any use of the above discretions would, where relevant, be explained in the Remuneration Report.

Service contracts and compensation for loss of office

The incoming CEO's service contract is terminable either by the CEO or the Company providing six months' prior written notice. The CFO's service contract is terminable either by the CFO or the Company providing 6 months' prior written notice.

The Executive Directors are entitled to be paid their full remuneration (net of any social welfare benefits) during any periods of inability to work due to illness or accident, not exceeding in aggregate six weeks in any consecutive 12-month period.

The principles on which the determination of compensation for loss of office will be approached are set out below.

Element	Policy
Payment in lieu of notice	Limited to salary and benefits over the unexpired notice period, subject to mitigation.
Annual bonus	Discretionary payment based on the circumstances of the termination and after assessing performance metrics and normally only for the service period worked. The committee has discretion to pay the whole of any bonus earned for the year of departure and/or preceding year in cash in appropriate circumstances. Restricted shares remain in trust for 3 years post grant.
LTIP award	The extent to which any unvested award will vest will be determined in accordance with the LTIP rules. Unvested awards will normally lapse on cessation of employment. However, if the Executive Director leaves as a good leaver (death, ill-health, injury or disability, the sale of the business or company that employs the individual or for any other reason at the Committee's discretion), their unvested awards will vest on the normal vesting date. In exceptional circumstances, the Committee may determine that that the Executive Director's award will vest early at the date of cessation of employment. To the extent that the award vests, a two year holding period would then normally apply (although the Committee may determine that no holding period will apply in exceptional circumstances). Vesting will depend on the extent to which the performance metrics have been satisfied and will normally be subject to a pro-rata reduction to reflect the proportion of the performance period served (although the Committee has discretion to disapply time pro-rating if the circumstances warrant it).
Change of control	LTIP awards will normally vest on a change of control, taking account of the degree to which performance metrics have been satisfied and the proportion of the performance period that has elapsed. The Committee may exercise its discretion to vary the level of vesting having regard to the circumstances and reasons for the events giving rise to the change of control or determine that it would be appropriate for the LTIP awards to be exchanged for equivalent awards in the purchaser's shares where such an award would be substantially equivalent, in value and in terms and conditions, to the award in the Company.
Other payments	In appropriate circumstances, payments may also be made in respect of items such as accrued holiday, outplacement and legal fees. The Committee reserves the right to make payments by way of settlement of any claim arising in connection with the cessation of employment.

Policy for Recruitment of New Executive Directors

The Committee will determine the remuneration arrangements in respect of any newly appointed Executive Director in line with the policy table. The Committee also has discretion to include other remuneration elements which it considers appropriate taking into account the specific circumstances of the recruitment, subject to the principles set out below.

Element	Policy
Basic salary	Salary levels will be determined taking into account the experience of the individual, the size and scope of the role and business, and comparative market data for similar roles. Where it is appropriate to initially position the salary below the market rate, progressive increases (which may be above those of the workforce as a percentage of salary) to achieve the desired salary positioning may be given over the following few years subject to individual performance and continued development in the role.
Buy-out awards	If for an external appointment it is necessary to buy out incentive arrangements which would be forfeited on leaving the previous employer, this will be done taking into account the form (e.g. cash or shares), vesting period and any performance metrics applicable to the remuneration being forfeited.
Variable remuneration	The maximum level of variable remuneration which may be awarded to new Executive Directors, excluding the value of any buy-out arrangements, will normally be in line with the limits set out in the policy table. The Committee may apply different performance metrics and/or performance periods for initial awards made following appointment under the annual bonus and/or LTIP, if it determines that the circumstances of the recruitment merit such alteration. If an Executive Director is appointed at a time in the year when it would be inappropriate to provide an annual bonus or LTIP award for that year, subject to the limits on variable remuneration set out in the policy table, the quantum in respect of the period employed during the year may be transferred to the subsequent year.
Other elements of remuneration	Other elements may be included in the following circumstances: ↘ An interim appointment being made to fill an Executive Director role on a short term basis. ↘ If exceptional circumstances require that the Chairman or Non-Executive Director takes on an executive role on a short term basis. ↘ Relocation benefits may be provided if an Executive Director is required to relocate.

If an internal appointment is made, remuneration arrangements awarded prior to promotion to Executive Director level will continue to run in line with the schedule and conditions determined at time of grant.

Non-Executive Director Fees

The remuneration of the Non-Executive Directors is determined by the Board as a whole. No Director may be involved in any decisions in respect of his or her own remuneration.

Levels of remuneration for Non-Executive Directors reflect the time commitment and responsibilities of the role. The fees paid to Non-Executive Directors are therefore set at a level which aims to attract individuals with the necessary experience and ability to make a significant contribution to the Company and to compensate them appropriately for their role. Levels of fees may be reviewed from time to time during the policy period, having regard to any significant changes in the size and scope of the role and the business, and material changes in comparative market data for similar roles.

Non-Executive Directors may be eligible to receive benefits linked to their duties. This includes, but is not limited to, travel costs.

The Chairman and Non-Executive Directors are engaged under letters of appointment. Details are provided on page 167 in the Directors' Report.

Considerations of conditions and pay levels for workforce and workforce engagement on executive pay

During 2022 the number of employees in the Company increased from 13 to 95 following the acquisition of IRES Fund Management Limited (IFML). That number has remained stable in 2023. The Committee was mindful of the remuneration arrangements, including fixed and variable pay structures, in place for the workforce when determining the Policy.

The Committee will continue to regularly review the remuneration of the workforce to ensure it is attuned to general pay and conditions when considering remuneration for Executive Directors (for example, the Committee will consider salary increases for the workforce when determining salary increases for the Executive Directors).

While the Committee currently does not consult directly with employees when setting remuneration for Executive Directors, it does take into account the remuneration structures, policies and practices in the Group as a whole, the feedback from employee engagement activities and the information provided by our external advisors. In addition, matters relating to remuneration which come to the attention of Mr. Tom Kavanagh, in his capacity as the Workforce Engagement Director, are reported to the Committee. The Group has a number of different channels for engagement and the Committee will consider how it can engage more effectively with the wider workforce to explain broader pay policies and practices and the alignment to the Executive Directors' Remuneration Policy.

Potential derogation from the Policy

The Committee intends that remuneration arrangements will operate in accordance with the Policy until an amended remuneration policy is put to shareholders for approval. The European Union (Shareholders' Rights) Regulations 2020 allow for the potential for a temporary derogation from the Policy where doing so is necessary in exceptional circumstances, to serve the long term interests and sustainability of the traded PLC as a whole or to assure its viability. By definition, it is not possible to fully list all such exceptional circumstances, but the Committee would only use such ability to apply a derogation after careful consideration and where the Committee considers the circumstances were exceptional and the consequences for the Company and shareholders of not doing so would be significantly detrimental. Where time allowed, shareholders would be consulted prior to applying such a change, or, at minimum where this was not possible, the full details of the derogation would be communicated as soon as practical (e.g., by market announcement/on the Company's website) and disclosed in detail in the next Remuneration Report.

Legacy arrangements

The Committee retains discretion to make any remuneration payment and/or payment for loss of office, to exercise any discretion available in relation to such payment, notwithstanding that it is not in line with this Policy where the terms of the payment were agreed:

- Before the date that the Company's first shareholder approved remuneration policy came into effect.
- Before this Policy came into effect (provided that the terms of the payment were consistent with the shareholder approved remuneration policy in effect at the time the terms were agreed).
- At a time when the relevant individual was not a director of the Company and, in the opinion of the Committee, the payment was not in consideration of the individual becoming a director of the Company.

ANNUAL REMUNERATION REPORT FOR 2023

This report will be submitted as an advisory vote to shareholders at the 2024 AGM. The report complies with the European Union (Shareholder's Rights) Regulations 2020.

Total Remuneration received for 2023
All elements of the remuneration received by the Directors for 2023 were consistent with the Directors' Remuneration Policy as approved by shareholders at the 2020 AGM.

During the financial year ended 31 December 2023:

- There were no deviations from the procedure for implementing the Remuneration Policy.
- There were no derogations from the Remuneration Policy.
- No use was made of the possibility to reclaim variable remuneration using the malus and clawback mechanisms described in the remuneration policy.

The Remuneration Committee report for 2022 was the subject of an advisory shareholder vote at the AGM in 2023. The resolution received the support of 36.1% of those shareholders who voted. As set out on page 120, the Chair of the Remuneration Committee has consulted widely with shareholders in respect of this vote and the Remuneration Committee took into account all of the feedback received in the formulation of the 2024 Remuneration Policy.

Base Salary for 2023
The actual base salaries paid to the Executive Directors for the financial year ended 31 December 2023 are set out in the table below. As reported in the Remuneration Committee report for 2022 Ms Sweeney's base salary was increased to €550,000 (15.8% increase) and Mr Fagan's base salary was increased to €355,000 (7.6% increase) with effect from 1 January 2023.

Benefits for 2023
Ms Sweeney and Mr Fagan received an annual taxable cash allowance of €25,000 and €13,500 respectively towards car and health cover.

Total Remuneration of Executive Directors in 2023
The table below sets forth the total remuneration received by each Executive Director in respect of 2023 (and a comparison to 2022)[1].

		Fixed Remuneration				Variable Remuneration				
Executive Directors	**Year**	**Basic Salary (€'000)**	**Fees (€'000)**	**Benefits (€'000)**	**Pension (€'000)**	**Annual Bonus (€'000)**	**Deferred Bonus (€'000)**	**Long-Term Incentive (€'000)(2)**	**Total Remuneration (€'000)**	**Proportion of fixed and variable**
Margaret Sweeney	2023	550	-	25	60	347	87	-	1,069	59%/41%
	2022	475	-	25	60	348	87	-	995	56%/44%
Brian Fagan(3)	2023	355	-	14	49(4)	178	44	-	640	65%/35%
	2022	240	-	10	32(4)	120	30	-	432	65%/35%

(1) The table includes all emoluments paid to or receivable by Directors in respect of qualifying services during the review period. No compensation for loss of office, payments for breach of contract or other termination payments were paid to any current or former Director in the period under review.
(2) For more information on options and LTIP awards granted to the Directors, please refer to the section titled "Long-term Incentives".
(3) Brian Fagan joined the Board 11 April 2022. The table includes all emoluments paid or receivable by Brian Fagan from 11 April 2022.
(4) Paid directly to Brian Fagan in lieu of pension contributions.

Pension for 2023

Ms Sweeney participates in a defined contribution pension arrangement and Mr Fagan receives a cash allowance in lieu of pension contributions. As reported in the 2022 Remuneration Committee Report, the level of pension contribution for Ms Sweeney was frozen at 15% of her 2021 base salary (€60,000) and the level of cash allowance for Mr Fagan was frozen at 15% of his 2022 base salary (€49,500). For 2023, pension provision represented 10.9% and 13.9% of Ms Sweeny's and Mr Fagan's base salaries respectively.

Annual bonus for 2023

The CEO's and CFO's annual bonus maximum opportunity level for 2023 was 150% and 125% of basic salary respectively. A bonus deferral arrangement is in place such that 20% of any bonus paid is deferred into Company shares for a period of three years to promote sustainable performance and provide additional alignment of the CEO and CFO with shareholder interests.

For 2023, 70% of annual bonus for each of the CEO and CFO was determined by financial performance metrics and 30% was based on specific and measurable strategic objectives. The weightings, targets and performance against each are summarised in the tables below:

2023 Financial Metrics for CEO and CFO

Measure	Weighting (% of Maximum Bonus)	Threshold Performance (25% of Maximum Payout)[2]	Target Performance (50% of Maximum Payout)[3]	Stretch Performance (100% of Maximum Payout)[4]	Performance Achieved	Amount Earned by CEO/CFO (% of Max Weighting)
Adjusted EPRA Earnings[1]	35	€24.34 million	€25.62 million	€26.26 million	€28.52 million	0%
Net Rental Income	35	€63.24 million	€66.57 million	€68.24 million	€67.91 million	90.3%

(1) EPRA Earnings have been adjusted for non-recurring costs during the year. See further detail on non-recurring costs on page 23
(2) Threshold Performance is based on achieving 95% of Target perfrmance
(3) Target Performance is based on achievement of the 2023 Board Approved Budget
(4) Stretch Performance is based on achieving 102.5% of Target Performance

Based on performance against the EPRA Earnings and Net Rental Income targets, 66.6% of the maximum 70% of the financial element would be payable. However, in recognition of the fact that Adjusted EPRA Earnings declined by 22% in 2023, in principle due to increased financing costs associated with the ECB interest rate increases, and the Committee, in agreement with the Executive Directors, exercised its discretion not to make a pay-out on the Adjusted EPRA Earnings element. Therefore, the outcome was reduced to 31.6% of the maximum 70% of the financial element.

2023 Strategic Objectives

CEO – Margaret Sweeney – 30% total weighting

Area	Aims and measures	Commentary
ESG Percentage Opportunity: 9%	Reduce Scope 1 emissions by 30% Reduce Scope 2 emissions by 10% Progress Data gathering for Scope 3 energy carbon on 50% of units in 2023 and update baseline assessment for 2023 report to Committee Improve GRESB rating and one other rating on 2022 scores Improve Resident satisfaction score from independent survey by 10% Select and develop with third party a functioning system for CSRD reporting for IRES	**Partially achieved** Scope 1 (absolute tCO2e) and Scope 2 reduction partially achieved Data gathering exceeded plan GRESB improved by 6 points in 2023 and moved to 2-star category for the first time – improvements in Sustainalytics and S&P ratings also Resident Satisfaction Survey score improvement +10 points for 2023 Third party system selected
Organisation Percentage Opportunity: 4%	Succession plans and executive development for key management roles Maintain Employee satisfaction score between 80% and 90% based on independent employee survey (Benchmark average is 65%)	**Fully achieved** Succession and development plans progressed Employee Satisfaction 90% achieved
Strategy Percentage Opportunity: 5%	Develop an updated strategy in consultation with Board to take account of changed macro economic environment and risks	**Partially Achieved** Strategy developed, implemented, monitored and revised throughout 2023. Capital recycling of €96.5m and debt paydown
Risk Percentage Opportunity: 6%	Successfully oversee risk management strategy to ensure no material avoidable and within our control risks	**Partially Achieved** Risk management framework incorporating ESG and crises and incident management progressed for the Group
Investor Relations Percentage Opportunity: 6%	Develop and manage proactive investor relations with existing and prospective investors to achieve support of the approved Company strategy	**Partially Achieved** Considerable work on shareholder engagement and communications but AGM votes and requisitioned EGM indicate that further work is required

CFO – Brian Fagan – 30% total weighting

Area	Aims and measures	Commentary
People Percentage Opportunity: 3%	Assume responsibility for and develop Procurement Department Develop finance organisation including succession planning	**Fully Achieved** Delivered Succession plans in place
Operating Platform Percentage Opportunity: 4%	Continue to develop management reporting and enhance the functionality of IT systems Develop and manage an ongoing focus on cost control and efficiencies	**Partially achieved** Significant improvements in management reporting during 2023. More timely information to Operations Established cross departmental working group to focus on cost control and revenue initiatives
Operational Capital & Asset Management Percentage Opportunity: 4%	Work with Asset Management Team with increased focus on valuations, acquisitions and capital recycling Develop with Asset Management Team and Operations Team an overall framework for capex	**Partially achieved** Successful capital recycling of €96.5m and debt paid down Working group in place across finance and asset management focussed on capex and sustainability investment
Risk Management Percentage Opportunity: 6%	Continued oversight of risk management strategy to ensure no material avoidable and within our control risks Continued review of Financial Risks, Funding and covenant risks alongside development of Forecasting model Continued oversight of IT security risk framework to ensure no material unavoidable and within our control risks	**Partially achieved** Regular review and management of financial risks and covenant compliance. Mitigation measures implemented -revised Interest Cover Ratio covenants agreed with Banks and PPN investors New Head of IT appointed. New IT security and governance structures established

CFO – Brian Fagan – 30% total weighting (continued)

Area	Aims and measures	Commentary
ESG Percentage Opportunity: 6%	Reduce Scope 1 emissions by 30% Reduce Scope 2 emissions by 10% Progress Data gathering for Scope 3 energy carbon on 50% of units in 2023 and update baseline assessment for 2023 report to Committee Improve GRESB rating and one other rating on 2022 scores Improve Resident satisfaction score from independent survey by 10% Maintain Employee satisfaction score between 80% and 90% based on independent employee survey (Benchmark average is 65%) Select and develop with third party a functioning system for CSRD reporting for IRES	**Partially achieved** Scope 1 (absolute tCO2e) and Scope 2 reduction partially achieved Data gathering exceeded plan GRESB improved by 6 points in 2023 and moved to 2-star category for the first time – improvements in Sustainalytics and S&P ratings also Resident Satisfaction Survey score improvement +10 points for 2023 Employee satisfaction 90% achieved
Strategy Percentage Opportunity: 5%	Work alongside CEO to develop an updated strategy in consultation with Board to take account of changed macro economic environment and risks	**Partially achieved** Strategy developed, implemented, monitored and revised throughout 2023. Capital recycling of €96.5m and debt paydown
Investor Relations Percentage Opportunity: 2%	Manage alignment of analyst and market consensus against company plans and forecasts. Support CEO with investor reporting and relations with existing and prospective investors to achieve support of the approved Company strategy	**Partially achieved** Considerable work on shareholder engagement and communications but AGM votes and requisitioned EGM indicate that further work is required

The Remuneration Committee assessed performance against each of the specific and measurable strategic objectives. The Committee determined that:

- for the CEO 21% of the maximum 30% of the strategic element would be payable
- for the CFO 18.5% of the maximum 30% of this strategic element would be payable

Having carried out a thorough review and taking account of the Committee discretion applied to reduce the amount payable for the EPRA Earnings metric from 100% to 0%, the Committee was satisfied that the 2023 annual bonus outcomes were aligned with overall Company and individual performance as well as stakeholder experience during the performance period.

Total Bonus and Bonus Deferral for 2023

The total bonus achieved by the CEO in respect of 2023 was 78.9% of base salary (52.6% of the maximum bonus opportunity of 150% of base salary). In line with this, on 21 February 2024, the Remuneration Committee awarded the CEO a performance-related bonus of €433,864. €347,091.20 (representing 80%) was paid in cash. €86,772.80 (representing 20%), was settled as a restricted entitlement, to the beneficial interest in ordinary shares in the capital of the Company.

The total bonus achieved by the CFO in respect of 2023 was 62.6% of base salary (50.1% of the maximum bonus opportunity of 125% of base salary). In line with this, on 21 February 2024, the Remuneration Committee awarded the CFO a performance-related bonus of €222,272.53. €177,818.03 (representing 80%) was paid in cash. €44,454.50 (representing 20%), was settled as a restricted entitlement, to the beneficial interest in ordinary shares in the capital of the Company.

LTIP Awards Vesting

On 5 March 2021, the Remuneration Committee awarded the CEO a conditional award over 335,820 shares under the terms of the LTIP (equivalent to 135% of basic salary). The award was subject to EPS and relative TSR performance measures over a three-year performance period which ended on 31 December 2023. As set out in the table below, the threshold performance targets were not achieved, and so the awards did not vest and therefore lapsed in full on 5 March 2024.

Performance level	Vesting level	Adjusted EPS portion (50% weighting) Percentage growth in EPS: 2023 compared to base year of 2020	TSR portion (50% weighting) TSR relative to constituents of the FTSE EPRA/NAREIT Europe Developed Index
Below Threshold	0%	Below 2% p.a.	Below Median
Threshold	25%	2% p.a.	Median
Stretch (or above)	100%	3% p.a.	Upper Quartile
Performance		(8.5%) p.a.	Below Median

LTIP Awards Granted During 2023

As noted in the 2022 Remuneration Report, on 15 March 2023, the Remuneration Committee awarded the CEO and the CFO each a conditional award over 750,000 and 358,586 shares respectively, under the terms of the LTIP (equivalent to 135% and 100% of basic salary respectively).

The vesting of the 2023 award is subject to the achievement of the performance conditions set out in the table below. In the event of vesting at the end of the three-year performance period, awards will be held for a further period of at least two years.

Performance level	Vesting level	Adjusted EPS portion (50% weighting) Percentage growth in EPS: 2025 compared to base year of 2022*	TSR portion (50% weighting) TSR relative to constituents of the residential subsector of the FTSE EPRA NAREIT Europe Developed Index
Below Threshold	0%	Below 2% p.a.	Below Median
Threshold	25%	2% p.a.	Median
Stretch (or above)	100%	3% p.a.	Upper Quartile
Between Threshold and Stretch	Pro-rate between 25%and 100%	Between 2% and 3% p.a.	Between Median and Upper Quartile

Name	Number of shares awarded in 2023	Share Price at Date of award	Face Value at Date of award
Margaret Sweeney	750,000	€0.99	€742,500
Brian Fagan	358,586	€0.99	€355,000

* Adjusted EPS targets are based on normalised EPRA earnings which is calculated by excluding from EPRA earnings the effects of certain non-recurring and exceptional items.

The Committee is satisfied that the adjusted EPS performance range set for the 2023 LTIP awards was stretching relative to internal modelling and external forecasts, particularly given the increasing interest rate environment and the continued regulatory pressure facing the business and sector through rental caps.

While the Committee acknowledges that the share price for the 2023 award was well below the share price for the 2022 award, as with each award, the Committee will conduct a rigorous evaluation of vesting levels against the shareholder and stakeholder experience at the conclusion of the performance period. This includes consideration of whether there has been any windfall gains over the vesting period. Where the Committee considers that a windfall gain has arisen then they may reduce the award at vesting.

Going forward, the Committee has agreed that for any future LTIP award the Committee will carry out an evaluation of the award levels both at the time of award and at the time of vesting in relation to the share price.

Non-Executive Director Fees in 2023

Non-Executive Directors (NEDs) have letters of appointment which set out their duties and responsibilities. The appointments are initially for a three-year term but are terminable on three months' notice.

In 2023, the NEDs were paid a fee of €65,000 per annum with additional fees paid to the Senior Independent Director (€15,000 per annum) and Committee Chairs (€25,000 per annum). The Chairman received an annual fee of €200,000.

The table below sets forth the total remuneration received by each NED (other than the Chairman) in respect of 2023 (and a comparison to 2022).

	Base Fee		Committee Chair Fee		SID Fee		Total	
Non-Executive Directors	**2023 €'000**	2022 €'000	**2023 €'000**	2022 €'000	**2023 €'000**	2022 €'000	**2023 €'000**	2022 €'000
Aidan O'Hogan(1)	**23**	65	**9**	25	**5**	15	**37**	105
Denise Turner(2)	**43**	–	**-**	–	**-**	–	**43**	–
Hugh Scott-Barrett(3)	**65**	17	**-**	–	**-**	–	**65**	17
Joan Garahy(1)	**65**	65	**25**	25	**10**	–	**100**	90
Philip Burns	**65**	65	**-**	–	**-**	–	**65**	65
Stefanie Frensch(4)	**65**	65	**17**	–	**-**	–	**82**	65
Tom Kavanagh	**65**	65	**25**	25	**-**	–	**90**	90

(1) Aidan O'Hogan retired from the Board on the 4 May 2023; Joan Garahy took over as SID on 4 May 2023.
(2) Denise Turner joined the Board on 4 May 2023.
(3) Hugh Scott-Barrett joined the Board on 29 September 2022.
(4) Stefanie Frensch took over as Chair of the Sustainability Committee on 4 May 2023.

Comparative information on the change of remuneration and company performance

The table below compares the year-on-year change in total remuneration of each of the Directors over the past five years with company performance over the same period. On 31 December 2020 the Company had 3 employees and on 31 December 2021 the Company had 11 employees (one of whom sat on the Board). On December 2022 and 2023, the Company had 95 employees. Comparable year-on-year change in average remuneration for the workforce therefore cannot be provided for the full previous 5 years. The table below compares the year-on-year change in average remuneration for the workforce from 2021 to 2022 and from 2022 to 2023.

Name	Role	2019	2020	2021[5]	2022	2023
Executive Directors' Remuneration						
Margaret Sweeney	Remuneration	1,037	632	1,058	995	1,069
	% Change	42%	(39%)	67%	(6%)	7%
Brian Fagan	Remuneration	–	–	–	432	640
	% Change	–	–	–		48%[1]
Non-Executive Directors' Remuneration						
Declan Moylan	Remuneration	134	140	170	200	200
	% Change	34%	4%	21%[2]	18%	0%
Aidan O'Hogan	Remuneration	75	75	90	105	37
	% Change	0%	0%	20%[3]	17%	(65%)[9]
Denise Turner	Remuneration	–	–	–	–	43
	% Change	–	–	–	–	N/A[11]
Hugh Scott-Barrett	Remuneration	–	–	–	17	65
	% Change	–	–	–		282%[4]
Joan Garahy	Remuneration	75	75	83	90	100
	% Change	0%	0%	11%	8%	11%[10]
Philip Burns	Remuneration	50	50	58	65	65
	% Change	0%	0%	16%	12%	0%
Stefanie Frensch	Remuneration	–	–	33	65	82[12]
	% Change	–	–	–	97%[6]	26%
Tom Kavanagh	Remuneration	50	50	71	90	90
	% Change	72%[7]	0%	42%[8]	27%	0%
Company Performance						
EPRA Earnings	Total (€ millions)	33.1	34.0	31.6	30.9	27.6
	% Change from previous year	19%	3%	(7%)	(2%)	(11%)
EPRA EPS	Total (cents)	6.9	6.5	6.0	5.8	5.2
	% Change from previous year	6%	(6%)	(8%)	(3%)	(11%)
Total Number of Residential Units	Total	3,666	3,688	3,829	3,938	3,734
	% Change from previous year	37%	1%	4%	3%	(5%)
Additional Numbers						
Adjusted EPRA Earnings	Total (€ millions)	33.1	36.3	37.1	36.6	28.5
	% Change from previous year	19%	10%	2%	(1%)	(22%)
Adjusted EPRA EPS	Total (cents)	6.9	7	7	6.9	5.4
	% Change from previous year	6%	1%	0%	(1%)	(22%)
Average remuneration on a full time equivalent basis of employees of the Group	Remuneration			149	62	65
	% Change from previous year				(58%)[13]	4%

(1) On 11 April 2022, Brian Fagan was appointed to the Board as a full time Executive Director. Therefore the 2022 disclosure is for part of the year only.
(2) Declan Moylan's annual fee for his role as the Chairman was increased effective 1 July 2021 which resulted in a 21% increase from 2020 to 2021.
(3) Aidan O'Hogan's increase of 20% in 2021 was due to the Board's decision to remunerate the role of Senior Independent Director.
(4) Hugh Scott-Barrett was appointed to the Board on 29 September 2022. Therefore the disclosure in 2022 is for part of a year only.
(5) As of 1 July 2021, the annual fee for all Non-Executive Director roles was increased to €65,000.
(6) Stefanie Frensch was appointed to the Board on 1 July 2021. The increase of 97% in 2022 was due to Ms Frensch being part of the Board for a full year.
(7) Tom Kavanagh was appointed to the Board 1 June 2018. The increase of 72% in 2019 was due to Mr Kavangh being part of the Board for a full year.
(8) Tom Kavanagh was appointed Chair of the Sustainability Committee on 11 May 2021.
(9) Aidan O'Hogan retired from the Board on 4 May 2023.
(10) Joan Garahy was appointed SID on 4 May 2023 after Aidan O'Higan's retirement from the Board.
(11) Denise Turner joined the Board on 4 May 2023.
(12) Stefanie Frensch became Chair of Sutainability Committee from 4 May 2023.
(13) On 31 January 2021, the Company had 11 employees (one of whom was the CEO). On 31 January 2022, the Company acquired I-RES Fund Management Limited. As a result, on 31 December 2022 the Company had 95 employees. The comparative figure for 2022 therefore is not of a like for like workforce.

Interests of Directors and the Secretary in the share capital

As of 31 December 2023, the CEO maintained a 'shareholding interest' of 567% of base salary based on a market price of €1.11 being the closing price of the Company's shares on 31 December 2023.

As of 31 December 2023, the CFO maintained a 'shareholding interest' of 52% of basic salary based on a market price of €1.11 being the closing price of the Company's shares on 31 December 2023 and in line with the Remuneration Policy will continue to build up his shareholding.

The movement in Directors' and Company Secretary's shares during 2023 is set out below:

Name	Ordinary Shares at 1 January 2023	Ordinary Shares at 31 December 2023	% of Company as at 31 December 2023	Outstanding Option Awards as at 1 Janaury 2023	Outstanding Restricted Shares pursuant to the LTIP at 31 December 2023 (1)	Ordinary Shares as at 7 March 2024
Declan Moylan	150,000	150,000	0.03%			150,000
Margaret Sweeney	432,912	512,254	0.10%	4,596,499	1,516,189(4)	599,505
Brian Fagan	29,086	166,737	0.03%		776,265	202,496
Aidan O'Hogan (2)	186,774	186,774	0.04%			186,774
Denise Turner (3)		41,666	0.01%			41,666
Hugh Scott-Barrett	40,000	40,000	0.01%			40,000
Joan Garahy	34,850	34,850	0.01%			34,850
Phillip Burns						
Stefanie Frensch	30,000	30,000	0.01%			30,000
Tom Kavanagh	81,129	81,129	0.02%			81,129
Anna-Marie Curry	4,143	14,171	0.00%		109,378	27,859
Totals	**988,894**	**1,257,581**	**0.24%**	**4,596,499**	**2,401,832**	**1,394,279**

(1) LTIP awards granted in 2021 did not vest and so lapsed in full on 5 March 2024 as the threshold EPS and relative TSR targets were not achieved.
(2) Aidan O'Hogan retired from the Board on 4 May 2023 and so the disclosure is made up to that date.
(3) Denise Turner joined the Board on 4 May 2023.
(4) On 5 March 2024 the 2021 LTIP, which consisted of the grant of a conditional award of 335,820 shares to Ms Sweeney, did not vest and so lapsed in full.

In accordance with the disclosure requirements prescribed by Euronext Dublin Listing Rule 6.1.82(1), the interests disclosed above include both direct and indirect legal and beneficial interests in shares. Other than as noted above, there were no movements in Directors' shareholdings or outstanding option awards or Restricted Shares pursuant to the LTIP between 31 December 2023 and 7 March 2024.

The Directors and the Company Secretary have no beneficial interests in any of the Group's subsidiary or associated undertakings.

The Company is not aware of any other arrangements between its shareholders which may result in restrictions on the transfer of securities or voting rights.

Market value share options

Director	Grant Date	Exercise Price (€)	No of Options 01 Jan 21	Options granted during the period	Amount Exercisable	Options vested during the period	Options exercised during the period	Options lapsed during the period	No of options 31 Dec 2023	Vesting Date(s)	Latest date for exercise
Margaret Sweeney	10-Jul-19	1.682	1,294,038		1,294,038				1,294,038	One third in each year starting 10-Jul-2020	09-Jul-26
Margaret Sweeney	18-Jun-19	1.71	1,302,461		1,302,461				1,302,461	One third in each year starting 18-Jun-2020	17-Jun-26
Margaret Sweeney	16-Nov-17	1.489	2,000,000		2,000,000				2,000,000	One third in each year starting 16-Nov-2018	15-Nov-24

Performance based LTIP awards

Director	Grant Date	No of awards held	Awards granted during the period	Awards vested during the period	Awards lapsed during the period	Total lapsed during the period	Total number of awards 31 Dec 2023	Performance Period	Vesting Date
Margaret Sweeney	21-Mar-23		750,000				750,000	1 Jan 23 - 31 Dec 25	21-Mar-26
Margaret Sweeney	23-Feb-22	430,369					430,369	1 Jan 22 - 31 Dec 24	23-Feb-25
Margaret Sweeney	05-Mar-21	335,820(1)					335,820	1 Jan 21 - 31 Dec 23	05-Mar-24
Margaret Sweeney	27-Mar-20	437,601			437,601(2)	437,601	0	1 Jan 20 - 31 Dec 22	27-Mar-23
Brian Fagan	21-Mar-23		358,586				358,586	1 Jan 23 - 31 Dec 25	21-Mar-26
Brian Fagan	25-Feb-22	221,476					221,476	1 Jan 22 - 31 Dec 24	25-Feb-25
Brian Fagan	05-Aug-21	196,203(1)					196,203	1 Jan 21 - 31 Dec 23	05-Aug-24

(1) LTIP awards granted in 2021 did not vest and so will lapse in full during 2024 as the threshold EPS and relative TSR targets were not achieved.
(2) LTIP awards granted in 2020 did not vest and so lapsed in full during 2022 as the threshold EPS and relative TSR targets were not achieved.

Employee Share Schemes

Options and performance based LTIP awards are issuable pursuant to I-RES' share-based compensation plans. Eligible participants include employees or Executive Directors of the Company. Further details on the share schemes are included in note 13 of the Group financial statements.

IMPLEMENTATION OF REMUNERATION POLICY IN 2024

CEO and CFO Remuneration in 2024

Basic salary

Ms Sweeney's base salary for 2024 is €550,000, which is in line with her 2023 base salary. Mr Byrne was appointed on a base salary of €475,000.

As disclosed in our 2022 Directors' Remuneration Report, the Committee reviewed Mr Fagan's base salary in 2022 following an expansion in his CFO role and responsibilities and to provide closer alignment with market practice for similar sized companies. The Committee agreed to increase his base salary from €330,000 to €380,000 on a phased basis over a two-year period. His base salary was increased to €355,000 with effect from 1 January 2023, with the further increase to €380,000 to take effect from 1 January 2024 subject to his performance and Group performance. The Committee considered that the implementation of the second phase of the CFO's base salary increase to €380,000 was appropriate taking into account Mr Fagan and the Company performance in 2023. In particular, the Committee noted the successful delivery of the Capital recycling of c.€100 million of disposals for the purposes of debt paydown and profits available for distribution and the risk mitigation measures implemented throughout the year to offset the increasing interest rate environment including the negotiation of revised Interest Cover Ratio covenants with the Company's RCF Banks and Private placement investors. Accordingly, Mr Fagan's base salary was increased to €380,000 with effect from 1 January 2024.

Executive Director changes – retirement arrangements for Ms Sweeney

Ms Sweeney will step down as CEO and retire from the Board on 30 April 2024 following an orderly transition to her successor. The treatment of Ms Sweeney's remuneration arrangements is set out in the table below. There are no special arrangements in relation to Ms Sweeney's retirement. This has been agreed by the Committee, in accordance with the Remuneration Policy, taking into account her significant contribution to the Group over the last six and a half years and her commitment to ensure a successful transition of the CEO role.

Element	Agreed Treatment
Base salary, benefits and pension	Will continue to receive her salary, benefits and pension until she steps down as CEO and retires from the Board.
Annual bonus	Will be eligible to receive a bonus equal to 150% of salary for the year ended 31 December 2024 pro-rated for time served as CEO during the year. Any bonus earned will be paid at the usual time in 2025, following the assessment of the performance metrics.
Deferred bonus shares	Remain in trust for 3 years post grant
LTIP awards	Will not be granted an LTIP award in 2024. Unvested LTIP awards will: ↘ continue to vest in accordance with their normal vesting timetable, subject to the achievement of the relevant performance metrics; and ↘ be pro-rated for time served as CEO during the relevant performance periods. Any shares that vest will be subject to a two-year post-vesting holding period.
Options	12 months 'exercise or lapse' period for vested options

Annual Bonus

The 2024 bonus opportunity for the CEO and CFO is equal to 150% of salary and 125% of salary respectively. Ms Sweeney's annual bonus will be pro-rated based on her period in employment for the 2024 financial year and Mr Byrne's annual bonus will be pro-rated based on his start date.

In each case, 20% of any bonus payment will be deferred for three years into shares in line with the Remuneration Policy.

As a result of the review carried out by the Remuneration Committee during 2023 and taking on board shareholder feedback, the Committee has decided to significantly broaden the scope of the incentive framework to include five separate metrics for the annual bonus. The table below sets out the performance metrics and weightings, together with the rationale for the metrics.

Due to matters of commercial sensitivity it would not be in the interests of the Company to disclose the precise operational targets for the annual bonus at the date of production of this report. Full details of targets and performance against each will be set out on a retrospective basis in the 2024 Remuneration Report.

Strategic Focus Area	Objective/Selection Rationale	Measure/ KPIs linked to strategic focus area	Weighting
Operational Excellence	Incentivise management to focus on growing rental and ancillary income and reducing operating expenses	Net Rental Income Margin	20%
Operational Excellence	Incentivise management to maximise profitability from operations and focus on interest cost management	EPRA Earnings	25%
Asset Management Strategy **Capital Management**	Incentivise management to maintain Loan to Value at a sustainable level	Loan to Value	10%
Operational Excellence **Asset Management Strategy** **Capital Management**	Incentivise management to actively manage the assets throughout the prevailing economic conditions	Net Asset Value	15%
Operational Excellence **Asset Management Strategy** **Sustainability**	Incentivise management to deliver against key strategic priorities during 2024 of which up to 20% will be dedicated to the Strategic Review (Robust, thorough and timely completion of the Strategic Review as well as robust and thorough progress of the actions arising from the Strategic Review in-line with the Board agreed timetable) and the remainder to ESG and other non-financial operational matters. See page 123 for further details.	Strategic measures (including Strategic Review and ESG) Full details will be disclosed in the 2024 Remuneration Report	30%

Long Term Incentives

Subject to shareholder approval of the 2024 Remuneration Policy and LTIP Rules, Mr Byrne and Mr Fagan will be granted LTIP awards with a maximum opportunity equal to 135% of salary and 100% of salary respectively.

As a result of the review carried out by the Remuneration Committee during 2023 and taking on board shareholder feedback, the Committee has decided to broaden the scope of the long term incentive framework and intends to include four separate metrics for 2024. The Committee is intending to include an ESG metric recognising the growing importance of ESG and also Total Accounting Return which recognises the importance of the NAV and the dividend to shareholders. The table below sets out the proposed performance metrics and weightings, together with rationale for the metrics.

Strategic Focus Area	Objective/Selection Rationale	Measure/ KPIs linked to strategic focus area	Weighting
Operational Excellence	Incentivise management to deliver growth in bottom line for shareholders over the longer-term	EPS	30%
Operational Excellence **Asset Management Strategy**	Incentivise management to deliver growth in NAV and deliver a sustained dividend over the longer-term	Total Accounting Return	30%
Operational Excellence **Asset Management Strategy** **Capital Management**	Aligned with shareholder value creation Incentivise management to outperform peers over the longer-term	Total Shareholder Return	30%
Sustainability	Incentivise management to deliver carbon reduction targets in line with the Sustainability Strategy	Carbon emissions reduction	10%

(1) EPS is based on normalised EPRA earnings which is calculated by excluding from EPRA earnings the effects of certain non-recurring and exceptional items.

The proposed targets for the 2024 LTIP are set out in the table below. The awards will be granted after the AGM. Full details of the actual grants will be disclosed at the time of grant and in the 2024 Remuneration Report.

		Vesting Level			
LTIP Criteria	**Allocation**	**0%**	**25%**	**100%**	**Pro Rata between 25% and 100%**
EPS (Percentage growth in EPS 2026 compared to base year of 2023)	30%	Below 2% p.a.	2% p.a.	3% p.a.	Between 2% and 3% p.a.
Total Shareholder Return (relative to constituents of the residential subsector of the FTSE EPRA NAREIT Europe Developed Index)	30%	Below Median	Median	Upper Quartile	Between median and upper quartile
Total Accounting Return (TAR over the performance period)	30%	Below 3% p.a.	3% p.a.	8% p.a.	Between 3% and 8% p.a.
% Reduction Scope 1 (I-RES' Headquarters) and Scope 2 (wholly managed buildings) combined greenhouse gas emissions on a like for like basis in 2026 compared to base year of 2023.	10%	8%	10%	12%	Between 8% and 12%

The Committee has and will always conduct a rigorous evaluation of vesting levels against the shareholder and stakeholder experience at the conclusion of the performance period, including consideration of whether there have been any windfall gains over the vesting period. The Committee has taken on board shareholder feedback and has decided to strengthen its practice such that, for the 2024 LTIP award and any future LTIP award, the Committee will also carry out an evaluation of the award levels at the time of award in the context of guarding against potential windfall gains. The Committee notes that the Company's share price is similar to its share price at the time the 2023 LTIP awards were granted and therefore, at this time, does not consider a reduction in the 2024 LTIP award level necessary to guard against potential windfall gains.

Executives' external appointments

The Executive Directors are permitted to take on external appointments with other publicly listed companies with the prior approval of the Board. The Board recognises that there are benefits to both the Company and the Executive Directors, for the Executive Directors to serve as a Non-Executive Board member of other companies. The Executive Directors are permitted to retain any payments received in respect of such appointments.

Margaret Sweeney served as a Non-Executive Director of Dalata Hotel Group plc until 27 April 2023. Ms Sweeney retired as a Director on 27 April 2023. She received a fee in 2023 of €29,000 in relation to this role.

On 21 September 2023, it was announced that Margaret Sweeney was appointed as an Independent Non-Executive Director to the Board of Bank of Ireland Group plc and the Court of Directors of The Governor and Company of the Bank of Ireland with effect from 1 October 2023, for which she received a fee of €20,000 in 2023.

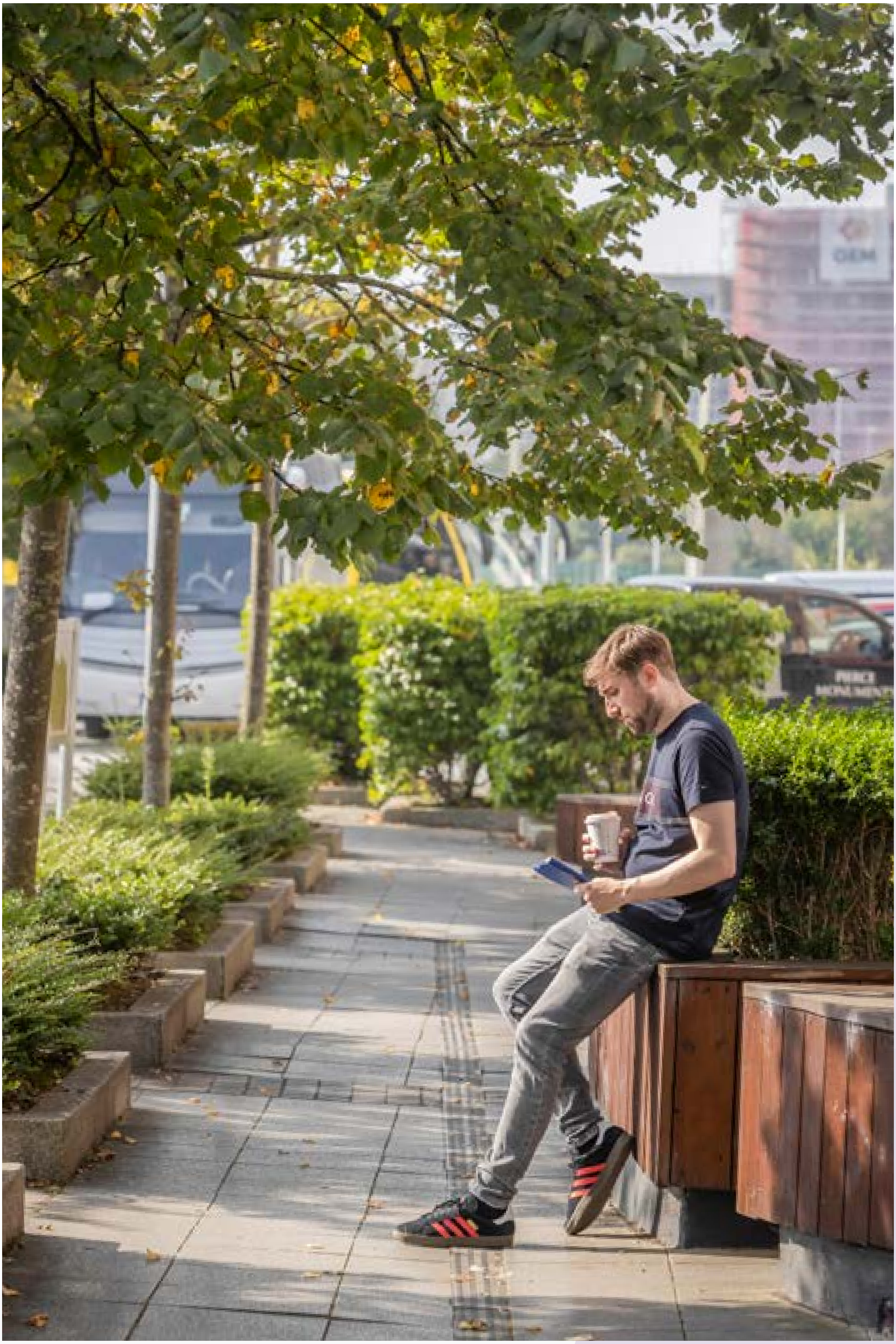
External Services

The Remuneration Committee has engaged remuneration consultants, Deloitte LLP, who have no other relationship with the Group or any individual Director, to provide advice in relation to executive remuneration and the remuneration report. Deloitte is a founder member of the Remuneration Consultants Group and as such voluntarily operates under its Code of Conduct in relation to executive remuneration. Deloitte's fees for advice during 2023 were €98,000.

Disclosures required under the provisions of the Alternative Investment Fund Managers Directive (Directive 2011/61/EU) as amended

I-RES Fund Management Limited (IFML) is the Alternative Investment Fund Manager for the Company.

The total remuneration paid in the period to the staff of IFML, all of whom are engaged in managing the Group's activities, was €4.7 million, of which €4.2 million comprised fixed remuneration and €0.5million comprised variable remuneration. The number of staff employed by IFML as at 31 December 2023 was 78 (78 as at 31 December 2022). There were no senior managers or members of staff of IFML whose actions had a material impact on the risk profile of the Company.



REPORT OF THE NOMINATION COMMITTEE

Dear Shareholder,

I am pleased to present the Report of the Nomination Committee for the year ended 31 December 2023 which details the main activities undertaken by the Committee during the year.

Nomination Committee Membership

Declan Moylan (Chair)	Appointed 31 March 2014
Joan Garahy	Appointed 1 November 2017
Denise Turner	Appointed 4 May 2023
Hugh Scott-Barrett	Appointed 23 February 2024
Phillip Burns	Appointed 23 March 2016 Stepped down 24 May 2023
Aidan O'Hogan	Appointed 31 March 2014 Retired 4 May 2023

The Nomination Committee plays a fundamental role in ensuring we select and recommend strong candidates for appointment to the Board. The Committee monitors and evaluates the balance of skills, experience, independence and knowledge on the Board and its Committees, so that they can effectively discharge their responsibilities, with any changes recommended to the Board for its review and decision. The Committee is also responsible for succession planning and also has a role in monitoring talent development at senior management level.

In 2023, we welcomed Denise Turner to the Board as an Independent Non-Executive Director. On appointment to the Board she joined this Committee as well as the Audit and Remuneration Committees. We are delighted that Ms. Turner has joined the Board as she brings with her a wealth of experience that has further enhanced the knowledge and skills of the Board as a whole.

Given the Board refreshment which had taken place in the 12 months up to May 2023 the Nomination Committee took the opportunity to review the composition of each of the Board Committees in order to ensure that the appropriate balance of skills, knowledge, experience, diversity and independence was brought to each Committee. As a result of that review several Committee changes were implemented. Ms. Joan Garahy took up the role of Senior Independent Director and Chair of the Remuneration Committee on the retirement of Aidan O'Hogan. Ms Garahy stepped down as Chair and as a member of the Audit Committee. Mr. Tom Kavanagh took up the role of Chair of the Audit Committee and stepped down from his role as Chair of the Sustainability Committee while remaining on that committee. Mr Kavanagh also stepped down from the Remuneration Committee. Ms. Stefanie Frensch has taken up the role of Chair of the Sustainability Committee, while Mr Phillip Burns became a member of the Sustainability Committee having stepped down as a member of the Nomination Committee. Mr Hugh Scott-Barrett became a member of the Audit Committee and the Remuneration Committee on 4 May 2023.

As previously announced by the Company, I will not seek re-election to the Board at the Company's Annual General Meeting in 2024. As a result, in the second half of 2023, a Chair Succession Committee, led by Joan Garahy as Senior Independent Director and including Denise Turner and Tom Kavanagh was appointed to run a process to identify and make a recommendation to the Board on a new Independent Non-Executive Chair to replace me on my retirement in 2024.

Korn Ferry were appointed to assist with that recruitment process. Korn Ferry have no connection with the Company, or any individual Director.

On 31 October 2023 the Board announced that Ms Margaret Sweeney had notified the Board of her intention to retire from her role as CEO and Executive Director in April 2024 having served as CEO for the past six years. As a result, the Nomination Committee led by myself as Chair also ran a process to identify and make a recommendation to the Board on a new CEO and Board Director to replace Ms Margaret Sweeney on her retirement in 2024. After a tender process Korn Ferry were appointed to assist with that recruitment process also. The Committee were strongly of the view that the interaction between the Chair and CEO roles was such that it was important that the same Board members and the same external provider was involved in both appointment processes.

Board Evaluation

The Board Evaluation process assesses and reports on the effectiveness of the Board, its Committees and the Directors, both individually and collectively. This year the Board carried out an externally facilitated Board evaluation with the assistance of Independent Audit Limited. Further details of the outcome of this evaluation can be found in this report on page 155.

Looking ahead

I am grateful to shareholders for understanding the desirability of balancing continuity in stewardship and avoiding changing both the Chair and the Senior Independent Director at the same time in 2023. I stated in the 2022 Annual Report and at the 2023 AGM, that I would be stepping down as Chair at the latest at the AGM in 2024.

After a rigorous succession process, involving both internal and external candidates, on 11 January 2024, the Board announced its decision to appoint Hugh Scott-Barrett to succeed me, as Chair of the I-RES Board, with effect from the publication of the Company's 2023 results on 23 February 2024.

In making this appointment, the Board took into account Hugh's extensive board and governance experience and his deep understanding of the international listed real estate sector.

On taking up his appointment as Chair on 23 February 2024 Hugh stepped down from the Audit Committee and joined the Nomination Committee in order to participate in the appointment of the new CEO.

On 13 March 2024, the Board announced the appointment of Eddie Byrne as CEO Designate, with effect from 8 April 2024. Mr Byrne will succeed Margaret Sweeney as CEO and Executive Director of the Board with effect from 1 May 2024.

Eddie Byrne's appointment also follows an extensive and rigorous selection process, led by the Nomination Committee.

This is my final report as Chair of I-RES. I leave the Board in good hands with an experienced Chair and a skilled and diverse membership with appropriate, highly experienced individuals and local market knowledge. The Board has been significantly refreshed. By the time of the 2024 AGM, more than 50% of the Directors will have a tenure of less than 3 years, and the Committee Chairs and the Senior Independent Director role will all have been rotated within the previous 12 months.

I have throughly enjoyed my time on the I-RES Board and I look forward to engaging with our Shareholders for one last time at the 2024 AGM.

Declan Moylan
Chair of the Nomination Committee

The Nomination Committee is chaired by Declan Moylan, who until 23 February 2024 was also the Chair. The Company considers the Chairman of the Company to be independent and accordingly all members of the Nomination Committee are independent. Therefore, the Nomination Committee is constituted in compliance with the Code and the Articles of Association regarding its composition.

All members are appointed for an initial term of up to three (3) years, which may be extended by the Board.

Meetings of the Nomination Committee
The Nomination Committee meets at least twice per year and as otherwise required. The Nomination Committee met eight (8) times during the period from 1 January 2023 to 31 December 2023 (including in respect of CEO and Chair Succession).

Nomination Committee Attendance 2023

NOMINATION COMMITTEE MEETINGS ATTENDED/ ELIGIBLE TO ATTEND (INCLUDING AD HOC MEETINGS)
1 January - 31 December 2023

Declan Moylan
5/5

Aidan O'Hogan
2/2

Joan Garahy
8/8

Phillip Burns
3/3

Denise Turner
7/7

Aidan O'Hogan retired from the Board and Committee memberships on 4 May 2023.
Phillip Burns stepped down from the Committee on 24 May 2023.
Denise Turner joined the Committee on 4 May 2023.
Declan Moylan did not participate in the meetings relating to Chair succession.

Terms of Reference and Principal Duties

The Nomination Committee reviews its terms of reference on an annual basis for best practice and compliance with the Code and, if necessary, proposes for formal Board adoption amendments to the Nomination Committee's terms of reference. The Board reviewed the terms of reference for the Nomination Committee most recently on 21 November 2023 and confirmed that there were no substantive changes required. The roles and responsibilities delegated to the Nomination Committee under the terms of reference can be accessed electronically at www.i-res.ie.

The Nomination Committee evaluates its own performance relative to its terms of reference. Following the 2023 external review, it was concluded that the Nomination Committee was operating effectively.

The Nomination Committee's principal duties include:

- Regularly reviewing the structure, size and composition of the Board and making recommendations to the Board with regard to any changes and evaluating the balance of skills, knowledge, experience and diversity on the Board;
- Identifying and nominating, for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- For new appointments to the Board – evaluating the balance of skills, knowledge, experience and diversity on the Board and, in the light of this evaluation, preparing a description of the role and capabilities required for a particular appointment and the time commitment expected. In identifying suitable candidates considering candidates from a wide range of backgrounds and considering candidates on merit and against objective criteria, having due regard to the benefits of diversity on the Board and taking care that appointees have enough time available to devote to the position;
- Reviewing and recommending the re-election by shareholders of Directors under the annual re – election provisions of the Code or the retirement by rotation provisions in the Company's articles of association, having due regard to their performance and ability, and why their contribution is important to the Company's long-term sustainable success in the light of the skills, experience and knowledge required and the need for progressive refreshing of the Board, taking into account the length of service of individual Directors, the Chair and the Board as whole; and
- Ensuring plans are in place for appointments to and orderly succession to the Board and senior management positions and overseeing the development of a diverse pipeline for succession, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in the future.

How the Nominations Committee Discharged its Responsibilities During 2023

While not intending to be an exhaustive list of the Nomination Committee's considerations and activities during the 2023 financial year, the Nomination Committee undertook the following key activities during that period:

February 2023 – Q4 2022

- Reviewed the results of the 2022 internal Board Evaluation process and reported to the Board thereon
- Assessed the balance of skills, experience, independence, diversity and knowledge of each Director and across the Board
- Reviewed the time commitments of the Chair, Senior Independent Director and Non-Executive Directors
- Considered the scale of other appointments that the Chair of the Board and other Non-Executive Directors may take on without compromising their effectiveness
- Reviewed the feedback from the I-NED selection process and recommended the appointment of Denise Turner as a Director of the Board with effect from 4 May 2023
- Assessed the re-appointment of a number of Directors whose 2nd 3-year term was coming to a conclusion
- Carried out a preliminary review of the Committee membership and recommended the appointment of Joan Garahy as SID on the retirement of Aidan O'Hogan

March – Annual Report

- Approved the Report of the Nomination Committee included in the 2022 Annual Report
- Further discussion held on Committee Changes
- Reviewed and recommended to the Board extensions to the Letters of Appointments for a number of Directors
- Reviewed the Division of Responsibilities Document
- Discussed and signed off the Committee workplan for 2023

May – Q1 2023

- Received a proposal from Independent Audit Limited for the 2023 Externally facilitated Board Evaluation
- Discussion on Ethnic Diversity on the Board
- Reviewed progress on the Committee workplan 2023

August – Q2 2023

- Reviewed the Director Training Programme for 2023
- Approved the Chair Succession process and the appointment of advisers to assist with the process
- External Board Evaluation Proposal for 2023 – reviewed and recommended to the Board

November – Q3 2023

- Approved the CEO Succession process and the appointment of advisers to assist with the process
- Discussion on Diversity on the Board and in the context of the Chair and CEO succession processes
- Received an update on the search process for the appointment of a new Chair to the Board
- Reviewed the action plan from the 2022 Internal Board Evaluation
- Received an update on the 2023 External Board Evaluation process
- Received an update on the search process for the appointment of a new CEO and executive Director to the Board
- Restated Committee Terms of Reference (no changes had been suggested)

Board Appointment Process

The Nomination Committee leads the process for considering appointments to the Board and its committees. The Committee identifies and nominates for the approval of the Board, candidates to fill Board vacancies as and when they arise, following a formal, rigorous and transparent procedure.

Before any appointment is made by the Board, the Nomination Committee evaluates the balance of skills, knowledge, experience and diversity on the Board including the requirements of the Board's Diversity policy and, in the light of this evaluation, prepares a description of the role and capabilities required for a particular appointment and the time commitment expected.

In identifying suitable candidates, the Nomination Committee either advertises directly or uses the services of external advisers to facilitate the search. As part of the search process the Committee considers candidates from a wide range of backgrounds and provides the external advisers with details of I-RES' Board Diversity Policy to be taken in to account as part of their search process. Each candidate is considered on merit and against objective criteria, having due regard to the benefits of diversity on the Board and taking care that appointees have enough time available to devote to the position.

Suitable candidates are interviewed by specified members of the Nomination Committee and the results of the interviews are reviewed by the Nomination Committee. The candidate(s) selected by the Nomination Committee are recommended to the Board for approval.

Prior to the appointment of a Director, all other directorships, appointments, significant commitments and interests of the relevant candidate are required to be disclosed to the Board.

On appointment to the Board, the Nomination Committee ensures that Non-Executive Directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside Board meetings. In addition, all new Directors participate in the Company's induction process.

Succession planning

The Nomination Committee assesses the aggregate skills and experience of the Directors in light of the current and future needs of the Board and its Committees, both on a routine basis and in particular when considering renewal of contracts and potential new appointments.

Chair Appointment

On 11 January 2024, the Board announced its decision to appoint Hugh Scott-Barrett to succeed me, as Chair of the I-RES Board, with effect from the publication of the Company's 2023 results on 23 February 2024. In advance of Hugh's appointment, the Chair Succession Committee, led by Senior Independent Director, Joan Garahy, prepared a position description with input from all Board members and engaged Korn Ferry, an international executive search firm, to carry out an extensive search process for suitable candidates as Chair of the Board. In making their decision to recommend Hugh's appointment, the Committee considered and interviewed several candidates both internal and external proposed by Korn Ferry. The Committee reviewed the background, ethnicity, knowledge, skills and experience of each candidate against the position description previously approved by the Committee and also carried out extensive due diligence including a detailed consideration of other time commitments, and any matters that would likely create any actual or perceived conflict of interest. On completion of this suitability assessment the Nomination Committee recommended Hugh's appointment as Chair to the Board.

Having previously supported the Company in respect of Board appointments, Korn Ferry had an understanding of the skills and experience of existing Directors and were well placed to support the Board in ensuring due consideration was given to the impact of Hugh's appointment as Chair of the Board.

CEO Appointment

On 31 October 2023 Margaret Sweeney announced her intention to retire as CEO and Executive Director of the Company with effect from 30 April 2024. Having agreed with Ms Sweeney that she would remain in the Company for longer than her 6 months' notice if required to enable a smooth transition to a new CEO, the Nomination Committee prepared a position description for the CEO role with input from all Non-Executive Board members and engaged Korn Ferry, to carry out an extensive search process for suitable candidates. The Committee decided that having the same executive search firm engaged on both the Chair and CEO roles was preferable given the need for the successful candidates in both roles to have complimentary skillsets and experience. In making their decision to recommend the appointment of Eddie Byrne, the Committee considered and interviewed several candidates proposed by Korn Ferry. The Committee reviewed the background, ethnicity, knowledge, skills and experience of each candidate against the position description previously approved by the Committee and also carried out extensive due diligence.

On completion of this suitability assessment, the Nomination Committee recommended to the Board the appointment of Eddie Byrne as CEO.

Board Committees
Given the recent and upcoming changes to the Board composition, the Nomination Committee will carry out a further review of the composition of the Board Committees in 2024 and will make recommendations to the Board in this regard.

Mr. Scott-Barrett joined the Nomination Committee in order to assist in the process for the appointment of the new CEO and the transition. Together they agreed a process to ensure that the full Board were involved at each stage of the process.

Board Evaluation
Independent Audit (IA) were appointed to undertake such a review of the Board and its Committees in July 2023. IA have no other connection with the Company. They undertook a comprehensive review covering all aspects of Board and Committee effectiveness. They attended Board and Committee meetings in person to observe the Board, reviewed board information for the previous six months and held one-to-one discussions with all of the Directors and the external auditors, as well as using their online evaluation tool Thinking Board.

IA reported to the Board on their findings in December 2023. All directors had an opportunity to discuss the findings, ask the reviewers questions and consider the direction of future board development.

The external review concluded that the Board was performing well in the fundamental areas of its responsibility and that there was scope to adjust how it was addressing certain matters in view of external pressures. The following areas were identified as key focus points for the Board in the current circumstances:

- The process for the appointment of the new Chair
- The new CEO appointment and board oversight of the transition
- Oversight of strategy
- Rebalancing oversight between operations and strategy and aligning agendas and planning to ensure focus on priority matters
- Stakeholder management and communication

In response, the Board has agreed upon actions to address those of the findings it deems to be most urgent and important in the circumstances, and has already started to address a number of areas highlighted by IA for further development:

- The Board concluded the Chair appointment process and announced the appointment of Hugh Scott-Barrett to take over as Chair from 23 February 2024;
- A deep dive session was held in December 2023 on the current Strategy with a view to ensuring alignment and setting solid foundations for the Strategic Review announced by the Board on 8 January 2024;
- Mr. Scott-Barrett joined the Nomination Committee in order to assist in the process for the appointment of the new CEO and the transition. Together they agreed a process to ensure that the full Board were involved at each stage of the process.

Diversity and Inclusion
The Board and the Nomination Committee recognise the importance of and are committed to supporting diversity and inclusion in the boardroom where Directors believe that their views are heard, their concerns are addressed and they serve in an environment where no bias, discrimination or harassment is tolerated on any matter. The Board and the Nomination Committee understand that a diverse Board will offer different perspectives in order to provide effective oversight of the Company's business and guide the Company towards its strategic aims. Diversity also improves the quality of decision-making by the Board by reducing the risk of group-think and supports the development of a diverse pipeline of candidates to serve on the Board.

I-RES' Board Diversity and Inclusion Policy requires the Board to consider a broad range of characteristics when considering diversity including, but not limited to:

- Age, gender, social and ethnic background;
- Educational and professional background, possession of technical skills in the Company's field of operations, including "soft" and cognitive skills necessary to be an effective Director;
- Personal strengths such as strength of character, experience, knowledge and understanding; and
- Expertise in relevant environmental, social and governance ("ESG") matters.

The Nomination Committee in the context of its Board evaluation processes, regularly reviews the structure, size and composition of the Board, taking diversity and the considerations noted above in particular into account, in order to maintain an appropriate range and balance of skills, diversity experience and background on the Board. The Nomination Committee also considers diversity in the context of Board appointments and succession planning. Each of these processes take account of and address the Board's diversity at that time and consider needs for enhancement of diversity on the Board. In implementing the Board Diversity and Inclusion Policy during 2023, the Nomination Committee considered diversity in evaluating the optimum composition of the Board and in evaluating the effectiveness of the Board.

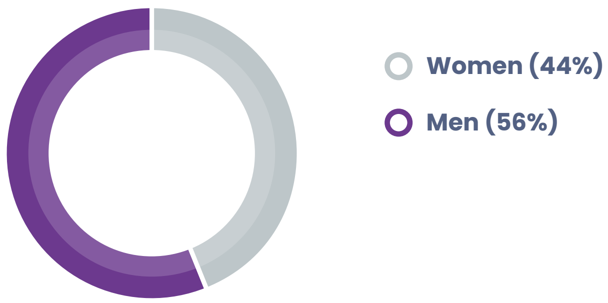
All Board appointments are based on a transparent selection process using objective criteria, including consideration of diversity (including gender and ethnicity), necessary experience, characteristics, skillsets and other attributes necessary to ensure effective oversight of the Company's business and to guide the Company towards its strategic objectives. During 2023, in engaging Korn Ferry to support all succession processes, the Committee shared the Board's Diversity and Inclusion policy and included diversity considerations (both gender and ethnicity) in the role specifications for each role.

As at 31 December 2023 the Company continued to meet Board gender diversity best practice in Ireland with 44% female Board representation, which includes the Company's CEO, the Senior Independent Director/Chair of the Remuneration Committee and Chair of the Sustainability Committee. The fact that each of these senior roles are occupied by women demonstrates the Board's commitment to ensuring appropriate gender diversity on the Board.

The Nomination Committee reviewed the Board Diversity and Inclusion Policy in detail in 2023 and considered whether it was appropriate to set measurable objectives in relation to ethnic diversity on the Board as well as the female representation targets already set. Given the fact that I-RES is an Irish company with all of its operations in Ireland, the significant progress that the Company is making with regard to diversity and inclusion at a grass roots level (see page 155 of the Sustainability Committee Report for further details of Diversity, Equity, inclusion and belonging in I-RES) and the demographics in Ireland which differ significantly from the UK, the Board and the Nomination Committee concluded that setting measurable objectives was only appropriate in relation to gender representation on the Board at this time. The Committee noted that in each of its recent Director recruitment campaigns ethnic diversity and the requirements of the Board Diversity Policy have been specifically brought to the attention of the external advisers and in some instances candidates from ethnically diverse backgrounds had been presented for consideration. However, to date, none of these candidates had been selected as the most appropriate candidates for the role.

The Nomination Committee will continue to consider annually whether additional measurable objectives such as quantitative targets and timeframes for achieving ethnic diversity are appropriate and, if thought fit, will recommend such measurable objectives to the Board for adoption. The Board is committed to having an appropriate balance of skills and perspectives, including gender balance on the Board.

GENDER REPRESENTATION ON THE BOARD
as at 31 December 2023



With respect to gender quotas, consistent with the targets set by the Balance for Better Business Review Group, the Board had set the following targets for female representation on the Board:

By end of 2021	27%
By end of 2022	30%
By end of 2023	33%

The Board have surpassed its target for 2023 with 44% female representation on the Board as at 31 December 2023. The Nomination Committee will keep these targets under review in light of recent and upcoming changes to the Board.

The Committee continues to monitor and review reports and recommendations relating to the composition of the Board and diversity, including the Parker Review on ethnic diversity.

At 31 December 2023, our female employees made up 44% of our total workforce, while 40% of the Senior Leadership Team was female.

In 2024, I-RES is committed to keeping its silver and working towards its gold 'Investors in Diversity' accreditation, from the Irish Centre for Diversity, reflecting our commitment to diversity and inclusion at every level of the organisation. As a public-facing service organisation, respect and fairness are at the heart of what we do, and we have in place a range of supports for our staff to ensure we treat colleagues and residents in the most inclusive way.

For further information on our employee diversity actions see page 155 of the Sustainability Committee Report and our 2023 ESG Report available at www.i-res.ie.

In 2024, Board composition and size together with diversity (both gender and ethnicity) will be focus areas for the Committee.

REPORT OF THE SUSTAINABILITY COMMITTEE

Dear Shareholder,

It is my pleasure to present my first Report as Chair of the Sustainability Committee, for the year ended 31 December 2023.

Sustainability Committee Membership

Stefanie Frensch (Chair)	Appointed Chair 4 May 2023 Appointed to Committee 1 July 2021
Tom Kavanagh	Appointed 11 May 2021 Chair 11 May 2021 – 4 May 2023
Margaret Sweeney	Appointed 11 May 2021
Phillip Burns	Appointed 24 May 2023

In 2023 steady progress was made on our overarching strategy, despite wider macroeconomic challenges within our operating environment, the Board Sustainability Committee continued its work to embed environmental, social, and governance (ESG) principles across our operations, while ensuring the continued prosperity of our core business.

Our vision remains steadfast – to be the preferred provider in the Irish rental sector, recognised for exceptional service, responsible operations, minimal environmental impact, and a positive contribution to our residents and local communities. We are dedicated to sustainable and responsible business practices, taking a proactive, long-term approach to investments in the Irish rental market.

Our commitment to ESG is underpinned by a robust strategy focused on three core pillars, 'Protecting the Environment', 'Building Communities' and 'Operating Responsibly'. This approach allows us to identify and address key ESG issues, establish clear and measurable targets, and monitor progress towards our ESG goals.

Sustainability holds a central focus for the senior management team at I-RES. The Chief Executive and the broader management ESG Steering Group are responsible for implementing our ESG strategy, overseen by the Board of Directors, and supported by the Sustainability Committee. This Committee develops and recommends our ESG strategy to the Board, providing direction on building in-house skills to deliver against targets.

Acknowledging the expectations of our diverse stakeholders, including employees, funding partners, residents, suppliers and regulators, it is essential to devise sustainability-oriented solutions. As investors increasingly prioritise ESG criteria, we recognise the need for transparent and reliable information that enables stakeholders to understand and track our sustainability contributions throughout our operations.

Progress in 2023

In 2023, we strengthened our governance model to support our transition to Net Zero Carbon by 2050. This involved revising key policies and processes, including our ESG policy and supply chain policies, to explicitly address climate related impacts and promote responsible resourcing. We continued our work measuring and monitoring the environmental impacts of our buildings by gathering data on the energy used, this is ongoing as we gather readings over four quarters to get a clear picture of the energy usage for each individual unit in order

The Board Sustainability Committee is chaired by Stefanie Frensch, an Independent Non-Executive Director. The Board is satisfied that the Board Sustainability Committee members are appropriately qualified and experienced to fulfil their roles and have a broad mix of skills and experience arising from senior roles they hold or have held with other organisations, and that the Sustainability Committee as a whole has competence relevant to the sector in which the Company operates.

Meetings of the Sustainability Committee

The Sustainability Committee meet at least four (4) times per year and otherwise as required. The Committee met five (5) times during 2023.

SUSTAINABILITY COMMITTEE MEETINGS ATTENDED/ ELIGIBLE TO ATTEND (INCLUDING AD HOC MEETINGS)
1 January - 31 December 2023

Stefanie Frensch
5/5

Tom Kavanagh
5/5

Margaret Sweeney
5/5

Phillip Burns
3/3

Phillip Burns joined the Committee on 23 May 2023.

Terms of Reference and Principal Duties

The Sustainability Committee reviews its terms of reference on an annual basis and, if necessary, proposes for formal Board adoption amendments to the Committee's terms of reference. The Board reviewed the terms of reference of the Sustainability Committee on 21 November 2023 but no changes were suggested. The Sustainability Committee terms of reference are available on the Company's website.

The Sustainability Committee evaluates its own performance relative to its terms of reference. Following the 2023 annual review, which was facilitated externally, it was concluded that the Sustainability Committee was operating effectively.

The Sustainability Committee's principal duties include:

- Developing and recommending to the Board the Company's ESG strategy, policies, risks targets and investment required to achieve the Company's ESG strategy
- Ensuring any ESG commitments are consistent with the Company's business strategy and Code of Ethics
- Making recommendations to the Board on effective engagement with stakeholders, including employees, and ensuring stakeholder views are taken into account in Board decisions
- Providing oversight in relation to building ESG competency at the Board and Management level
- Ensuring appropriate assurance has been provided in relation to any ESG related disclosure or data to be made publicly available
- Reviewing and recommending to the Board the approval of the annual ESG Report
- Reviewing any submissions by the Company to any benchmark or rating agency and the results of any benchmark assessment
- Liaising with the Company's other Board Committees on relevant matters as determined from time to time including:
  - the Audit Committee – in respect of the exercise by the Audit Committee of its duties in respect of sustainability related financial disclosures
  - the Nomination Committee – in the exercise of its duties relating to Diversity and Inclusion on the Board
  - the Remuneration Committee – in respect of the adoption of short – and long-term performance measures that support the Company's ESG Strategy

Regulation (EU) 2019/2099 on Sustainability-Related Disclosures in the Financial Services Sector (the "SFDR")

As is evident from this report and from the details set out in our 2023 ESG Report (available at www.i-res.ie), I-RES is committed to best practice in relation to ESG matters in the conduct of its affairs. From the perspective of SFDR I-RES is classified as being within the scope of Article 6 of SFDR. At I-RES we continually enhance our approach to ESG matters and detailed reporting on our future intentions and aspirations are included in our 2023 ESG Report available at www.i-res.ie.

How the Sustainability Committee Discharged its Responsibilities in 2023

While not intending to be an exhaustive list of the Sustainability Committee's considerations and activities during the 2023 financial year, the Sustainability Committee undertook the following key activities during that period:

February 2023 – Q4 2022

- Discussed ESG Strategy Refinement Plan
- Received an update on market disclosures and rating agencies
- Discussed the Employee Survey Results for 2022
- Update received from Workforce Engagement Director
- Update received on training and development initiatives for employees
- Reviewed the results of the GRESB submission
- Discussed the 2022 Resident Survey Results and targets for 2023
- Reviewed and discussed the Assessment of ESG Risks
- Discussed the performance of the Committee, following results of the internal evaluation

March – Annual Report

- Approved the Report of the Sustainability Committee included in the 2022 Annual Report
- Approved the 2022 ESG Report

May – Q1 2023

- Discussed and recommended CEO and Senior Leadership Team ESG Targets for 2023
- Reviewed and discussed draft Scope 3 Carbon Reduction Net Zero pathway
- Reviewed and discussed progress on the Scope 1 and Scope 2 Carbon Reduction Plan initiatives
- Reviewed and discussed the plan for collaboration with vendors on reduction in Scope 3 emissions in the supply chain
- Discussed the assessment of ESG Risks
- Reviewed the ESG Roadmap

August – Q2 2023

- Received updated reports on the Scope 1, Scope 2 and Scope 3 carbon reduction programme
- Received a presentation on the work of the Green Ambassadors (Internal Programme)
- Reviewed the submissions for GRESB and CDP
- Received a presentation on CSRD and its applicability for the Company

November – Q3 2023

- Reviewed a report on the Company's progress with submissions to Ratings agencies
- Received updated reports on the Scope 1, Scope 2 and Scope 3 carbon reduction programme.
- Received an updated presentation from the Chair of the Green Ambassadors
- Reviewed in detail the 2022 GRESB results
- Reviewed and approved the revised ESG Policy
- Received a presentation on the Company's Environmental Management System
- Reviewed the EPRA Annual Survey Results
- Reviewed the Committee Terms of Reference

CASE STUDY

Diversity, Equity, Inclusion, and Belonging at I-RES

I-RES is a leader in Diversity & Inclusion and has been recognised with two significant awards in recent years.

BEST PRACTICE LEADER

Setting the tone from the top, I-RES was recognised as a 'Best Practice Leader' in the European Women on Boards Index. This was an assessment of listed companies in the European Stoxx600 Index, supported by the European Commission's Rights, Equality and Citizenship programme. I-RES was one of only two Irish companies to be recognised as Best Practice Leaders. The prestigious award was celebrated with a webinar presented by EU Commission President Ursula von der Leyen.

JOURNEY TO GOLD

In 2022, I-RES achieved its Silver Investors in Diversity Award from the Irish Centre for Diversity, reflecting our commitment to diversity and inclusion at every level, and the Company is now on its "journey to gold".

As a public facing service organisation, respect and fairness are at the heart of what we do. Our company values, which are embedded into our performance management processes, are: Performance, Integrity, Sustainability, Respect, and Agility & Teamwork.

To support us in living up to these values, we have in place a range of supports for our employees to ensure we treat colleagues and residents in the most inclusive way. We have a wide-ranging Diversity & Inclusion programme, which spans:

REPRESENTATION
Diversity and Inclusion Committee acting as an employee resource group representing the whole organisation.

EDUCATION
Training programme with a strong emphasis on D&I matters. This includes topics such as sustainability in its broadest sense; customer service – dealing with our diverse resident base and vulnerable customers; LGBTQI+ training; full-company disability awareness; and unconscious bias training.

EVENTS & ENGAGEMENT
As part of our overall staff engagement programme, events were held for Pride, International Womens Day, Movember, along with a culture night celebrating the 15 different cultures working at I-RES.

Diversity, Equity, Inclusion, and Belonging is also a key consideration for our community engagement programme. We support a range of community organisations such as Co-Operation Ireland, Citywise Education and Naomh Olaf GAA club, all of whom promote social cohesion and opportunity for all parts of society.

REPORT OF THE DIRECTORS

The Directors of the Company present their report and the audited financial statements for the financial period from 1 January 2023 to 31 December 2023.

Principal Activity

The Company is an Irish real estate company, focused on the private residential rental property market on the Island of Ireland. The Company owns interests primarily in residential rental accommodations and ancillary and/or strategically located commercial properties located in and near major urban centres in Ireland, in particular Dublin. The Company purchased its first real estate assets on 10 September 2013 and is now one of the largest private residential landlords in Ireland. The Company's net assets and operating results are derived from real estate located in Ireland.

Review of Activities, Business Performance Measures, and Events since the Year-End

The Chairman's Statement, the Chief Executive's Statement, the Financial Review and the Business Strategy contain a review of the development and performance of the business during the year, the state of affairs of the business at 31 December 2023, recent events and likely future developments. Information in respect of events since the year end as required by the Companies Act, 2014 is included in these sections and in note 31 of the Group financial statements.

The Corporate Governance Report, the Report of the Audit Committee, the Report of the Remuneration Committee, the Report of the Nomination Committee, the Report of the Sustainability Committee, the Financial Review and the Business Strategy are deemed to be included in this Report of the Directors for the purposes of the Companies Act, 2014.

This Report, the documents referred to therein, which include a description of the principal risks and uncertainties facing the Company, the Chief Executive's Statement, the Financial Review, the Business Performance Measures, the Business Strategy and the Risk Report are deemed to be the management report as required by the Transparency (Directive 2004/109/EC) Regulations 2007 (the "Transparency Regulations").

Revenue for the financial period amounted to €87.9 million (€84.9 million for the 2022 year). The loss for the year attributable to Shareholders amounted to €114.5 million (loss of €11.8 million for the 2022 year) which was driven by a €141.8 million fair value revaluation adjustment (2022: €45.6 million fair value revaluation adjustment).

EPRA Earnings per Share were 5.2 cents (5.8 cents for the 2022 year), and IFRS NAV per share was 131.7 cents (160.0 cents as at 31 December 2022). Further details of the results for the year are set out in the consolidated statement of profit or loss and other comprehensive income on page 184.

REIT Status

I-RES elected for REIT status on 31 March 2014 under section 705 E of the Taxes Consolidation Act, 1997. As a result, the Company does not pay Irish corporation tax on the profits and gains from qualifying rental business in Ireland from that date, provided it meets certain conditions. The primary requirements to maintaining REIT status relates to LTV and distributions to Shareholders.

As an Irish REIT, I-RES is required to distribute to its Shareholders (by way of dividend), on or before the filing date for its tax return for the accounting period in question, at least 85% of the Property Income of the Property Rental Business arising in each accounting period (provided it has sufficient distributable reserves). In addition, under the Irish REIT legislation, I-RES is required to maintain an LTV of below 50%. If I-RES were to fail in meeting these conditions in a period and, within a reasonable timeframe as determined by Irish Revenue Commissioner, failed to secure that the condition was subsequently met, then the Revenue Commissioner could treat I-RES as no longer qualifying as a REIT. The implication of such would be that the REIT could be deemed to have ceased to be a REIT or Group REIT at the end of the accounting period immediately prior to the accounting period in which the failure to meet the condition was present and Irish corporation tax would be due on the profits and gains from qualifying rental business in Ireland from that period.

The Directors confirm that the Group complied with all the above REIT requirements for the period from 1 January 2023 to 31 December 2023.

Dividends

Under the Irish REIT Regime, subject to having sufficient distributable reserves, the Company is required to distribute to Shareholders at least 85% of the Property Income of its Property Rental Business for each accounting period. Each year it is the Board's intention to propose semi-annual dividends payable in March and September.

Accordingly, in 2023, the Board paid dividends of approximately €28.5 million for the 2022 accounting period and approximately €12.9 million in respect of the period from 1 January 2023 to 30 June 2023.

On 23 February 2024, the Directors announced an additional dividend of €10.6 million (dividends per share of 2.0 cents) for the year ended 31 December 2023, to be paid on 28 March 2023 to Shareholders on record as of 8 March 2023. This dividend was made up of a Property Income Distribution ("PID"), as defined in the Irish REIT Legislation. Therefore, the total dividend paid in respect of the 2023 accounting period was 4.45 cent per share (5.11 for the 2022 year).

Share Capital

The authorised share capital of the Company is 1,000,000,000 ordinary shares of €0.10 each, of which 529,578,946 shares were in issue at 31 December 2023. All of these shares are of the same class. They all carry equal voting rights and rank equally for dividends. No shares in the Company were acquired or redeemed by the Company during the financial period ended 31 December 2023 or made subject to charge or lien. There are no securities holding special rights with regard to control of the Company. Particulars of the authorised and issued share capital of the Company as at 31 December 2023 are set out in note 14 of the Group financial statements.

During the financial period ended 31 December 2023 and as at 7 March 2024, the Company held no shares in treasury, and no subsidiary undertaking of the Company held shares in the Company. Save for restrictions imposed by the Company on relevant persons in order to comply with its obligations under the Market Abuse Regulation (596/2014), for example under its share dealing code, there are no restrictions on the transfer of shares in the Company and no requirements to obtain approval of the Company, or of other holders of securities in the Company, for a transfer of shares in the Company, save that the Directors may decline to register any transfer of a share:

- To or by a minor or a person with a mental disorder (as defined by the Mental Health Act, 2001);
- In certain circumstances where the Directors have given notice to a shareholder under the Articles of Association requiring such shareholder to notify the Company of his or her interest in any shares in the Company (and/or the interests of all persons having a beneficial interest in any shares in the Company held by such shareholder and/or any arrangement entered into by such shareholder or any such person regarding a transfer of any such share or acting in relation to any meeting of the Company) and such shareholder is in default for a prescribed period in supplying such information to the Company;
- If the transfer is in favour of any person, as determined by the Directors, to whom a sale or transfer of shares, or whose direct, indirect or beneficial ownership of shares would or might cause a specific regulatory burden to be imposed on the Company, such as under the US Securities Exchange Act of 1934;
- In certificated form where the following documents have not been produced: the original share certificate and the usual form of stock transfer, duly executed by the holder of the shares and stamped with the requisite stamp duty; and
- In uncertificated form only in such circumstances as may be permitted or required by the Companies Act, 1990 (Uncertificated Securities) Regulations, 1996.

The Directors and the Company Secretary have no beneficial interests in any of the Group's subsidiary or associated undertakings.

The Company is not aware of any other arrangements between its shareholders which may result in restrictions on the transfer of securities or voting rights.

Employee Share Schemes

Options and Restricted Shares are issuable pursuant to I-RES' share-based compensation plan, namely, the LTIP. Eligible participants include employees or Executive Directors of the Company. Further details on the LTIP are included in note 13 of the Group financial statements.

Powers of the Board

The Directors are responsible for the management of the business of the Company and may exercise all the power of the Company subject to applicable legislation and regulation and the Company's Constitution.

The Directors' powers to allot, issue, repurchase and reissue ordinary shares are dependent on the terms of the resolutions from time to time in force so empowering the Directors. At the Company's 2023 annual general meeting, the Directors were given the power:

- To call a general meeting on 14 clear days' notice
- To consider the continuation in office of KPMG as Auditor
- To fix the remuneration of the Auditor
- To allot relevant securities up to specified limits
- To make market purchases of the Company's own shares
- To re-issue treasury shares at a specified price range

The authorities described above are due to expire at the conclusion of the 2024 annual general meeting of the Company or 15 months from the passing of the resolution.

Details of the resolutions to be considered at the next annual general meeting of the Company will be sent to shareholders in advance of the 2024 annual general meeting.

Rules Concerning the Appointment and Removal of Directors of the Company

Directors are appointed on a resolution of the Shareholders at a general meeting, usually the annual general meeting, either to fill a vacancy or as an additional Director. The Directors have the power to fill a casual vacancy or to appoint an additional Director (within the maximum number of Directors fixed by the Company in a general meeting), and any Director so appointed holds office only until the conclusion of the next annual general meeting following his or her appointment, when the Director concerned shall retire, but shall be eligible for reappointment at that meeting.

Each Director is obliged to retire at each annual general meeting and, if wishing to continue in office, may offer himself or herself for re-election at the annual general meeting.

Directors

As at the date of this Report, there are nine (9) Directors on the Board. The CEO, Margaret Sweeney, and the CFO, Brian Fagan, are Executive Directors. Hugh Scott-Barrett (the Chair), Phillip Burns, Joan Garahy (Senior Independent Director), Tom Kavanagh, Stefanie Frensch, Denise Turner and Declan Moylan are Non-Executive Directors. A short biographical note on each Director appears on pages 94 to 98.

In accordance with Provision 18 of the UK Code and the Company's Constitution, all Directors of the Company are subject to election by shareholders at the first annual general meeting after their appointment, and to annual re-election thereafter.

In accordance with this, each of Brian Fagan, Phillip Burns, Stefanie Frensch, Joan Garahy, Tom Kavanagh, Denise Turner and Hugh Scott-Barrett will retire and, being eligible, will offer himself/herself for re-election at the Company's 2024 annual general meeting ("AGM"). Declan Moylan and Margaret Sweeney are retiring at the 2024 AGM and so will not offer themselves for re-election. On 13 March 2024 the Board announced the appointment of Eddie Byrne as CEO Designate, with effect from 8 April 2024. Mr Byrne will succeed Margaret Sweeney as CEO and Executive Director of the Board with effect from 1 May 2024. He will retire and being eligible offer himself for re-election at the Company's 2024 AGM on 2 May 2024.

Non-Executive Directors Agreements for Service

Other than Margaret Sweeney and Brian Fagan, the Directors do not have service contracts but do have letters of appointment which reflect their responsibilities and commitments. Margaret Sweeney entered into an employment agreement with the Company effective 1 November 2017 (as amended on 18 February 2020 and 27 March 2020). Brian Fagan entered into an employment agreement with the Company effective on 26 April 2021 (as amended on 11 April 2022). Each Director has the same general legal responsibilities to the Company as any other Director and the Board as a whole is collectively responsible for the overall success of the Company.

The details of the Non-Executive Directors' current terms of office and dates of current service contracts are set out below:

The letter of appointment for each Non-Executive Director provides that the Company may terminate that Director's appointment with immediate effect in certain circumstances, including where a Director commits a material breach of his or her obligations under their letter of appointment or otherwise at the discretion of the Director or the Company on three months' prior written notice. No compensation is payable to any Director in the event of any such termination. In addition to their general legal responsibilities, the Directors have responsibility for the Company's strategy, performance, financial and risk control, and personnel.

With effect from 1 November 2017, Margaret Sweeney has served on the Board of the Company as an Executive Director. The terms of Ms. Sweeney's contract of employment are summarised on page 123 of this Report.

With effect from 11 April 2022, Brian Fagan has served on the Board of the Company as an Executive Director. The terms of Mr. Fagan's contract of employment are summarised on page 123 of this Report. Copies of the terms and conditions of appointment for each Director are available for inspection by any person at the offices of the Company, (attention Company Secretary), South Dock House, Hanover Quay, Dublin 2, Ireland during normal business hours and at the Company's annual general meeting for 15 minutes prior to the meeting and during the meeting.

There are no agreements between the Company and its Directors or employees providing for compensation for loss of office or employment, whether through resignation, purported redundancy or otherwise, that occurs as a result of a takeover of the Company, except under the terms of the LTIP.

Name	Date of Appointment to Board	Date of most recent letter of appointment	Year term expires (on conclusion of the AGM)	Notice Period
Declan Moylan	31-03-2014	21-03-2023	On conclusion of 2024 AGM	3 months
Denise Turner	02-05-2023	05-03-2023	On conclusion of 2026 AGM	3 months
Hugh Scott-Barrett	29-09-2022	29-09-2022	On conclusion of 2025 AGM	3 months
Joan Garahy	18-04-2017	21-03-2023	On conclusion of 2026 AGM	3 months
Phillip Burns	23-03-2016	21-03-2023	On conclusion of 2025 AGM	3 months
Stefanie Frensch	01-07-2021	22-02-2024	On conclusion of 2027 AGM	3 months
Tom Kavanagh	01-06-2018	22-02-2024	On conclusion of 2027 AGM	3 months

Conflicts of Interest – Directors
Section 231 of the Companies Act, 2014 requires each Director who is in any way, either directly or indirectly, interested in a contract or proposed contract with the Company to declare the nature of his or her interest at a meeting of the Directors. The Company keeps a register of all such declarations, which may be inspected by any Director, secretary, auditor or member of the Company at the offices of the Company (attention Company Secretary), South Dock House, Hanover Quay, Dublin 2, Ireland during normal business hours.

Subject to certain exceptions, the Articles of Association generally prohibit Directors from voting at Board meetings or meetings of committees of the Board on any resolution concerning a matter in which they have a direct or indirect interest which is material to, or a duty which conflicts or may conflict with the interests of, the Company. Directors may not be counted in the quorum in relation to resolutions on which they are not entitled to vote.

Corporate Governance
The Company has complied, from 1 January 2023 to 31 December 2023, with the provisions set out in the Code, which applied to the Company for the financial period ended 31 December 2023, except as disclosed on page 101 under Compliance with the 2018 Corporate Governance Code. The Governance Report on pages 100 to 163 sets out the Company's application of the principles and compliance with the provisions of the Code and the Company's system of risk management and internal control.

Principal Risks and Uncertainties
A description of the principal risks and uncertainties facing the Group is set out on pages 82 to 91.

Substantial Shareholdings
The Company has been notified of the following interests of 3% or more of the voting rights over the share capital of the Company as at 31 December 2023 and 20 March 2023:

Holder	31 December 2023		20 March 2024	
	Number of Shares	%	Number of Shares	%
Capreit Limited Partnership	98,910,000	18.68%	73,325,000	13.85%
FMR LLC	47,915,331	9.05%	52,713,079	9.95%
Vision Capital Corporation	26,524,425	5.01%	26,524,425	5.01%
APG Asset Management N.V.	26,138,135	5.01%	22,379,052	4.23%
Irish Life Investment Managers Limited	20,838,363	4.99%	23,914,801	4.52%
Setanta Asset Management Limited	26,297,678	4.97%	22,379,052	4.20%
Aviva Plc & its Subsidiaries	20,724,031	3.91%	8,046,632	1.52%
Zurcher Kantonalbank	15,923,787	3.01%	16,263,075	3.07%
Blackrock, Inc.	15,892,204	3.00%	18,816,095	3.55%

Except as disclosed above, the Company has not been notified as at 20 March 2024 of any other interest of 3% or more of the voting rights in its share capital nor is it aware of any person who directly or indirectly, jointly or severally, exercises or could exercise control over the Company. The table above summarises the various notifications that the Company has received for shareholders with 3% or more of the voting rights. Note the Company has taken in to account Rule 8 Disclosures made up to to 20 March 2024. The percentage ownership is based on the number of shares outstanding at the time the Company was notified.

Information required to be disclosed by LR 6.1.77, Euronext Dublin Listing Rules

For the purposes of LR 6.1.77, the information required to be disclosed by LR 6.1.77 can be found in the following locations:

Section	Topic	Location
(1)	Interest capitalised	Financial Statements, Note 5
(2)	Publication of unaudited financial information in a circular or prospectus	Not applicable
(3)	Small, related party transactions	Report of the Directors
(4)	Details of long-term incentive schemes	Report of the Remuneration Committee
(5)	Waiver of emoluments by a Director	Not applicable
(6)	Waiver of future emoluments by a Director	Not applicable
(7)	Non-pre-emptive issues of equity for cash	Not applicable
(8)	Item (7) in relation to major subsidiary undertakings	Not applicable
(9)	Parent participation in a placing by a listed subsidiary	Not applicable
(10)	Contracts of significance	Financial Statements, Note 24
(11)	Provision of services by a controlling shareholder	Not applicable
(12)	Shareholder waivers of dividends	Not applicable
(13)	Shareholder waivers of future dividends	Not applicable
(14)	Agreement with controlling shareholders	Not applicable

All of the information cross-referenced above is hereby incorporated by reference into this Report of the Directors.

Principal Subsidiaries and Joint Ventures

Details of the Company's principal subsidiaries as at 31 December 2023, which include IRES Fund Management Limited (acquired 31 January 2022 and which is the Company's Alternative Investment Fund Manager), IRES Residential Properties Limited (acquired on 31 March 2015 in connection with the acquisition of the Rockbrook Portfolio and holds the Rockbrook Portfolio), IRES Residential Properties (Tara View) Limited (acquired on 11 August 2022 in connection with the development of apartments at Merrion Road and holds the Tara View Portfolio), IRES Residential Properties (Orion) Limited and certain owners' management companies in which the Company holds a majority of the voting rights, are set out in note 5 of the Group financial statements on pages 198 to 201. All of the Company's principal subsidiaries are incorporated in Ireland.

Financial Instruments

Financial instruments are set out in note 19 of the Group financial statements on page 210.

Financial Risk Management

The financial risks include market risk, liquidity risk, credit risk and capital management risk. The financial risk management objectives and policies of the Group are set out in note 20 of the Group financial statements on page 210 and are included in this report by cross reference.

Subsequent Events

Information in respect of events since the year end is contained in note 31 to the Group financial statements on page 228 and are included in this report by cross reference.

Political Contributions

There were no political contributions which are required to be disclosed under the Electoral Act, 1997 or the Irish Companies Act, 2014.

Accounting Records

The Directors are responsible for ensuring accounting records, as required by Sections 281 to 285 of the Companies Act, 2014, are kept by the Company. The Directors believe that they have complied with this requirement by employing accounting personnel with appropriate expertise and by providing adequate resources to the finance function. The accounting records of the Company are maintained at its registered office located at South Dock House, Hanover Quay, Dublin 2, Ireland.

Relevant Audit Information

The Directors believe that they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the Company's statutory auditors are aware of that information. Insofar as they are aware, there is no relevant audit information of which the Company's statutory auditors are unaware.

Directors' Compliance Statement

The Directors, in accordance with Section 225(2) of the Companies Act, 2014, acknowledge that they are responsible for securing the Company's compliance with its "Relevant Obligations" within the meaning of Section 225 of the Companies Act, 2014 (described below as "Relevant Obligations").

The Directors confirm that:

- A compliance policy statement has been drawn up setting out the Company's policy (that is in the opinion of the Directors appropriate to the Company) with regard to compliance by the Company with its Relevant Obligations;
- Appropriate arrangements and structures that, in the Directors' opinion, are designed to ensure material compliance with the Company's Relevant Obligations, have been put in place; and
- A review has been conducted during the financial year of the arrangements and structures that have been put in place to secure the Company's compliance with its Relevant Obligations.

Regulation 21 of SI 255/2006 European Communities (Takeover Bids (Directive (2004/25/EC)) Regulations 2006

Each of the Company and its subsidiary, I-RES Residential Properties Limited has certain financial indebtedness arising under a private placement of loan notes and, banking facilities, which may require repayment and (in respect of the banking facilities) cancellation of the commitments thereunder in the event that a change of control occurs with respect to the Company (or, in the case of I-RES Residential Properties Limited's financial indebtedness, I-RES Residential Properties Limited), which may have the effect of also terminating (in whole or part) hedges transacted under the International Swaps and Derivative Association, Inc. ("ISDA") documentation entered into by I-RES Residential Properties Limited. In addition, the LTIP contains change of control provisions which allow for the acceleration of the exercisability of share options or awards in the event that a change of control occurs with respect to the Company.

There are no other significant agreements to which the Company is a party that take effect, alter or terminate upon a change of control of the Company following a bid.

For the purposes of Regulation 21 of the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006, the information on Directors on pages 94 to 98 and the disclosures on Directors' Remuneration on page 120 of this Report cover the information required and are deemed to be incorporated in the Report of the Directors.

Auditor

KPMG, Chartered Accountants, were appointed statutory auditor on 17 July 2018 and have been reappointed annually since that date, and pursuant to section 383(2) will continue in office. A resolution authorising the Directors to set their remuneration will be proposed at the Company's 2024 annual general meeting.

Audit Committee

The Board has established an Audit Committee in compliance with the Code to assist with certain responsibilities relating to internal controls, risk management and reporting. Refer to the Report of the Audit Committee on page 112 for the procedures established by the Audit Committee to discharge these responsibilities.

General Meetings

The Company holds a general meeting each year as its annual general meeting in addition to any other meeting in that year. Not more than 15 months shall elapse between the date of one annual general meeting and that of the next. The Directors are responsible for the convening of general meetings. Information is distributed to Shareholders at least 20 working days prior to the annual general meeting.

No business other than the appointment of a Chair shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Except as provided in relation to an adjourned meeting, two (2) persons entitled to vote upon the business to be transacted, each being a member or proxy for a member or a duly authorised representative of a corporate member, shall be a quorum.

Votes may be given either personally or by proxy or a duly authorised representative of a corporate member. Subject to rights or restrictions for the time being attached to any class or classes of shares, on a show of hands, every member present in person and every proxy or duly authorised representative of a corporate body shall have one vote. No individual shall have more than one vote, and on a poll, every member present in person or by proxy or a duly authorised representative of a corporate body shall have one vote for every share carrying voting rights of which the individual is the holder.

Resolutions are categorised as either ordinary or special resolutions. A bare majority of more than 50% of the votes cast by members voting on the relevant resolution is required for the passing of an ordinary resolution, whereas a qualified majority of more than 75% of the votes cast by members voting on the relevant resolution is required in order to pass a special resolution. Matters requiring a special resolution include, for example: altering the objects of the Company; altering the Articles of Association of the Company; and approving a change of the Company's name.

Constitution

The Company's Constitution sets out the objects and powers of the Company. The Articles of Association detail the rights attaching to shares in the Company, the method by which such shares can be purchased or re-issued, the provisions which apply to the holding and voting at general meetings and the rules relating to Directors, including their appointment, retirement, re-election, duties and powers. The Articles of Association may be amended by special resolution of the Company's shareholders, being a resolution proposed on not less than 21 days' notice as a special resolution and passed by more than 75% majority of those voting on the resolution.

The Directors' Report was approved by the Board of Directors on 3 April 2024 and is signed on their behalf by:

Directors

Hugh Scott-Barrett
Chair

Margaret Sweeney
Executive Director

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Report and the financial statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors are required to prepare the Group's and Company's financial statements in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") and applicable law including Article 4 of the IAS regulation.

The Directors have elected to prepare the Company financial statements in accordance with FRS 101 Reduced Disclosure Framework as applied in accordance with the provisions of Companies Act 2014.

Under company law, the Directors must not approve the Group and Company financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Group and Company and of the Group's profit or loss for that year.

In preparing the financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Assess the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- Use the going concern basis of accounting unless they either intend to liquidate the Group or Company or to cease operations or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and which enable them to ensure that the financial statements comply with the provisions of the Companies Act 2014.

The Directors are also responsible for taking all reasonable steps to ensure such records are kept by its subsidiaries which enable them to ensure that the financial statements of the Group comply with the provisions of the Companies Act 2014 including Article 4 of the IAS Regulation.

They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for safeguarding the assets of the Group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are also responsible for preparing a Directors' report that complies with the requirements of the Companies Act 2014.

In accordance with applicable law and the Euronext Dublin Listing Rules, the Directors are also required to prepare a Report of the Directors and reports relating to Directors' remuneration and corporate governance. The Directors are also required by the Transparency (Directive 2004/109/EC) Regulations 2007 (the "Transparency Regulations") to include a management report containing a fair review of the business and a description of the principal risks and uncertainties facing the Group. The Report of the Directors, the Chairman's Statement, the Chief Executive's Statement, the Financial Review, the Business Strategy and the Risk Report are deemed to be the management report as required by the Transparenc Regulations.

The Directors confirm that they have complied with the above requirements in preparing the financial statements. The Directors believe that they have complied with this requirement by employing accounting personnel with appropriate expertise and by providing adequate resources to the finance function. The books and accounting records of the Group and the Company are maintained at the Company's registered office located at South Dock House, Hanover Quay, Dublin 2, Ireland.

Each of the Directors, whose names and functions are listed on pages 94 to 98 confirms that, to the best of each Director's knowledge and belief:

As required by the Transparency Regulations:

- The financial statements, prepared in accordance with IFRS as adopted by the EU, give a true and fair view of the assets, liabilities and financial position of the Group and the Company as at 31 December 2023 and of the results of the Group, taken as a whole, for the period 1 January 2023 to 31 December 2023;
- The management report, comprising the Report of the Directors, the Chairman's Statement, the Chief Executive's Statement, the Financial Review, the Business Performance Measures, the Business Strategy and the Risk Report, include a fair review of the development and performance of the business and the position of the Company and the Group taken as a whole as at 31 December 2023, together with a description of the principal risks and uncertainties that the Company and the Group faces; and
- The financial statements use the going concern basis of accounting unless they either intend to liquidate the Group or Company or to cease operations or have no realistic alternative but to do so.

As required by the Code:

- The Report and financial statements contained therein, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Signed on behalf of the Board.

Hugh Scott-Barrett
Chair

Margaret Sweeney
Executive Director

Dated this 3rd day of April 2024

Financial Statements

Carrington Park, Dublin 9

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Residential Units

INDEPENDENT AUDITORS' REPORT

to the Members of Irish Residential Properties REIT plc

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Irish Residential Properties REIT plc ('the Company') and its consolidated undertakings ('the Group') for the year ended December 31, 2023 set out on pages 183 to 247, contained within the reporting package 635400EOPACLULRENY18-2023-12-31-en.zip, which comprise the Consolidated and Company Statements of Financial Position, the Consolidated and Company Statement of Profit or Loss and Other Comprehensive Income, the Consolidated and Company Statement of Cash Flows, the Consolidated and Company Statements of Changes in Equity and related notes, including the material accounting policies set out in note 2.

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 loss 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 17 July 2018. The period of total uninterrupted engagement is the 6 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the Group's and Company's ability to continue to adopt the going concern basis of accounting included:

» Using our knowledge of the Group, its industry, and the general economic environment to identify the inherent risks to its business model and analysing how those risks might affect the Group's and Company's financial resources or ability to continue operations over the going concern period. The risks that we considered were most likely to adversely affect the Group's and Company's available financial resources over this period were the impact of a significant decrease in occupancy levels and decline in rental collection allied to increase in inflation and interest rates potentially impacting on asset values during the going concern period.
» Considering whether these risks could plausibly affect the availability of financial resources in the going concern period by comparing severe, but plausible, downside scenarios that could arise from these risks individually and collectively against the level of available financial resources indicated by the Group's and Company's financial forecasts.

INDEPENDENT AUDITORS' REPORT

to the Members of Irish Residential Properties REIT plc

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 and other management 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 and subcommittee minutes.
- Considering remuneration incentive schemes and performance targets including the EPRA Earnings and Net Rental Income 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.

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, 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 other management 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. On this audit we do not believe there is a fraud risk related to revenue recognition.

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.
- Evaluating the business purpose of significant unusual transactions.
- Assessing significant accounting estimates for bias.
- Assessing the disclosures in the financial statements.

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.

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

Group and Company key audit matter

Valuation of Investment Property: Consolidated €1,274 million (2022 - €1,499 million) Company €1,130 million (2022: €1,317 million)

Refer to pages 188 to 190 (accounting policy) and pages 198 to 201 (financial disclosures)

<table>
<tr><th>The key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td>
The Groups' investment property portfolio (including properties under development and development land) comprises a portfolio of mainly residential property assets, 99% of which are located in Dublin. The Group's investment property portfolio is valued at €1,274 million (Company: €1,130 million) at 31 December 2023 and represents 98% of the Group's total assets and 88% of the Company's total assets.
The valuation of the Group's and Company's investment property portfolio is inherently subjective, as it requires, amongst other factors, consideration of the specific characteristics of each property, the location and nature of each property, consideration of prevailing property market conditions and in respect of income generating properties, estimation of future rentals beyond the current lease terms.
In respect of development land, further factors include market comparables.
The Directors engage external valuers to value the Group's and Company's investment property portfolio in accordance with the Royal Institution of Chartered Surveyors ('RICS') Valuation – Professional Standards. The valuation experts used by the Group have considerable experience of the markets in which the Group operates. In determining the valuation of the Group's investment properties, the valuers take into account the above considerations and rely on the accuracy of the underlying lease and related information provided to the valuers by the Group.
We regard this area as a key audit matter due to the significance of the estimates and judgements involved in the valuation of the Group's and Company's investment property portfolio.
For the reasons outlined above the engagement team determine this matter to be a key audit matter.
</td><td>
Our audit procedures included ,among others,the following:

We evaluated the design and implementation of the key control within the investment property valuation process.
We performed testing over the accuracy and completeness of lease information provided by the Group to the external valuers for income generating properties.
We inspected the valuation reports and confirmed that the valuation approach was in accordance with RICS standards and suitable for the purposes of the Group's financial statements.
We assessed the external valuers' qualifications and expertise and read their terms of engagement with the Group to determine whether there were any matters that might have affected their objectivity or may have imposed scope limitations upon their work.
We met with the external valuers to understand the valuation of the portfolio. These discussions included gaining an understanding of the external valuers' process; the significant assumptions employed in estimating future rental incomes and future capital expenditure requirements for income generating properties; and the judgements in the selection of appropriate capitalisation rates for a sample of selected properties.
We considered the capitalisation rate assumptions for selected properties used by the valuers in performing their valuations and compared them to relevant market evidence, such as benchmarking against specific property sales and performing an internal comparison across the Group's property portfolio.
We agreed the value of all investment properties included in the financial statements to the valuation reports prepared by the external valuers.
We assessed the adequacy of the disclosures in relation to the valuation of investment properties and found them to be appropriate.
We compared the proceeds received from sales of investment property with the reported fair value, which provides an indicator of the accuracy and reliability of historic revaluations.

We found no evidence to suggest that the objectivity of the valuers in their performance of the valuations was compromised. On the basis of the work performed, we found the significant assumptions used in the valuations to be appropriate.
</td></tr>
</table>

INDEPENDENT AUDITORS' REPORT

to the Members of Irish Residential Properties REIT 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 €7.0 million (2022: €8.5 million) and €6.8m (2022: €8.2 million) respectively, determined with reference to benchmarks of net assets (of which it represents 1% (2022: 1%) and 1% (2022: 1%)) respectively.

In addition, we applied a lower materiality of €1.4 million (2022: €1.6 million) for testing profit or loss items excluding the net movement in fair value of investment properties. In our judgement, the application of this specific materiality is appropriate due to key performance indicators of the Group driven by profit or loss items.

Performance materiality for the Group financial statements and Company financial statements as a whole was set at €5.2 million (2022: €6.3 million) and €5.1 million (2022:€6.2 million) respectively, determined with reference to benchmarks of net assets (of which it represents 75% (2022: 75%) and 75% (2022: 75%)) respectively. We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. 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.

We consider net assets to be the most appropriate benchmark as this is what the readers of the financial statements place most importance upon.

We reported to the Audit Committee any corrected or uncorrected identified misstatements exceeding €0.4 million (2022: €0.4 million), in addition to other identified misstatements that warranted reporting on qualitative grounds.

In our judgement, the application of this specific materiality is appropriate due to key performance indicators of the Group driven by profit or loss items. We applied materiality to assist us determine what risks were significant risks and the procedures to be performed.

Our audit 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 other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report and Chairman's Statement, Chief Executive Officer's Statement, Financial Review, Business Performance Measures, Market Update, Business Strategy, Sustainability Review, Investment Policy, Risk Report, Corporate Governance Report, Report of the Audit Committee, Report of the Remuneration Committee, Report of the Nomination Committee, Report of the Sustainability Committee and Report of the Directors. 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:

» 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;
» 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 specified for our review by the Listing Rules of Euronext Dublin.

INDEPENDENT AUDITORS' REPORT

to the Members of Irish Residential Properties REIT plc

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 101, 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.

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 31 December 2022.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT

to the Members of Irish Residential Properties REIT plc

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 172, 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.

3 April 2024
David Moran

for and on behalf of

KPMG
Chartered Accountants, Statutory Audit Firm
1 Stokes Place
St. Stephen's Green

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

	Note	31 December 2023 €'000	31 December 2022 €'000
Assets			
Non-Current Assets			
Investment properties	5	**1,274,360**	1,498,998
Property, plant and equipment	7	**8,208**	8,718
Derivative financial instruments	19	**—**	6,340
		1,282,568	1,514,056
Current Assets			
Other current assets	8	**6,312**	6,297
Derivative financial instruments	19	**2,879**	1,474
Cash and cash equivalents	15	**7,864**	6,965
		17,055	14,736
Total Assets		**1,299,623**	1,528,792
Liabilities			
Non-Current Liabilities			
Bank indebtedness	10	**371,355**	453,738
Private placement notes	11	**196,125**	198,237
Lease liability	23	**7,842**	8,268
Derivative financial instruments	19	**3,667**	—
		578,989	660,243
Current Liabilities			
Accounts payable and accrued liabilities	9	**15,675**	12,797
Derivative financial instruments	19	**—**	9
Security deposits		**7,202**	7,974
Lease liability	23	**426**	416
		23,303	21,196
Total Liabilities		**602,292**	681,439
Shareholders' Equity			
Share capital	14	**52,958**	52,958
Share premium		**504,583**	504,583
Share-based payment reserve		**1,354**	1,201
Cashflow hedge reserve	19	**(672)**	5,633
Retained earnings		**139,108**	282,978
Total Shareholders' Equity		**697,331**	847,353
Total Shareholders' Equity and Liabilities		**1,299,623**	1,528,792
IFRS Basic NAV per share	28	**131.7**	160.0

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2023

	Note	31 December 2023 €'000	31 December 2022 €'000
Operating Revenue			
Revenue from investment properties	16	**87,854**	84,857
Operating Expenses			
Property taxes		**(1,168)**	(1,078)
Property operating costs		**(18,772)**	(18,042)
Net Rental Income ("NRI")		**67,914**	65,737
General and administrative expenses	17	**(12,686)**	(17,154)
Share-based compensation expense	13	**(153)**	(117)
Net movement in fair value of investment properties	5	**(141,791)**	(45,599)
(Loss)/gain on disposal of investment property		**(418)**	2,795
Gain on derivative financial instruments	19	**86**	35
Depreciation of property, plant and equipment	7	**(536)**	(536)
Lease interest	6	**(212)**	(222)
Financing costs	18	**(26,695)**	(16,803)
Loss before taxation		**(114,491)**	(11,864)
Taxation	21	**(1,523)**	44
Loss for the Year		**(116,014)**	(11,820)
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Cash flow hedges - effective portion of changes in fair value		**(6,160)**	11,375
Cash flow hedges - cost of hedging deferred		**362**	(144)
Cash flow hedges - reclassified to profit or loss		**(507)**	(5,250)
Other Comprehensive (loss)/income for the year		**(6,305)**	5,981
Total Comprehensive (Loss)/Income for the Year Attributable to Shareholders		**(122,319)**	(5,839)
Basic Loss per Share (cents)	27	**(21.9)**	(2.2)
Diluted Loss per Share (cents)	27	**(21.9)**	(2.2)

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

	Note	Share Capital €'000	Share Premium €'000	Retained Earnings €'000	Share-based payments Reserve €'000	Cashflow hedge Reserve €'000	Total €'000
Shareholders' Equity at 1 January 2023		**52,958**	**504,583**	**282,978**	**1,201**	**5,633**	**847,353**
Total comprehensive loss for the year							
Loss for the year		–	–	(116,014)	–	–	(116,014)
Other comprehensive loss for the year		–	–	–	–	(6,305)	(6,305)
Total comprehensive loss for the year		–	–	(116,014)	–	(6,305)	(122,319)
Transactions with owners, recognised directly in equity							
Long-term incentive plan	13	–	–	–	153	–	153
Share issuance	14	–	–	–	–	–	–
Dividends paid	22	–	–	(27,856)	–	–	(27,856)
Transactions with owners, recognised directly in equity		–	–	(27,856)	153	–	(27,703)
Shareholders' Equity at 31 December 2023		**52,958**	**504,583**	**139,108**	**1,354**	**(672)**	**697,331**

For the year ended 31 December 2022

	Note	Share Capital €'000	Share Premium €'000	Retained Earnings €'000	Share-based payments Reserve €'000	Cashflow hedge Reserve €'000	Total €'000
Shareholders' Equity at 1 January 2022		52,945	504,470	323,280	1,093	(348)	881,440
Total comprehensive loss for the year							
Loss for the year		–	–	(11,820)	–	–	(11,820)
Other comprehensive income for the year		–	–	–	–	5,981	5,981
Total comprehensive loss for the year		–	–	(11,820)	–	5,981	(5,839)
Transactions with owners, recognised directly in equity							
Long-term incentive plan	13	–	–	–	117	–	117
Share issuance	14	13	113	9	(9)	–	126
Dividends paid	22	–	–	(28,491)	–	–	(28,491)
Transactions with owners, recognised directly in equity		13	113	(28,482)	108	–	(28,248)
Shareholders' Equity at 31 December 2022		52,958	504,583	282,978	1,201	5,633	847,353

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

	Note	31 December 2023 €'000	31 December 2022 €'000
Cash Flows from Operating Activities:			
Operating Activities			
Loss for the Year		**(116,014)**	(11,820)
Adjustments for non-cash items:			
Fair value adjustment - investment properties	5	**141,791**	45,599
Loss/(gain) on disposal of investment property		**418**	(2,795)
Depreciation of property, plant and equipment	7	**536**	536
Amortisation of other financing costs	23	**2,079**	1,998
Share-based compensation expense	13	**153**	117
Gain on derivative financial instruments	19	**(86)**	(35)
Allowance for expected credit loss		**(90)**	725
Capitalised leasing costs	5	**876**	588
Interest accrual relating to derivatives	23	**—**	9
Taxation	21	**1,523**	(44)
(Loss)/Profit adjusted for non-cash items		**31,186**	34,878
Interest expense	23	**24,828**	15,027
Changes in operating assets and liabilities	23	**1,098**	(3,314)
Income taxes paid	21	**(88)**	(7)
Net Cash Generated from Operating Activities		**57,024**	46,584
Cash Flows from Investing Activities			
Net proceeds from disposal of investment property	4	**88,672**	54,932
Deposits on acquisitions		**2**	(3,855)
Acquisition of investment properties		**—**	(79,155)
Development of investment properties	5	**—**	(4,632)
Property capital investments	5	**(7,590)**	(8,769)
Direct leasing cost	5	**28**	(4)
Purchase of property, plant and equipment	7	**(26)**	(44)
Acquisition of subsidiary, net of cash acquired	12	**—**	1,093
Net Cash Generated from/(Used in) Investing Activities		**81,086**	(40,434)
Cash Flows from Financing Activities			
Financing fees	23	**(359)**	(1,610)
Interest paid	23	**(24,580)**	(15,453)
Credit Facility drawdown	23	**10,700**	93,000
Credit Facility repayment	23	**(94,700)**	(56,000)
Interest rate swap payments		**—**	(698)
Lease payment	6	**(416)**	(406)
Proceeds on issuance of shares	23	**—**	126
Dividends paid to shareholders	22	**(27,856)**	(28,491)
Net Cash Generated from/(Used in) Financing Activities		**(137,211)**	(9,532)
Changes in Cash and Cash Equivalents during the Year		**899**	(3,382)
Cash and Cash Equivalents, Beginning of the Year		**6,965**	10,347
Cash and Cash Equivalents, End of the Year		**7,864**	6,965

The accompanying notes form an integral part of these consolidated financial statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. General Information

Irish Residential Properties REIT plc ("I-RES" or the "Company") was incorporated in Ireland on 2 July 2013. On 16 April 2014, I-RES obtained admission of its ordinary shares to the primary listing segment of the Official List of Euronext Dublin and to trading on the main market for listed securities of Euronext Dublin. I-RES' registered office is South Dock House, Hanover Quay, Dublin 2, Ireland. The ordinary shares of I-RES are traded on the main market for listed securities of Euronext Dublin under the symbol "IRES". The Group owns interests in residential rental accommodations, as well as commercial and development sites, the majority of which are located in and near major urban centres in Dublin, Ireland.

2. Material Accounting Policies

a) Basis of preparation

This financial information has been derived from the information used to prepare the Group's consolidated financial statements for the year ended 31 December 2023 in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"), IFRS Interpretations Committee ("IFRIC") interpretations and those parts of the Companies Act 2014 applicable to companies reporting under IFRS. The financial information for the years ended 31 December 2023 and 31 December 2022 has been prepared under the historical cost convention, as modified by the fair value of investment properties, derivative financial instruments at fair value and share options at grant date through the profit or loss in the consolidated statement of profit or loss and other comprehensive income.

The consolidated financial statements of the Group are prepared on a going concern basis of accounting. The consolidated financial statements of the Group have been presented in Euro, which is the Company's functional currency.

The consolidated financial statements of the Group cover the 12-month period from 1 January 2023 to 31 December 2023.

The Group has not early adopted any forthcoming International Accounting Standards Board ("IASB") standards. Note 2(t) sets out details of such upcoming standards.

Going concern

The Group meets its day-to-day working capital requirements through its cash and deposit balances. The Group's plans indicate that it should have adequate resources to continue operating for the foreseeable future. The Group has a strong consolidated statement of financial position with sufficient liquidity and flexibility in place to manage through the potential headwinds in the current market. The Group can draw an additional €65 million from its RCF (as defined below in note 10) while maintaining a maximum 50% Loan to value ratio as at 31 December 2023, as required by REIT legislation. As at 31 December 2023, the undrawn RCF amount is €227 million. Post year end, I-RES has reduced the RCF facility size by €100m, resulting in an undrawn amount of €127 million. The Group generated positive cashflows from operations for the year ended 31 December 2023. Accordingly, the Directors consider it appropriate that the Group adopts the going concern basis of accounting in the preparation of the consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

2. Material Accounting Policies (continued)

a) Basis of preparation (continued)

Changes in material accounting policies
The Group adopted the disclosure of accounting policies (amendments to IAS 1 and IFRS Practice Statement 2) from 1 January 2023. The amendments have not resulted in a change to the accounting policies themselves, they impacted the accounting policy information disclosed in Note 2. The changes have resulted in the disclosure of material rather than significant account policies.

b) Basis of consolidation

These consolidated financial statements incorporate the financial statements of I-RES and its subsidiaries, IRES Residential Properties Limited, IRES Fund Management Limited, IRES Residential Properties (Tara View) Limited and IRES Residential Properties (Orion) Limited. I-RES controls these subsidiaries by virtue of its 100% shareholding in the companies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Subsidiaries
Subsidiaries are entities controlled by I-RES. I-RES 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 these returns through its power over the entity. The financial information of subsidiaries (except owners' management companies) is included in the consolidated financial statements from the date on which control commences until the date on which control ceases. I-RES does not consolidate owners' management companies in which it holds majority voting rights. For further details, please refer to note 24.

c) Investment properties and investment properties under development

Investment properties
The Group considers its income properties to be investment properties under IAS 40, Investment Property ("IAS 40") and has chosen the fair value model to account for its investment properties in the consolidated financial statements. Under IFRS 13, Fair Value Measurement ("IFRS 13"), fair value is defined 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.

Investment properties are treated as acquired at the time when the Group assumes the significant risks and returns of ownership, which normally occurs when the conveyancing contract has been performed by both buyer and seller and the contract has been deemed to have become unconditional and completed. Investment properties are deemed to have been acquired when the buyer has assumed control of ownership and the contract has been completed.

Investment properties comprise investment interests held in land and buildings (including integral equipment) held for the purpose of producing rental income, capital appreciation or both, but not for sale in the ordinary course of business.

All investment properties are initially recorded at cost, which includes transaction and other acquisition costs, at their respective acquisition dates and are subsequently stated at fair value at each reporting date, with any gain or loss arising from a change in fair value recognised through profit or loss in the consolidated statement of profit or loss and other comprehensive income for the period. Gains and losses (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) arising on the disposal of investment properties are also recognised through profit or loss in the consolidated statement of profit or loss and other comprehensive income.

The fair value of investment properties is determined by qualified independent valuers at each reporting date, in accordance with the Royal Institution of Chartered Surveyors ("RICS") Valuation Standards and IFRS 13. Each independent valuer holds a recognised relevant professional qualification and has recent experience in the locations and segments of the investment properties valued. At each reporting date, management undertakes a review of its investment property valuations to assess the continuing validity of the underlying assumptions, such as future income streams and yields used in the independent valuation report, as well as property valuation movements when compared to the prior year valuation report and holds discussions with the independent valuer.

Investment properties under development
Investment properties under development include those properties, or components thereof, that will undergo activities that will take a substantial period of time to prepare the properties for their intended use as income properties.

2. Material Accounting Policies (continued)

c) Investment properties and investment properties under development (continued)

Investment properties under development (continued)
The cost of a development property that is an asset acquisition comprises the amount of cash, or the fair value of other consideration, paid to acquire the property, including transaction costs. Subsequent to the acquisition, the cost of a development property includes costs that are directly attributable to these assets, including development costs and borrowing costs. These costs are capitalised when the activities necessary to prepare an asset for development or redevelopment begin and continue until the date that construction is substantially complete and all necessary occupancy and related permits have been received, whether or not the space is leased. Borrowing costs are calculated using the Company's weighted average cost of borrowing.

Properties under development are valued at fair value by qualified independent valuers at each reporting date with fair value adjustments recognised in profit or loss in the consolidated statement of profit or loss and other comprehensive income. In the case of investment property under development, the valuation approach applied is the "residual method", with a deduction for the costs necessary to complete the development together with an allowance for the remaining risk.

Development land
Development land is also stated at fair value by qualified independent valuers at each reporting date with fair value adjustments recognised in profit or loss in the consolidated statement of profit or loss and other comprehensive income. In the case of development land, the valuation approach applied is the comparable sales approach, which considers recent sales activity for similar land parcels in the same or similar markets. Land values are estimated using either a per acre or per buildable square foot basis based on highest and best use. Such values are applied to the Group's properties after adjusting for factors specific to the site, including its location, highest and best use, zoning, servicing and configuration.

Key estimations of inherent uncertainty in investment property valuations
The fair values derived are based on anticipated market values for the properties, being the estimated amount that would be received from a sale of the assets in an orderly transaction between market participants. The valuation of the Group's investment property portfolio is inherently subjective as it requires, among other factors, assumptions to be made regarding the ability of existing residents to meet their rental obligations over the entire life of their leases, the estimation of the expected rental income in the future, an assessment of a property's ability to remain an attractive technical configuration to existing and prospective residents in a changing market and a judgement to be reached on the attractiveness of a building, its location and the surrounding environment. While these and other similar matters are market-standard considerations in determining the fair value of a property in accordance with the RICS methodology, they are all subjective assessments of future outturns and macroeconomic factors, which are outside of the Group's control or influence and therefore may prove to be inaccurate long-term forecasts.

As a result of all these factors, the ultimate valuation the Group places on its investment properties is subject to some uncertainty and may not turn out to be accurate, particularly in times of macroeconomic volatility. The RICS property valuation methodology is considered by the Board to be the valuation technique most suited to the measurement of the fair value of property investments. It is also the primary measurement of fair value that all major and reputable property market participants use when valuing a property investment. See note 5 for a detailed discussion of the significant assumptions, estimates and valuation methods used.

d) Property asset acquisition

At the time of acquisition of a property or a portfolio of investment properties, the Group evaluates whether the acquisition is a business combination or asset acquisition. The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

2. Material Accounting Policies (continued)

d) Property asset acquisition (continued)

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

When an acquisition does not represent a business as defined under IFRS 3, the Group classifies these properties, or portfolio of properties, as an asset acquisition. Identifiable assets acquired and liabilities assumed in an asset acquisition are measured initially at their fair values at the acquisition date. Acquisition-related transaction costs are capitalised to the property.

e) Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and mainly comprise of the leased head office, head office fixtures and fittings and information technology hardware. These items are depreciated on a straight-line basis over their estimated useful lives; the right of use building has a useful life of 20 years and the fixtures and fittings have a useful life ranging from one to five years.

f) Business combinations

Business combinations are accounted for using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. The identifiable assets and liabilities are measured and recorded at fair value at the date of acquisition. The cost of acquisition is measured as the total amount of consideration transferred, measured at the acquisition date. Acquisition costs are expensed as incurred.

Goodwill is recognised when the aggregate of the consideration transferred and any non-controlling interest is greater than the fair value of the net identifiable assets at the acquisition date. If the consideration transferred is lower than the fair value of the net assets of the subsidiary acquired, it is recognised as a bargain purchase and the difference is recognised in the Statement of Profit or Loss and other comprehensive income.

g) IFRS 9, Financial Instruments ("IFRS 9")

Financial assets and financial liabilities
Under IFRS 9, financial assets and financial liabilities are initially recognised at fair value and are subsequently accounted for 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 I-RES' designation of such instruments. The standard requires 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 ("FVTOCI").

Derecognition of financial assets and financial liabilities
The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its consolidated statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting
Financial assets and financial liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2. Material Accounting Policies (continued)

g) IFRS 9, Financial Instruments ("IFRS 9") (continued)

Classification of financial instruments
The following summarises the classification and measurement I-RES has elected to apply to each of its significant categories of financial instruments:

Type	Classification	Measurement
Financial assets		
Cash and cash equivalents	Held to Collect	Amortised cost
Other receivables	Held to Collect	Amortised cost
Derivative financial instruments	FVTOCI	Fair value through other comprehensive income
Financial liabilities		
Bank indebtedness	Other financial liabilities	Amortised cost
Private placement notes	Other financial liabilities	Amortised cost
Accounts payable and accrued liabilities	Other financial liabilities	Amortised cost
Security deposits	Other financial liabilities	Amortised cost
Derivative financial instruments	FVTOCI	Fair value through other comprehensive income

Cash and cash equivalents
Cash and cash equivalents include cash and short-term investments with an original maturity of three months or less. Interest earned or accrued on these financial assets is included in other income.

Other receivables
Such receivables arise when I-RES provides services to a third party, such as a resident, and are included in current assets, except for those with maturities more than 12 months after the consolidated statement of financial position date, which are classified as non-current assets. Loans and other receivables are included in other assets initially at fair value on the consolidated statement of financial position and are subsequently accounted for at amortised cost.

Other liabilities
Such financial liabilities are initially recorded at fair value and subsequently accounted for at amortised cost and include all liabilities other than derivatives. Derivatives are at fair value through other comprehensive income.

FVTPL
Financial instruments in this category are recognised initially and subsequently at fair value. Gains and losses arising from changes in fair value are presented within gain on derivative financial instruments in the consolidated statement of profit or loss in the period in which they arise. Financial assets and liabilities at FVTPL are classified as current, except for the portion expected to be realised or paid more than 12 months after the consolidated statement of financial position date, which is classified as non-current. Derivatives are categorised as FVTPL unless designated as hedges.

Derivative financial instruments and hedge accounting
The Group utilises derivative financial instruments to hedge foreign exchange risk and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are remeasured at fair value, with changes generally recognised through profit or loss.

2. Material Accounting Policies (continued)

g) IFRS 9, Financial Instruments ("IFRS 9") (continued)

Derivative financial instruments and hedge accounting (continued)
The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges
When a derivative is designated as a cash flow hedging instrument, hedge accounting is used in line with IFRS 9. The effective portion of changes in the fair value of the derivative is recognised in other comprehensive income ("OCI") and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

For all hedged forecast transactions, the amount accumulated in the hedging reserve is reclassified to financing costs in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve are immediately reclassified to profit or loss.

h) IFRS 16, Leases

At inception of a contract, the Group assesses 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. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

As a lessee
When the Group acts 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 on the basis of its relative stand-alone price.

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. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

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 by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and the type of asset leased.

2. Material Accounting Policies (continued)

h) IFRS 16, Leases (continued)

As a lessee (continued)
Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in 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 through 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.

As a lessor
When the Group acts as a lessor, it determines at lease commencement whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers to the lessee substantially all of the risks and rewards incidental to ownership of the underlying assets. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of the assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset, the present value of lease payments and any option included in the lease. The Group has determined that all of its leases are operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

On modification of a contract that contains a lease component and a non-lease component, I-RES allocates the consideration in the contract to each of the components on the basis of their relative stand-alone prices.

Tenant inducements
Incentives such as cash, rent-free periods and move-in allowances may be provided to lessees who enter into a lease. The incentives are written off on a straight-line basis over the term of the lease as a reduction of rental revenue.

Early termination of leases
When the Group receives rent loss payments from a tenant for the early termination of a lease, it is reflected in the accounting period in which the rent loss payment occurred.

Expected credit loss ("ECL")
The Group recognises a loss allowance for expected credit losses on trade receivables and other financial assets. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. Loss allowances for trade receivables (including lease receivables) are always measured at an amount equal to lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

2. Material Accounting Policies (continued)

h) IFRS 16, Leases (continued)

Expected credit loss ("ECL") (continued)
For individual residential customers, the Group has a policy of writing off the gross carrying amount when the financial asset is 30 days past due based on historical experience of recoveries of similar assets. For individual commercial customers, the Group has a policy of writing off the gross carrying amount when the financial asset is 60 days past due based on historical experience of recoveries of similar assets.

i) IFRS 15, Revenue from Contracts with Customers ("IFRS 15")

I-RES retains substantially all of the risks and benefits of ownership of its investment properties and therefore accounts for leases with its tenants as operating leases. Rent represents lease revenue earned from the conveyance of the right to use the property, including access to common areas, to a lessee for an agreed period of time. The contract also contains a performance obligation that requires I-RES to maintain the common areas to an agreed standard. This right of use and performance obligation is governed by a single rental contract with the tenant. In accordance with IFRS 16 Leases, I-RES has evaluated the lease and non-lease components of its rental revenue and has determined that common area maintenance services constitute a single non-lease element, which is accounted for as one performance obligation under IFRS 15 and is recognised separately to Rental Income as revenue under IFRS 15.

Rental revenue includes amounts earned from tenants under the rental contract which are allocated to the lease and non-lease components based on relative stand-alone selling prices. The stand-alone selling prices of the lease components are determined using an adjusted market assessment approach and the stand-alone selling prices of the service components are determined using the input method based on the expected costs plus an estimated market-based margin for similar services.

Rental income from the operating lease component is recognised on a straight-line basis over the lease term in accordance with IFRS 16 Leases. When I-RES provides incentives to its tenants, the cost of such incentives is recognised over the lease term, on a straight-line basis, as a reduction of revenue.

Revenue from maintenance services represents the service component of the REIT's rental contracts and is accounted for in accordance with IFRS 15. These services consist primarily of the recovery of utilities, property and other common area maintenance and amenity costs where I-RES has determined it is acting as a principal.

These services constitute a single non-lease component, which is accounted for as one performance obligation under IFRS 15 as the individual activities that comprise these services are not distinct in the context of the contract. The individual activities undertaken to meet the performance obligation may vary from time to time but cumulatively the activities undertaken to meet the performance obligation are relatively consistent over time. The tenant simultaneously receives and consumes the benefits provided under the performance obligation as I-RES performs the obligation and consequently revenue is recognised over time, typically on a monthly basis, as the services are provided.

j) Operating segments

The Group operates and is managed as one business segment, namely property investment, with all investment properties located in Ireland. The operating segment is reported in a manner consistent with the internal reporting provided to the chief operating decision-maker, which has been identified as the I-RES Board.

k) Statement of cash flows

Cash and cash equivalents consist of cash on hand and balances with banks. Investing and financing activities that do not require the use of cash or cash equivalents are excluded from the consolidated statement of cash flows and are disclosed separately in the notes to the consolidated financial statements. Interest paid is classified as financing activities.

l) Income taxes

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

2. Material Accounting Policies (continued)

l) Income taxes (continued)

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

I-RES elected for REIT status on 31 March 2014. As a result, from that date I-RES does not pay Irish corporation tax on the profits and gains from its qualifying rental business in Ireland, provided it meets certain conditions.

Corporation tax is payable in the normal way in respect of income and gains from any residual business (generally including any property trading business) not included in the Property Rental Business. I-RES is liable to pay other taxes such as VAT, stamp duty, land tax, local property tax and payroll taxes in the normal way.

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.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

m) Equity and share issue costs

The equity of I-RES consists of ordinary shares issued. Shares issued are recorded at the date of issuance. Direct issue costs in respect of the issue of shares are accounted for as a deduction from retained earnings. The excess consideration for shares above nominal value is recorded as share premium.

n) Net asset value ("NAV")

The NAV is calculated as the value of the Group's assets less the value of its liabilities, measured in accordance with IFRS and in particular will include the Group's property assets at their fair value assessed independently by valuers.

o) Share-based payments

I-RES has determined that the options and restricted share units issued to senior executives qualify as "equity-settled share-based payment transactions" as per IFRS 2. In addition, any options issued to the directors and employees also qualify as equity-settled share-based payment transactions. The fair value of the options measured on the grant date will be expensed over the graded vesting term with a corresponding increase in equity. The fair value for all options granted is measured using the Black-Scholes model.

The grant-date fair value of restricted share units issued to senior employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The fair value for all restricted share units granted is measured using a Monte Carlo simulation. 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, 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.

p) Property taxes

Property taxes are paid annually and recognised as an expense evenly throughout the year.

q) Security deposits

Security deposits are amounts received from tenants at the beginning of a tenancy. When a tenant is no longer in occupancy, the Group will assess whether there was damage to the property above normal wear and tear for which deductions may be made to their deposit. Once the inspections and repairs are calculated, the remaining security deposit is returned to the tenant.

2. Material Accounting Policies (continued)

r) Pension

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which a company pays fixed contributions into a separate entity. Once the contributions have been paid, the Company has no further obligations. The contributions are recognised as an expense when they are due. The amounts that are not paid are shown as accruals in the consolidated statement of financial position. The assets of the plan are held separately from those of the Company in an independently administered fund.

s) Assets held for sale

Non-current assets are classified as held-for-sale if it is highly probable that the assets will be recovered primarily through sale rather than through continuing use.

Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial calculation as held-for-sale and subsequent gains or losses on remeasurement are recognised in the consolidated statement of profit or loss and other comprehensive income.

t) Impact expected from new or amended standards

The following standards and amendments are under review and are not expected to have a significant impact on reported results or disclosures of the Group. They were not effective at the financial year end 31 December 2023 and have not been applied in preparing these consolidated financial statements. The Group will apply the new standards from the effective date. The potential impact of these standards on the Group is under review.

Classification of Liabilities as Current or Non-current (amendment to IAS 1)
Effective Date 1 January 2024

Lease Liability in a Sale and Leaseback (amendment to IFRS 16)
Effective Date 1 January 2024

Supplier Finance Arrangements (amendments to IAS 7 and IFRS 7
Effective Date 1 January 2024

ESRS S1 General Requirements for Disclosure of Sustainability-related Financial Information & ESRS S2 Climate-related Disclosures
Effective Date 1 January 2024

3. Critical Accounting Estimates, Assumptions and Judgements

The preparation of the consolidated financial statements in accordance with IFRS requires the use of estimates, assumptions and judgements that in some cases relate to matters that are inherently uncertain and which affect the amounts reported in the consolidated financial statements and accompanying notes. Areas of such estimation include, but are not limited to, valuation of investment properties and valuation of financial instruments. Changes to estimates and assumptions may affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates under different assumptions and conditions.

The valuation estimate of investment properties is deemed to be significant. See note 20(a) and note 5 for a detailed discussion of valuation methods and the significant assumptions and estimates used.

4. Recent Investment Property Acquisitions, Developments and Disposals

For the year 1 January 2023 to 31 December 2023

Disposals

Name	Other Land and Property	Unit Count	Region	Net proceeds from disposal €'000
Rockbrook Site	Development site	—	South Dublin	14,596
Bakers Yard		6	City Centre	1,444
Tara View		4	South Dublin	4,077
Hansfield Wood/ Pipers Court		194	West Dublin	68,555
Total		**204**		**88,672**

For the year 1 January 2022 to 31 December 2022

Investment property acquisitions

Property	Acquisition Date	Unit Count	Region	Total Acquisition Costs €'000
Ashbrook	January/May 2022[1]	108	North Dublin	42,604
Tara View	August 2022	69	South Dublin	48,043
Total		177		90,647

(1) 86 units were acquired in January 2022, a further 22 units were acquired in May 2022.

Completed development

Property	Unit Count	Region	Total Costs Spent in 2022 €'000	Total Development Cost spent to date €'000
School Yard	61	City Centre	4,632	19,091[1]

(1) Total development costs exclude costs spent prior to the construction phase and any unrealised fair value movement recognised as part of the bi-annual valuation process.

Disposals

Name	Unit Count	Region	Net proceeds from disposals €'000
Hampton Wood	128	North Dublin	53,901
Tara View	1	South Dublin	1,031
Total	129		54,932

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

5. Investment Properties

Valuation basis

Investment properties are carried at fair value, which is the amount at which the individual properties could be sold in an orderly transaction between market participants at the measurement date, considering the highest and best use of the asset, with any gain or loss arising from a change in fair value recognised through profit or loss in the consolidated statement of profit or loss and other comprehensive income for the year.

The Group uses Savills and CBRE as external independent valuers. The Group's investment property is rotated between these valuers on a periodic basis. The valuers fair valued all of the Group's investment properties as at 31 December 2023. The valuers employ qualified valuation professionals who have recent experience in the location and category of the respective properties. Valuations are prepared on a bi-annual basis at the interim reporting date and the annual reporting date.

The information provided to the valuers and the assumptions, valuation methodologies and models used by the valuers, are reviewed by management. The valuers meet with the Audit Committee and discuss directly the valuation results as at 30 June and 31 December. The Board determines the Group's valuation policies and procedures for property valuations. The Board decides which independent valuers to appoint for the external valuation of the Group's properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

Investment property producing income
For investment property producing income, the income approach/yield methodology involves applying market-derived yields to current and projected future income streams. These yields and future income streams are derived from comparable property transactions and are considered to be the key inputs in the valuation. Other factors that are taken into account include the tenure of the lease, tenancy details and planning, building and environmental factors that might affect the property.

Investment property under development
In the case of investment property under development, the approach applied is the "residual method" of valuation, which is the valuation method as described above with a deduction for the costs necessary to complete the development together with an allowance for the remaining risk. At 31 December 2023, all investment property under development was completed and included in investment property producing income.

During the year ended 31 December 2023, the Company incurred development costs of €Nil (31 December 2022: €4.6 million) relating to the properties under development.

Development land
In the case of development land, the approach applied is the comparable sales approach, which considers recent sales activity for similar land parcels in the same or similar markets. Land values are estimated using either a per acre or per buildable square foot basis based on highest and best use. Such values are applied to the Group's properties after adjusting for factors specific to the site, including its location, zoning, servicing and configuration.

Information about fair value measurements using unobservable inputs (Level 3)
At 31 December 2023, the Group considers that all of its investment properties fall within Level 3 fair value as defined by IFRS 13. As outlined in IFRS 13, a Level 3 fair value recognises that the significant inputs and considerations made in determining the fair value of property investments cannot be derived from publicly available data, as the valuation methodology in respect of a property also has to rely on a number of unobservable inputs including technical reports, legal data, building costs, rental analysis (including rent moratorium), professional opinion on profile, lot size, layout and presentation of accommodation. In addition, the valuers utilise proprietary databases maintained in respect of properties similar to the assets being valued.

The Group tests the reasonableness of all significant unobservable inputs, including yields and stabilised net rental income ("Stabilised NRI") used in the valuation and reviews the results with the independent valuers for all valuations. The Stabilised NRI represents cash flows from property revenue less property operating expenses, adjusted for market-based assumptions such as market rents, short term and long term vacancy rates, bad debts, management fees and repairs and maintenance. These cashflows are estimates for current and projected future income streams.

5. Investment Properties (continued)

Sensitivity analysis

Stabilised NRI and "Equivalent Yields" are key inputs in the valuation model used.

Equivalent Yield is the rate of return on a property investment based on current and projected future income streams that such property investment will generate. This is derived by the external valuers and is used to set the term and reversionary yields.

For example, completed properties are valued mainly using a term and reversion model. For the existing rental contract or term, estimated Stabilised NRI is based on the expected rents from residents over the period to the next lease break option or expiry. After this period, the reversion, estimated Stabilised NRI is based on expectations from current market conditions. Thus, a decrease in the estimated Stabilised NRI will decrease the fair value and an increase in the estimated Stabilised NRI will increase the fair value.

The Equivalent Yields magnify the effect of a change in Stabilised NRI, with a lower yield resulting in a greater effect on the fair value of investment properties than a higher Equivalent Yield.

For investment properties producing income and investment properties under development, an increase of 1% in the Equivalent Yield would have the impact of a €193.6 million reduction in fair value while a decrease of 1% in the Equivalent Yield would result in a fair value increase of €279.3 million. An increase between 1% - 4% in Stabilised NRI would result in a fair value increase from €12.7 million to €50.7 million respectively in fair value, while a decrease between 1% - 4% in Stabilised NRI would have the impact ranging from €12.7 million to €50.7 million reduction respectively. I-RES believes that this range of change in Stabilised NRI is a reasonable estimate in the next twelve months based on expected changes in net rental income.

The direct operating expenses recognised in the consolidated statement of profit or loss and other comprehensive income for the Group is €19.9 million for the year ended 31 December 2023 (31 December 2022: €19.1 million), arising from investment property that generated rental income during the period. The direct operating expenses are comprised of the following significant categories: property taxes, utilities, repairs and maintenance, wages, insurance, service charges and IT costs.

The direct operating expenses recognised in the consolidated statement of profit or loss and other comprehensive income arising from investment property that did not generate rental income for the year ended 31 December 2023 and 31 December 2022 was not material.

An investment property is comprised of various components, including undeveloped land and vacant residential and commercial units; no direct operating costs were specifically allocated to the components noted above.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

5. Investment Properties (continued)

Quantitative information

A summary of the Equivalent Yields and ranges along with the fair value of the total portfolio of the Group as at 31 December 2023 is presented below:

As at 31 December 2023

Type of Interest	Fair Value €'000	WA Stabilised NRI[1] €'000	Rate Type[2]	Max.	Min.	Weighted Average
Income properties	1,268,550	3,183	Equivalent Yield	6.27%	4.50%	5.58%
Development land[3]	5,810	n/a	Market Comparable (per sq ft.)	€106.8	€46.5	€92.3
Total investment properties	**1,274,360**					

(1) WA Stabilised NRI is the NRI of each property weighted by its fair value over the total fair value of the investment properties ("WA NRI"). The WA Stabilised NRI is an input to determine the fair value of the investment properties.
(2) The Equivalent Yield disclosed above is provided by the external valuers.
(3) Development land is fair valued based on the value of the undeveloped site per square foot or per unit of planning permission.

As at 31 December 2022

Type of Interest	Fair Value €'000	WA Stabilised NRI[1] €'000	Rate Type[2]	Max.	Min.	Weighted Average
Income properties	1,477,168	2,906	Equivalent Yield	5.75%	4.00%	4.80%
Development land[3]	21,830	n/a	Market Comparable (per sq ft.)	€123.4	€30.1	€117.5
Total investment properties	1,498,998					

(1) WA Stabilised NRI is the NRI of each property weighted by its fair value over the total fair value of the investment properties ("WA NRI"). The NRI is input to determine the fair value of the investment properties.
(2) The Equivalent Yield disclosed above is provided by the external valuers.
(3) Development land is fair valued based on the value of the undeveloped site per square foot or per unit of planning permission.

5. Investment Properties (continued)

Quantitative information (continued)

The following table summarises the changes in the investment properties portfolio during the periods:

Reconciliation of carrying amounts of investment properties

For the year ended 31 December 2023	Income Properties €'000	Properties Under Development €'000	Development Land €'000	Total €'000
Balance at the beginning of the year	1,477,168	–	21,830	1,498,998
Property capital investments	7,590	–	–	7,590
Capitalised leasing costs(2)	(876)	–	–	(876)
Direct leasing costs(3)	(28)	–	–	(28)
Disposal	(74,533)	–	(15,000)	(89,533)
Unrealised fair value movements	(140,771)	–	(1,020)	(141,791)
Balance at the end of the year	1,268,550	–	5,810	1,274,360

For the year ended 31 December 2022	Income Properties €'000	Properties Under Development €'000	Development Land €'000	Total €'000
Balance at the beginning of the year	1,450,635	18,000	24,770	1,493,405
Acquisitions	90,647	–	–	90,647
Development expenditures	–	4,632	–	4,632
Reclassification(1)	22,632	(22,632)	–	–
Property capital investments	8,769	–	–	8,769
Capitalised leasing costs(2)	(588)	–	–	(588)
Direct leasing costs(3)	(4)	–	–	(4)
Disposal	(52,264)	–	–	(52,264)
Unrealised fair value movements	(42,659)	–	(2,940)	(45,599)
Balance at the end of the year	1,477,168	–	21,830	1,498,998

(1) The development at School Yard was reclassified from properties under development to income properties upon completion in 2022.
(2) Straight-line rent adjustment for commercial leasing.
(3) Includes cash outlays for leasing.

The vast majority of the residential leases are for one year or less.

The carrying value of the Group investment properties of €1,274.4 million at 31 December 2023 (€1,499.0 million at 31 December 2022) was based on external valuations carried out as at that date. The valuations were prepared in accordance with the RICS Valuation – Global Standards, 2020 (Red Book) and IFRS 13.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

6. Leases

Leases as lessee (IFRS 16)

The Group has used an incremental borrowing rate of 2.48% to determine the lease liability. Information about leases for which the Group is a lessee is presented below.

Right-of-use assets

For the year ended 31 December 2023	Land and Buildings (€'000)
Balance at the beginning of the period	**8,564**
Depreciation charge for the year	**(506)**
Balance at the end of the year (Note 7)	**8,058**

For the year ended 31 December 2022	Land and Buildings (€'000)
Balance at the beginning of the year	9,070
Depreciation charge for the year	(506)
Balance at the end of the year (Note 7)	8,564

Amounts recognised in profit or loss

For the year ended 31 December 2023, I-RES recognised interest on lease liabilities of €212,000 (31 December 2022: €222,000).

Amounts recognised in statement of cash flows

For the year ended 31 December 2023, I-RES's total cash outflow for leases was €416,000 (31 December 2022: €406,000). Refer to note 23 for movements in the lease liability.

Lease as lessor

The Group leases out its investment property consisting of its owned residential and commercial properties as well as a portion of the leased property. All leases are classified as operating leases from a lessor perspective. See note 16 for an analysis of the Group's rental income.

7. Property, Plant and Equipment

	Land and Buildings (Note 6) €'000	Furniture and Fixtures €'000	Total €'000
At cost			
As at 1 January 2023	**10,114**	**231**	**10,345**
Additions	**—**	**26**	**26**
Disposals	**—**	**—**	**—**
As at 31 December 2023	**10,114**	**257**	**10,371**
Accumulated depreciation			
As at 1 January 2023	**(1,550)**	**(77)**	**(1,627)**
Charge for the year	**(506)**	**(30)**	**(536)**
Disposals	**—**	**—**	**—**
As at 31 December 2023	**(2,056)**	**(107)**	**(2,163)**
As at 31 December 2023	**8,058**	**150**	**8,208**

	Land and Buildings (Note 6) €'000	Furniture and Fixtures €'000	Total €'000
At cost			
As at 1 January 2022	10,114	228	10,342
Additions	—	44	44
Disposals	—	(41)	(41)
As at 31 December 2022	10,114	231	10,345
Accumulated depreciation			
As at 1 January 2022	(1,044)	(86)	(1,130)
Charge for the year	(506)	(30)	(536)
Disposals	—	39	39
As at 31 December 2022	(1,550)	(77)	(1,627)
As at 31 December 2022	8,564	154	8,718

8. Other Current Assets

As at	31 December 2023 €'000	31 December 2022 €'000
Other Current Assets		
Prepayments(1)	**2,887**	2,429
Deposits on acquisitions(2)	**2,459**	2,462
Trade receivables	**966**	1,406
Total	**6,312**	6,297

(1) Includes prepaid costs such as OMC service charges, insurance and costs associated with ongoing transactions.
(2) Deposit paid for Ashbrook Phase 2.

9. Accounts Payable and Accrued Liabilities

As at	31 December 2023 €'000	31 December 2022 €'000
Accounts Payable and Accrued Liabilities[(1)]		
Rent - early payments	**3,722**	3,271
Trade creditors	**800**	689
Accruals[(2)]	**10,732**	8,745
Value Added Tax	**421**	92
Total	**15,675**	12,797

(1) The carrying value of all accounts payable and accrued liabilities approximates their fair value.
(2) Includes property related accruals, development accruals and professional fee accruals,

10. Bank indebtedness

As at	31 December 2023 €'000	31 December 2022 €'000
Bank Indebtedness		
Loan drawn down	**373,020**	457,020
Deferred loan costs	**(1,665)**	(3,282)
Total	**371,355**	453,738

The Revolving Credit Facility of €600 million is secured by a floating charge over assets of the Company, IRES Residential Properties Limited and a fixed charge over the shares held by the Company in its subsidiaries, IRES Residential Properties Limited and IRES Fund Management Limited, on a pari passu basis. This facility is being provided by Barclays Bank Ireland PLC, The Governor and Company of the Bank of Ireland, Allied Irish Banks, p.l.c. and HSBC Continental Europe.

The interest on the RCF is set at the annual rate of 1.75%, plus the one-month or three-month EURIBOR rate (at the option of I-RES). There are commitment fees charged on the undrawn loan amount of the RCF. The effective interest rate for the RCF was 4.46% (2022: 2.67%). On 14 December 2022, I-RES entered into hedging arrangements to fix the interest cost on €275m of the RCF. See further details in note 19.

On 11 February 2022, the Company exercised an option for an extension with all five banks (Ulster Bank Ireland DAC, The Governor and Company of the Bank of Ireland, Allied Irish Banks, p.l.c., Barclays Bank Ireland PLC and HSBC Continental Europe) for the entire €600 million facility with a new maturity date of 18 April 2026. On 22 December 2023, the Company served a notice of cancellation per the agreement to reduce the facility by €100m with effect from 4 January 2024, thus reducing the overall facility to €500m.

The financial covenants in relation to the RCF principally relate to Loan to Value and Interest Cover Ratio. I-RES has complied with all its debt financial covenants to which it was subject during the period. Gross Loan to Value has remained below the required 50% at 44.9%. In November 2023, the Company agreed with the RCF syndicate and Private Placement Noteholders to amend the current Interest Cover covenant from 200% to 175% until maturity of the RCF in April 2026. Interest Cover has remained above the requirement of 175% at 228% for the year ended 31 December 2023.

11. Private Placement Notes

On 11 March 2020, I-RES successfully closed the issue of €130 million notes and IRES Residential Properties Limited, its subsidiary, closed the issue of USD $75 million notes on a private placement basis (collectively, the "Notes"). The Notes have a weighted average fixed interest rate of 1.92% inclusive of a USD/Euro swap and an effective interest rate of 2.07%. Interest is paid semi-annually on 10 March and 10 September.

The Notes have been placed in four tranches:

As at	Maturity	Contractual interest rate	Derivative Rates	31 December 2023 €'000	31 December 2022 €'000
EUR Series A Senior Secured Notes	10 March 2030	1.83%	n/a	**90,000**	90,000
EUR Series B Senior Secured Notes	10 March 2032	1.98%	n/a	**40,000**	40,000
USD Series A Senior Secured Notes	10 March 2027	3.44%	1.87%	**45,261**(1)	46,738(1)
USD Series B Senior Secured Notes	10 March 2030	3.63%	2.25%	**22,631**(2)	23,369(2)
				197,892	200,107
Deferred financing costs, net				**(1,767)**	(1,870)
Total				**196,125**	198,237

(1) The principal amount of the USD Series A Senior Secured Notes is USD $50 million.
(2) The principal amount of the USD Series B Senior Secured Notes is USD $25 million.

The Notes are secured by a floating charge over the assets of the Group and a fixed charge over the shares held by the Company in IRES Residential Properties Limited on a pari passu basis.

The financial covenants in place in relation to the Private Placement Notes are aligned with the RCF. See note 10 for further details. In the event that the interest cover ratio falls below 200% but above 175%, a coupon bump of 0.75% will apply against the principal of the outstanding notes. This would remain in place until the interest cover was brought above 200%.

12. Business Combinations

On 29 January 2022, the Company and CAPREIT entered into binding legal agreements pursuant to which the Company exercised its right under the Investment Management Agreement and purchased 100% of the issued shares of IRES Fund Management Limited ("the Investment Manager") on a liability free (other than liabilities in the ordinary course of business)/cash free basis for €1, effective from 31 January 2022 ("Completion"). The acquisition was deemed to be in the best interests of I-RES to internalise its management.

12. Business Combinations (continued)

As at 31 January 2022	Total €'000
Current Assets	
Prepaid expenses	8
Other receivables	1,044
Cash and cash equivalents	2,459
	3,511
Current Liabilities	
Accounts payable and accrued liabilities	(1,947)
Other payables	(198)
	(2,145)
Identifiable Net Assets acquired	1,366
Total Consideration	1,366

Satisfied by	Total €'000
Cash paid on acquisition	1,131
Cash paid on completion	235
Total Consideration	1,366

No goodwill is attributed to the transaction as the total consideration equates to the identifiable net assets of the acquired entity. Additionally, no intangible assets have been identified.

No contingent liabilities were recognised on the acquisition completed during the period. The gross contractual value of other receivables as at the date of acquisition equates to its fair value.

The acquisition costs associated with the transaction are included in the non-recurring costs recorded in 2022.

The effect on the profit and loss of the Group post acquisition or as if the acquisition had taken place for the full period in 2022 is not practical to disclose given the relationship and current and historic transactions between the two entities. The effect on revenue for the Group post acquisition or as if the acquisition had taken place for the full period is nil given that the revenue recorded by IRES Fund Management Limited is directly related to I-RES. Post completion of the acquisition, I-RES no longer incurs an external Property Management and Asset Management Fee. These costs were historically paid to IRES Fund Management Limited, the entity acquired and therefore the profit or loss of IRES Fund Management is materially affected by transactions with the acquirer, I-RES.

13. Share-based Compensation

a) Options

Options are issuable pursuant to I-RES' share-based compensation plan, namely, the long-term incentive plan ("LTIP"). For details on options granted under the LTIP, please refer to the statutory financial statements prepared for the year ended 31 December 2022 and 31 December 2021. As at 31 December 2023, the maximum number of additional options, or Restricted Share Units ("RSU") issuable under the LTIP is 19,786,557 (31 December 2022: 20,594,128).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

13. Share-based Compensation (continued)

a) Options

LTIP

For the year ended	WA exercise price	31 December 2023	31 December 2022
Share Options outstanding as at 1 January	1.61	**4,596,499**	4,721,499
Issued, cancelled or granted during the period:			
Exercised or settled		**—**	(125,000)
Share Options outstanding as at 31 December[1]	**1.61**	**4,596,499**	4,596,499

(1) Of the Share Options outstanding above, 4,596,499 were exercisable at 31 December 2023 (31 December 2022: 4,596,499) from 15 November 2024 to 9 July 2026 with a range of exercise price of €1.489 to €1.71.

The fair value of options has been determined as at the grant date using the Black-Scholes model.

b) Restricted Stock Unit Awards

Restricted Stock Units ("RSUs") were first awarded in the year ended 31 December 2020. Under the Remuneration Policy, recipients of RSUs are granted a variable number of equity instruments depending on their salary. The awards are subject to vesting against market and non-market based conditions. A summary of the awards is set out in the table below. All awards are outstanding at 31 December 2023.

Date of award	Number of awards	EPS Growth (% of award)	TSR Performance (% of award)
5 March 2021	335,820	50%	50%
5 August 2021	221,519	50%	50%
23 February 2022	685,402	50%	50%
10 August 2022	57,980	50%	50%
15 March 2023	1,245,172	50%	50%

There is between a 24 month and 61 month holding period post vesting, but this is not subject to measurement as all conditions terminate on vesting. The LTIP awards are measured as follows:

Market-based condition: The expected performance of I-RES shares over the vesting period is calculated using a Monte Carlo simulation. Inputs are share price volatility for I-RES and the average growth rate. These inputs are calculated with reference to relevant historical data and financial models. It should be recognised that the assumption of an average growth rate is not a prediction of the actual level of returns that will be achieved. The volatility assumption in the distribution gives a measure of the range of outcomes that may occur on either side of this average value. This is used to amortise the fair value of an expected cost over the vesting period. On vesting, any difference in amounts accrued versus actual is amended through reserves.

Non-market-based conditions: The fair value of the shares to be issued is determined using the grant date market price. The expected number of shares is calculated based on the expectations of the number of shares which may vest at the vesting date and amortised over the vesting period. At each reporting date, the calculation of the number of shares is revised according to current expectations or performance.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

13. Share-based Compensation (continued)

b) Restricted Stock Unit Awards (continued)

50% of the awards are subject to an EPS measure and 50% is subject to a Total Shareholder Return ("TSR") measure relative to constituents of the FTSE EPRA/NAREIT Europe Developed Index (2021 and 2022 awards) and a residential sub-sector of this Index for the 2023 awards. Results and inputs are summarised in the table below:

	2023 RSU Awards	2022 RSU Awards	2021 RSU Awards
Fair value per award (TSR tranche) (per share)	**€0.48**	€0.70 to €0.75	€0.70 to €0.75
Inputs			
Three year Risk free interest rate (%)	**2.63%**	0.04% to 0.87%	(0.69%) to (0.85%)
Three year Historical volatility	**24.13%**	26.84% to 28.26%	25.68% to 25.80%
Fair value per award (EPS tranche) (per share)	**€0.87**	€1.24 to €1.36	€1.22 to €1.33
Inputs			
Two year Risk free interest rate (%)	**2.66%**	(0.17%) to 0.70%	(0.70%) to (0.79%)
Two year Expected volatility	**23.98%**	23.42% to 29.08%	22.45% to 29.77%

The expected volatility is based on historic market volatility prior to the issuance.

The total share-based compensation expense relating to options for the year ended 31 December 2023 was €nil (31 December 2022: €24,000) and total share-based compensation expense relating to restricted stock unit awards for the year ended 31 December 2023 was €153,000 (31 December 2022: €93,000).

14. Shareholders' Equity

All equity shares outstanding are fully paid and are voting shares. Equity shares represent a shareholder's proportionate undivided beneficial interest in I-RES. No equity share has any preference or priority over another. No shareholder has or is deemed to have any right of ownership in any of the assets of I-RES. Each share confers the right to cast one vote at any meeting of shareholders and to participate pro rata in any distributions by I-RES and, in the event of termination of I-RES, in the net assets of I-RES remaining after satisfaction of all liabilities. Shares are to be issued in registered form and are transferable.

The number of shares authorised is as follows:

As at	31 December 2023	31 December 2022
Authorised Share Capital Ordinary shares of €0.10 each	**1,000,000,000**	1,000,000,000

The number of issued and outstanding ordinary shares is as follows:

For the year ended	31 December 2023	31 December 2022
Ordinary shares outstanding, beginning of period	**529,578,946**	529,453,946
New shares issued	**—**	125,000
Ordinary shares outstanding, end of year	**529,578,946**	529,578,946

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

15. Cash and Cash Equivalents

As at	31 December 2023	31 December 2022
Cash and cash equivalents	**7,864**	6,965

Cash and cash equivalents include cash at bank held in current accounts. The management of cash is discussed in note 20. The Group holds funds in excess of its regulatory minimum capital requirement at all times.

16. Revenue from Investment Properties

I-RES generates revenue primarily from rental income from investment properties. Rental income represents lease revenue earned from the conveyance of the right to use the property, including access to common areas, to a lessee for an agreed period of time. The rental contract also contains an undertaking that common areas and amenities will be maintained to a certain standard. This right of use of the property and maintenance performance obligation is governed by a single rental contract with the tenant. I-RES has evaluated the lease and non-lease components of its rental revenue and has determined that common area maintenance services constitute a single non-lease element, which is accounted for as one performance obligation under IFRS 15 and is recognised separately to Rental Income.

For the year ended	31 December 2023 €'000	31 December 2022 €'000
Rental Income	**75,004**	72,688
Revenue from services	**11,001**	10,642
Car park income	**1,849**	1,527
Revenue from contracts with customers	**12,850**	12,169
Total Revenue	**87,854**	84,857

17. General and Administrative Expenses

For the year ended	31 December 2023 €'000	31 December 2022 €'000
General and administrative expenses	**11,747**	11,406
Total recurring general and administrative expenses	**11,747**	11,406
Non-recurring costs	**939**	5,748
Total General and administrative expenses	**12,686**	17,154

Recurring general and administrative expenses include costs such as director fees, executives' and employees' salaries, professional fees for audit, legal and advisory services, depositary fees, property valuation fees, insurance costs, asset management fee and other general and administrative expenses. The current year non-recurring costs relate specifically to the ongoing Activist interaction and requisition of an EGM. The prior year non-recurring costs related to legal, consulting and advisory expenses associated with the termination of the Investment Management Agreement, Internalisation of the Investment Manager, Transitional Services Agreement fees to CAPREIT and other one off third-party advisory fees.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

18. Financing costs

For the year ended	31 December 2023 €'000	31 December 2022 €'000
Financing costs on RCF	**24,252**	12,629
Financing costs on private placement debt	**5,165**	5,293
Foreign exchange (gain)/loss on private placement debt	**(2,215)**	4,225
Reclassified from OCI	**(507)**	(5,250)
Gross financing costs	**26,695**	16,897
Less: Capitalised interest	**—**	(94)
Total Financing costs	**26,695**	16,803

19. Realised and Unrealised Gains and Losses on Derivative Financial Instruments

Cross-currency swap

On 12 February 2020, I-RES entered into a cross-currency swap to (i) hedge the US-based loan of USD $75 million into €68.9 million effective 11 March 2020 and (ii) convert the fixed interest rate on the US-based loan to a fixed Euro interest rate, maturing on 10 March 2027 and 10 March 2030 (see note 11 for derivative fixed rates). This hedging agreement is accounted for as a cashflow hedge in accordance with the requirements of IFRS 9. Hedges are measured for effectiveness at each reporting date with the effective portion being recognised in equity in the hedging reserve and the ineffective portion being recognised through profit or loss within financing costs.

For the year ended 31 December 2023, the ineffective portion that has been recorded in the consolidated statement of profit or loss and other comprehensive income was a gain of €86,000 (31 December 2022: gain of €35,000). The fair value of the effective portion of €3,035,000 (31 December 2022: €7,310,000) was included in the cash flow hedge reserve along with a gain on hedging of €362,000 (31 December 2022: gain on hedging of €144,000). The fair value of the cash flow hedge was an asset of €969,000 and a liability of €1,594,000 at 31 December 2023 (31 December 2022: asset of €3,042,000 and liability of €nil).

Interest rate swap

On 14 December 2022, I-RES entered into hedging arrangements in respect of its RCF, specifically interest rate swap agreements aggregating to €275 million until maturity of the facility, converting this portion of the facility into a fixed interest rate of 2.5% plus margin of 1.75%. For the year ended 31 December 2023, the fair value of the effective portion of €3,125,000 (31 December 2022: €4,065,000) has been recorded in the consolidated statement of profit or loss and other comprehensive income. The fair value of the interest rate swaps was an asset of €1,910,000 and a liability of €2,073,000 at 31 December 2023 (31 December 2022: asset of €4,772,000 and liability of €9,000).

20. Financial Instruments, Investment Properties and Risk Management

a) Fair Value of Financial Instruments and Investment Properties

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.

20. Financial Instruments, Investment Properties and Risk Management (continued)

a) Fair Value of Financial Instruments and Investment Properties (continued)

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 as at 31 December 2023, aggregated by the level in the fair value hierarchy within which those measurements fall.

As at 31 December 2023, the fair value of the Group's private placement debt is estimated to be €168.4 million (31 December 2022: €158.2 million) due to changes in interest rates since the private placement debt was issued and the impact of the passage of time on the fixed rate of the private placement debt. The fair value of the private placement debt is based on discounted future cash flows using rates that reflect current rates for similar financial instruments with similar duration, terms and conditions, which are considered Level 2 inputs. The private placement debt is recorded at amortised cost of €196.1 million (31 December 2022: €198.2 million).

As at 31 December 2023, the fair value of the Group's RCF is estimated to be €373.4 million (31 December 2022: €453.7 million). The fair value is based on the margin rate and EURIBOR forward curve at the reporting date. The RCF is recorded at amortised cost of €371.3 million at 31 December 2023 (31 December 2022: €453.7 million).

As at 31 December 2023	Level 1 Quoted prices in active markets for identical assets and liabilities €'000	Level 2 Significant other observable inputs €'000	Level 3 Significant unobservable inputs[1] €'000	Total €'000
Recurring Measurements – Assets				
Investment properties	—	—	1,274,360	1,274,360
Derivative financial instruments	—	2,879	—	2,879
	—	2,879	1,274,360	1,277,239
Recurring Measurements – Liability				
Derivative financial instruments[2][3]	—	(3,667)	—	(3,667)
Total	—	(788)	1,274,360	1,273,572

As at 31 December 2022	Level 1 Quoted prices in active markets for identical assets and liabilities €'000	Level 2 Significant other observable inputs €'000	Level 3 Significant unobservable inputs[1] €'000	Total €'000
Recurring Measurements – Assets				
Investment properties	—	—	1,498,998	1,498,998
Derivative financial instruments	—	7,814	—	7,814
	—	7,814	1,498,998	1,506,812
Recurring Measurements – Liability				
Derivative financial instruments[2][3]	—	(9)	—	(9)
Total	—	7,805	1,498,998	1,506,803

(1) See note 5 for detailed information on the valuation methodologies and fair value reconciliation.
(2) The valuation of the interest rate swap instrument is determined using widely accepted valuation techniques including discounted cash flow analysis on the expected cash flows of the derivatives. The fair value is determined using the market-standard methodology of netting the discounted future fixed cash payments and the discounted variable cash receipts of the derivatives. The variable cash receipts are based on an expectation of future interest rates (forward curves) derived from observable market interest rates. If the total mark-to-market value is positive, I-RES will include a current value adjustment to reflect the credit risk of the counterparty and if the total mark-to-market value is negative, I-RES will include a current value adjustment to reflect I-RES' own credit risk in the fair value measurement of the interest rate swap agreements.
(3) The cross-currency swaps are valued by constructing the cash flows of each side and then discounting them back to the present using appropriate discount factors, including consideration of credit risk, in those currencies. The cash flows of the more liquid quoted currency pair will be discounted using standard discount factors, while the cash flows of the less liquid currency pair will be discounted using cross-currency basis-adjusted discount factors. Following discounting, the spot rate will be used to convert the present value amount of the non-valuation currency into the valuation currency.

20. Financial Instruments, Investment Properties and Risk Management (continued)

b) Risk Management

The main risks arising from the Group's financial instruments are market risk, interest rate risk, liquidity risk and credit risk. The Group's approach to managing these risks is summarised as follows:

Market risk
Market risk is the risk that the fair value or cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk reflects interest rate risk, currency risk and other price risks.

The Group's financial assets currently comprise short-term bank deposits, trade receivables, deposits on acquisition and derivatives.

Short-term bank deposits are held while awaiting suitable investment properties for investment. These are denominated in Euro. Therefore, exposure to market risk in relation to these is limited to interest rate risk.

The Group also has private placement notes that are denoted in USD. The Group's risk management strategy is to mitigate foreign exchange variability to the extent that it is practicable and cost effective to do so. The Group utilises cross currency swaps to hedge the foreign exchange risk associated with the Group's existing, fixed foreign-currency denominated borrowings. The use of cross-currency interest rate swaps is consistent with the Group's risk management strategy to effectively eliminate variability in the Group's functional currency equivalent cash flows on a portion of its borrowings due to variability in the USD-EUR exchange rate. The hedges protect the Group against adverse variability in foreign exchange rates and the effective portion is recognised in equity in the hedging reserve, with the ineffective portion being recognised through profit or loss within financing costs.

Derivatives designated as hedges against foreign exchange risks are accounted for as cash flow hedges. Hedges are measured for effectiveness at each accounting date and the accounting treatment of changes in fair value revised accordingly. Specifically, the Company is hedging (1) the foreign exchange risk on the USD interest payments and (2) the foreign exchange risk on the USD principal repayment of the USD borrowings at maturity. This hedging relationship qualifies for foreign currency cash flow hedge accounting.

On 12 February 2020, I-RES entered into cross-currency swaps to (i) exchange the USD loan of USD $75 million into €68.9 million effective 11 March 2020 and (ii) convert the fixed interest rate on the USD loan to a fixed Euro interest rate, maturing on 10 March 2027 and 10 March 2030.

At the inception of the hedging relationship the Company has identified the following potential sources of hedge ineffectiveness:

1. Movements in the Company's and hedging counterparty's credit spread that would result in movements in fair value of the hedging instrument that would not be reflected in the movements in the value of the hedged transactions.
2. The possibility of changes to the critical terms (e.g. reset dates, index mismatches, payment dates) of the hedged transaction due to a refinancing or debt renegotiation such that they no longer match those of the hedging instrument. The Company would reflect such mismatch when modelling the hypothetical derivative and this could be a potential source of hedge ineffectiveness.

Whilst sources of ineffectiveness do exist in the hedging relationship, the Company expects changes in value of both the hedging instrument and the hedged transaction to offset and systematically move in opposite directions given that the critical terms of the hedging instrument and the hedged transactions are closely aligned at inception as described above. Therefore, the Company has qualitatively concluded that there is an economic relationship between the hedging instrument and the hedged transaction in accordance with IFRS 9.

20. Financial Instruments, Investment Properties and Risk Management (continued)

b) Risk Management (continued)

Cash flow hedges
At 31 December 2023, the Group held the following instruments to hedge exposures to changes in foreign currency and interest rates:

As at	31 December 2023	31 December 2026	31 December 2027	31 December 2030
Cross Currency Swaps				
Net exposure (€'000)	68,852	68,852	22,951	–
Average fixed interest rate	2.00%	2.00%	2.25%	–
Interest Rate Swaps				
Net exposure (€'000)	15,469	–	–	–
Average fixed interest rate	2.50%	–	–	–

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)
Cross currency swaps	3,035	92
Interest rate swaps	3,125	580

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

	As at 31 December 2023					For the year ended 31 December 2023		
		Carrying amount						
	Nominal amount (€'000)	Assets (€'000)	Liability (€'000)	Changes in the value of hedging instrument recognised in OCI (€'000)	Hedge ineffectiveness recognised in profit or loss (€'000)	Hedge ineffectiveness recognised in profit or loss	Amount reclassed from hedging reserve to profit or loss (€'000)	Line items in profit or loss affected by reclassification
Cross Currency Swaps	68,852	969	(1,594)	3,035	86	Gain on derivative financial instruments	(1,154)	Financing costs
Interest Rate Swaps	275,000	1,910	(2,073)	3,125	–	Gain on derivative financial instruments	1,661	Financing costs

20. Financial Instruments, Investment Properties and Risk Management (continued)

b) Risk Management (continued)

Cash flow hedges (continued)

	As at 31 December 2022					For the year ended 31 December 2022		
		Carrying amount						
	Nominal amount (€'000)	Assets (€'000)	Liability (€'000)	Changes in the value of hedging instrument recognised in OCI (€'000)	Hedge ineffectiveness recognised in profit or loss (€'000)	Hedge ineffectiveness recognised in profit or loss	Amount reclassed from hedging reserve to profit or loss (€'000)	Line items in profit or loss affected by reclassification
Cross Currency Swaps	68,852	3,042	—	7,310	35	Gain on derivative financial instruments	(5,392)	Financing costs
Interest Rate Swaps	275,000	4,772	(9)	4,065	—	Gain on derivative financial instruments	142	Financing costs

Master netting or similar agreements
The Group enters into derivative transactions under International Swaps and Derivatives Association (ISDA) master netting agreements. In general, under these agreements the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other. In certain circumstances, all outstanding transactions under the agreement are terminated, the termination value is assessed and only a single net amount is payable in settlement of all transactions. The ISDA agreements do not meet the criteria for offsetting in the statement of financial position. This is because the Group does not have any currently legally enforceable right to offset recognised amounts, because the right to offset is enforceable only on the occurrence of future events.

The following table sets out the carrying amounts of recognised financial instruments that are subject to the above agreements.

As at 31 December 2023	Note	Gross amounts of financial instruments in the statement of financial position (€'000)	Related financial instruments that are not offset (€'000)	Net amount (€'000)
Financial assets				
Derivative financial instruments	19	**2,879**	**—**	**2,879**
Financial liabilities				
Derivative financial instruments	19	**(3,667)**	**—**	**(3,667)**

Managing interest rate benchmark reform and associated risks
The Group does not have any exposures to IBORs on its financial instruments due to IBOR reform as fixed to fixed rates are used. IBOR reform does not impact the Group's risk management and hedge accounting. The Group has EURIBOR on its RCF, which is not impacted by the interest rate benchmark reform.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

20. Financial Instruments, Investment Properties and Risk Management (continued)

b) Risk Management (continued)

Interest Rate Risk
With regard to the cost of borrowing I-RES has used and may continue to use hedging, where considered appropriate, to mitigate interest rate risk.

As at 31 December 2023, I-RES' RCF was drawn for €373 million. The interest on the RCF is paid at a rate of 1.75% per annum plus the one-month or three-month EURIBOR rate (at the option of I-RES) or at a floor of zero if EURIBOR is negative. As previously noted, on 14 December 2022, I-RES entered into interest rate swaps in respect of its RCF, aggregating to €275 million until maturity of the facility, converting this portion of the facility into a fixed interest rate of 2.5% plus margin of 1.75%. As of the year end, approximately 83% of the Company's drawn debt is now fixed against interest rate volatility. The Company's private placement debt has a fixed rate of 1.92%. For the year ended 31 December 2023, a 100-basis point change in 1 month Euribor interest rates across the period would have had the following effect:

As at 31 December 2023	Change in interest rates Basis Points	Increase/(decrease) in net income €'000
EURIBOR rate debt(1)	+100	(1,597)
EURIBOR rate debt(1)	-100	1,597

(1) Based on the fixed margin of 1.75% plus the 1-month EURIBOR during year ended 31 December 2023 and a hedged interest rate of 2.50% for the period interest rate swaps in place.

As at 31 December 2022	Change in interest rates Basis Points	Increase/(decrease) in net income €'000
EURIBOR rate debt(1)	+100	(4,590)
EURIBOR rate debt(1)	-100	974

(1) Based on the fixed margin of 1.75% plus the 1-month EURIBOR rate during year ended 31 December 2022 and a hedged interest rate of 2.50% for the quantum and period of interest rate swaps in place.

Liquidity risk
Liquidity risk is the risk that the Group may encounter difficulties in accessing capital markets and refinancing its financial obligations as they come due.

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 monitors the level of expected cash inflows on trade and other receivables, together with expected cash outflows on trade and other payables and capital commitments.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

20. Financial Instruments, Investment Properties and Risk Management (continued)

b) Risk Management (continued)

The following tables show the Group's contractual undiscounted maturities for its financial liabilities:

As at 31 December 2023	Total €'000	6 months or less[1] €'000	6 to 12 months[1] €'000	1 to 2 years[1] €'000	2 to 5 years[1] €'000	More than 5 years[1] €'000
Non-derivative financial liabilities						
Loan drawn down	373,020	—	—	—	373,020	—
Bank indebtedness interest[2]	38,673	9,953	8,400	13,683	6,637	—
Private placement debt[3]	197,892	—	—	—	45,261	152,631
Private placement debt interest	28,233	2,409	2,409	4,818	12,120	6,477
Lease liability	10,042	314	314	628	1,883	6,903
Other liabilities	11,532	11,532	—	—	—	—
Security deposits	7,202	7,202	—	—	—	—
	666,594	31,410	11,123	19,129	438,921	166,011
Derivative financial liabilities						
Foreign currency swap:						
Outflow	(6,357)	(687)	(683)	(1,374)	(2,837)	(776)
Net inflow[3]	11,567	1,189	1,189	2,378	5,578	1,233
	5,210	502	506	1,004	2,741	457
Interest rate swap:						
Outflow[4]	(15,470)	(3,438)	(3,438)	(6,875)	(1,719)	—
Net inflow/(outflow)	15,236	4,931	3,786	5,275	1,244	—
	(234)	1,493	348	(1,600)	(475)	—

(1) Based on carrying value at maturity dates.
(2) Based on current in-place interest rate for the remaining term to maturity.
(3) Based on forward foreign exchange rates as at 31 December 2023.
(4) Based on 1-month EURIBOR forward curve as at 31 December 2023.

As at 31 December 2022	Total €'000	6 months or less[1] €'000	6 to 12 months[1] €'000	1 to 2 years[1] €'000	2 to 5 years[1] €'000	More than 5 years[1] €'000
Non-derivative financial liabilities						
Loan drawn down	457,020	—	—	—	457,020	—
Bank indebtedness interest[2]	93,463	13,257	15,528	29,749	34,929	—
Private placement debt[3]	200,107	—	—	—	46,738	153,369
Private placement debt interest	25,934	1,739	1,739	3,478	10,434	8,544
Lease liability	10,670	314	314	628	1,883	7,531
Other liabilities	9,434	9,434	—	—	—	—
Security deposits	7,974	7,974	—	—	—	—
	804,602	32,718	17,581	33,855	551,004	169,444
Derivative financial liabilities						
Foreign exchange swap:						
Outflow	(8,422)	(687)	(687)	(1,374)	(4,122)	(1,552)
Net inflow[3]	14,472	1,206	1,206	2,412	7,236	2,412
	6,050	519	519	1,038	3,114	860
Interest rate swap:						
Outflow[4]	(22,345)	(3,438)	(3,438)	(6,875)	(8,594)	—
Net inflow	26,633	3,539	4,832	8,307	9,955	—
	4,288	101	1,394	1,432	1,361	—

(1) Based on carrying value at maturity dates.
(2) Based on current in-place interest rate for the remaining term to maturity.
(3) Based on forward foreign exchange rates as at 31 December 2022.
(4) Based on 1-month EURIBOR forward curve as at 31 December 2022.

20. Financial Instruments, Investment Properties and Risk Management (continued)

b) Risk Management (continued)

The carrying value of bank indebtedness and trade and other payables (other liabilities) approximates their fair value.

Credit risk
Credit risk is the risk that: (i) counterparties to contractual financial obligations will default; or (ii) the possibility that the Group's tenants may experience financial difficulty and be unable to meet their rental obligations.

The Group monitors its risk exposure regarding obligations with counterparties through the regular assessment of counterparties' credit positions.

The Group mitigates the risk of credit loss with respect to tenants by evaluating the creditworthiness of new tenants and obtaining security deposits wherever permitted by legislation.

The Group monitors its collection experience on a monthly basis and ensures that a stringent policy is adopted to provide for all past due amounts. All residential accounts receivable balances exceeding 30 days are written off to bad debt expense and recognised in the consolidated statement of profit or loss and other comprehensive income. Subsequent recoveries of amounts previously written off are credited in the consolidated statement of profit or loss and other comprehensive income. The Group's allowance for expected credit loss amounted to a gain of €90,000 for the year ended 31 December 2023 and is recorded as part of property operating costs in the consolidated statement of profit or loss and other comprehensive income (31 December 2022: charge of €725,000).

Cash and cash equivalents are held with major Irish and European institutions which have credit ratings between A- and A+. The Company deposits cash with a number of individual institutions to avoid concentration of risk with any one counterparty. The Group has also engaged the services of a depository to ensure the security of cash assets.

Risk of counterparty default arising on derivative financial instruments is controlled by dealing with high-quality institutions and by a policy limiting the amount of credit exposure to any one bank or institution. Derivative financial instrument counter parties have credit ratings in the range of A- to A+.

Capital management
The Group's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, I-RES may issue new shares or consider the sale of assets to reduce debt. I-RES, through the Irish REIT Regime, is restricted in its use of capital to making investments in real estate property in Ireland. I-RES intends to continue to make distributions if its results of operations and cash flows permit in the future.

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business at 31 December 2023, capital consists of equity and debt and Group Net LTV was 44.3% (2022: 43.3%). I-RES seeks to use gearing to enhance shareholder returns over the long term. The level of gearing is monitored carefully by the Board.

The Board monitors the return on capital as well as the level of dividends paid to ordinary shareholders. Subject to distributable reserves, it is the policy of I-RES to distribute at least 85% of the Property Income of its Property Rental Business for each accounting period as required under the REIT legislation.

21. Taxation

I-RES elected for REIT status on 31 March 2014. As a result, from that date the Group is exempt from paying Irish corporation tax on the profits and gains it makes from qualifying rental businesses in Ireland provided it meets certain conditions.

Instead, dividends paid to shareholders in respect of the Property Rental Business are treated for Irish tax purposes as income in the hands of shareholders. Corporation tax is still payable in the normal way in respect of income and gains from any residual business (generally including any property trading business) not included in the Property Rental Business. I-RES is also liable to pay other taxes such as VAT, stamp duty, local property tax and payroll taxes in the normal way.

Within the Irish REIT Regime, for corporation tax purposes the Property Rental Business is treated as a separate business from the residual business. A loss incurred by the Property Rental Business cannot be offset against profits of the residual business.

An Irish REIT is required, subject to having sufficient distributable reserves, to distribute to its shareholders (by way of dividend), on or before the filing date for its tax return for the accounting period in question, at least 85% of the Property Income of the Property Rental Business arising in each accounting period. Failure to meet this requirement would result in a tax charge calculated by reference to the extent of the shortfall in the dividend paid. A dividend paid by an Irish REIT from its Property Rental Business is referred to as a property income distribution. Any normal dividend paid from the residual business by the Irish REIT is referred to as a non-property income distribution dividend.

The Directors confirm that the Group has remained in compliance with the Irish REIT Regime up to and including the date of this Report.

Income tax expense recognised in the consolidated statement of profit or loss and other comprehensive income

For the year ended	31 December 2023 €'000	31 December 2022 €'000
Current Taxation		
Irish corporation tax expense	**59**	—
Income tax withheld	**8**	8
Irish capital gains tax expense	**1,456**	80
Adjustment in respect of prior years	**—**	(132)
Total Current Taxation	**1,523**	(44)

Reconciliation of the effective tax rate

For the year ended	31 December 2023 €'000	31 December 2022 €'000
Loss before taxation	**(114,491)**	(11,864)
At the standard rate of corporation tax in Ireland of 12.5%	**—**	—
Adjusted for:		
Tax exempt property rental loss	**115,344**	12,185
Adjustment in respect of prior years	**(377)**	(263)
Other items	**(7)**	(58)
Adjusted profit	**469**	—
Total income tax expense at 12.5%	**59**	—

The main driver of taxation for I-RES in the period relates to Capital Gains Tax ("CGT"). This arose on the profit on disposal of the Rockbrook site. CGT is payable on this as the site constitutes a disposal of an asset of the residual business as opposed to the property rental business of the Group. The remaining taxation is driven by the operations of IRES Fund Management Limited acquired in 2022.

The deferred tax is €nil at 31 December 2023 (31 December 2022: €nil).

22. Dividends

Under the Irish REIT Regime, subject to having sufficient distributable reserves, I-RES is required to distribute to shareholders at least 85% of the Property Income of its Property Rental Business for each accounting period.

On 2nd August 2023, the Directors resolved to pay an additional dividend of €12.9 million for the six months ended 30 June 2023. The dividend of 2.45 cents per share was paid on 1 September 2023 to shareholders on record as at 11 August 2023.

On 23 February 2023, the Directors resolved to pay an additional dividend of €14.9 million for the year ended 31 December 2022. The dividend of 2.81 cents per share was paid on 3 April 2023 to shareholders on record as at 10 March 2023.

On 10 September 2022, the Directors resolved to pay an additional dividend of €12.2 million for the six months ended 30 June 2022. The dividend of 2.3 cents per share was paid on 9 September 2022 to shareholders on record as at 19 August 2022.

On 23 February 2022, the Directors resolved to pay an additional dividend of €16.3 million for the year ended 31 December 2021. The dividend of 3.08 cents per share was paid on 29 March 2022 to shareholders on record as at 04 March 2022.

Distributable reserves in accordance with the Irish REIT Regime were calculated as follows:

For the year ended	31 December 2023 €'000	31 December 2022 €'000
(Loss)/Profit for the year	**(116,014)**	(11,820)
Plus/(Minus): unrealised loss/(gain) on net movement in fair value of investment properties	**141,791**	45,599
Property Income of the Property Rental Business	**25,777**	33,779
Add back/(deduct):		
Share-based compensation expense	**153**	117
Unrealised change in fair value of derivatives	**(86)**	(35)
Distributable Reserves	**25,844**	33,861

23. Supplemental Cash Flow Information

Breakdown of operating income items related to financing and investing activities

For the year ended	31 December 2023 €'000	31 December 2022 €'000
Financing costs as per the consolidated statement of profit or loss and other comprehensive income	**26,695**	16,803
Interest expense accrual	**(248)**	332
Capitalised interest	**—**	94
Lease interest	**212**	222
Less: amortisation of financing fees	**(2,079)**	(1,998)
Interest Paid	**24,580**	15,453

Interest expense

For the year ended	31 December 2023 €'000	31 December 2022 €'000
Financing costs on Credit Facility	**26,695**	16,803
Amortisation of other financing costs	**(2,079)**	(1,998)
Lease interest	**212**	222
Interest Expense	**24,828**	15,027

Changes in operating assets and liabilities

For the year ended	31 December 2023 €'000	31 December 2022 €'000
Prepayments	**(458)**	(187)
Trade receivables	**460**	(770)
Other receivables	**—**	466
Accounts payable and other liabilities	**1,868**	(3,001)
Security deposits	**(772)**	178
Changes in operating assets and liabilities	**1,098**	(3,314)

Issuance of Shares

For the year ended	31 December 2023 €'000	31 December 2022 €'000
Issuance of shares	**—**	126
Issuance costs	**—**	—
Net proceeds	**—**	126

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

23. Supplemental Cash Flow Information (continued)

Changes in liabilities due to financing cash flows

Liabilities	1 January 2023	Revolving Credit Facility drawdown	Revolving Credit Facility repayment	Lease payments	Financing fees	Amortisation of other financing costs	Foreign exchange	Interest accrual relating to derivatives	Change in fair value of hedging instruments	31 December 2023
	Changes from Financing Cash Flows					Non-cash changes				
Bank indebtedness	457,020	10,700	(94,700)	—	—	—	—	—	—	373,020
Deferred loan costs, net	(3,282)	—	—	—	(185)	1,802	—	—	—	(1,665)
Private placement debt	200,107	—	—	—	—	—	(2,215)	—	—	197,892
Deferred loan costs, net	(1,870)	—	—	—	(174)	277	—	—	—	(1,767)
Derivative financial instruments	9	—	—	—	—	—	—	—	3,658	3,667
Lease liability	8,684	—	—	(416)	—	—	—	—	—	8,268
Total liabilities from financing activities	**660,668**	**10,700**	**(94,700)**	**(416)**	**(359)**	**2,079**	**(2,215)**	**—**	**3,658**	**579,415**

Liabilities	1 January 2022	Revolving Credit Facility drawdown	Revolving Credit Facility repayment	Lease payments	Financing fees	Amortisation of other financing costs	Foreign exchange	Interest accrual relating to derivatives	Change in fair value of hedging instruments	31 December 2022
	Changes from Financing Cash Flows					Non-cash changes				
Bank indebtedness	420,020	93,000	(56,000)	—	—	—	—	—	—	457,020
Deferred loan costs, net	(3,398)	—	—	—	(1,610)	1,726	—	—	—	(3,282)
Private placement debt	195,882	—	—	—	—	—	4,225	—	—	200,107
Deferred loan costs, net	(2,142)	—	—	—	—	272	—	—	—	(1,870)
Derivative financial instruments	3,961	—	—	—	—	—	—	9	(3,961)	9
Lease liability	9,090	—	—	(406)	—	—	—	—	—	8,684
Total liabilities from financing activities	623,413	93,000	(56,000)	(406)	(1,610)	1,998	4,225	9	(3,961)	660,668

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

24. Related Party Transactions

Transactions with Key Management Personnel

For the purposes of the disclosure requirements of IAS 24, the term "key management personnel" is defined as those persons having authority for planning, directing and controlling the activities of the Company. I-RES has determined that the key management personnel comprise the Board of Directors. See note 29 for further details on remuneration.

Owners' management companies not consolidated

As a result of the acquisition by the Group of apartments or commercial space in certain residential rental properties, the Group holds voting rights in the relevant owners' management companies associated with those developments. Where the Group holds the majority of those voting rights, this entitles it, inter alia, to control the composition of such owners' management companies' boards of directors. However, as each of those owners' management companies is incorporated as a company limited by guarantee for the purpose of owning the common areas in residential or mixed-use developments, they are not intended to be traded for gains. I-RES does not consider these owners' management companies to be material for consolidation as the total assets of the owners' management companies is less than 1% of the Group's total assets.

I-RES has considered the latest available financial statements of these owners' management companies in making this assessment.

Owners' Management Entity	Registered Official Address	Development Managed	Percentage of Voting Rights Held % of total[1]	Service Fees Incurred in the Period	Payable by I-RES €'000	Prepaid by I-RES €'000
Majority voting rights held						
Priorsgate Estate Owners' Management Company Company Limited by Guarantee	5th Floor, St Stephens Green Earlsfort Terrace, Dublin 2	Priorsgate	52.6	280.7	—	—
GC Square (Residential) Owners' Management Company Limited by Guarantee	5th Floor, St Stephens Green Earlsfort Terrace, Dublin 2	The Marker Residences	81.0	354.1	—	—
Lansdowne Valley Owners' Management Company Limited by Guarantee	5th Floor, St Stephens Green Earlsfort Terrace, Dublin 2	Lansdowne Gate	79.0	760.2	—	307.5
Charlestown Apartments Owners' Management Company Limited by Guarantee	Unit 4B Lazer Lane, Grand Canal Square, Dublin 2	Charlestown	82.5	653.7	—	54.9
Bakers Yard Owners' Management Company Company Limited by Guarantee	5th Floor, St Stephens Green Earlsfort Terrace, Dublin 2	Bakers Yard	62.5	247.9	—	—
Rockbrook Grande Central Owners' Management Company Limited by Guarantee	5th Floor, St Stephens Green Earlsfort Terrace, Dublin 2	Grande Central	73.0	465.8	—	—
Rockbrook South Central Owners' Management Company Limited by Guarantee	5th Floor, St Stephens Green Earlsfort Terrace, Dublin 2	South Central	83.0	676.7	—	—

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

24. Related Party Transactions (continued)

Owners' management companies not consolidated (continued)

Owners' Management Entity	Registered Official Address	Development Managed	Percentage of Voting Rights Held % of total[1]	Service Fees Incurred in the Period	Payable by I-RES €'000	Prepaid by I-RES €'000
Majority voting rights held						
Rockbrook Estate Management Company Limited by Guarantee	5th Floor, St Stephens Green Earlsfort Terrace, Dublin 2	Rockbrook Commercial	72.7[2]	37.9	—	—
TC West Estate Management Company Limited by Guarantee	5th Floor, St Stephens Green Earlsfort Terrace, Dublin 2	Tallaght Commercial	65.0	525.5	—	—
TC West Residential Owners' Management Company Limited by Guarantee	5th Floor, St Stephens Green Earlsfort Terrace, Dublin 2	Tallaght Residential	87.2	923.7	—	—
Gloucester Maple Owners' Management Company Limited by Guarantee	5th Floor, St Stephens Green Earlsfort Terrace, Dublin 2	City Square	89.3	62.5	—	33.2
Elmpark Green Residential Owners' Management Company Limited by Guarantee	5th Floor, St Stephens Green Earlsfort Terrace, Dublin 2	Elmpark Green	60.5	638.7	—	168.4
Coldcut Owners' Management Company Limited by Guarantee	5th Floor, St Stephens Green Earlsfort Terrace, Dublin 2	Coldcut Park	97.7	231.1	—	—
Burnell Green Management Company Company Limited by Guarantee	7a Saint Kieran's Enterprise Centre, Furze Road, Sandyford Business Park, Dublin 18	Burnell Green Northern Cross Dublin 17	87.0	200.6	—	—
Blocks ABC Ashbrook Owners' Management Company Limited by Guarantee	5th Floor, St Stephens Green Earlsfort Terrace, Dublin 2	Ashbrook Blocks ABC	100.0	220.5	—	—
Block D Ashbrook Owners' Management Company Limited by Guarantee	5th Floor, St Stephens Green Earlsfort Terrace, Dublin 2	Ashbrook Block D	100.0	45.5	—	—
Ashcourt Management Company Limited by Guarantee	Unit 12, The Seapoint Building, 44/45 Clontarf Road, Dublin 3	Ashbrook Estate	56.3	24.9	—	—

24. Related Party Transactions (continued)

Owners' management companies not consolidated (continued)

Owners' Management Entity	Registered Official Address	Development Managed	Percentage of Voting Rights Held % of total(1)	Service Fees Incurred in the Period	Payable by I-RES €'000	Prepaid by I-RES €'000
Minority voting rights held						
BSQ Owners' Management Company Limited by Guarantee	5th Floor, St Stephens Green Earlsfort Terrace, Dublin 2	Beacon South Quarter	30.3	1,822.0	—	—
Time Place Property Management Company Limited by Guarantee	RF Property Management, Ground Floor Ulysses House, 23/24 Foley Street, Dublin 1	Time Place Dublin 18	37.2	174.8	—	—
GC Square Management Company Limited by Guarantee	5th Floor, St Stephens Green Earlsfort Terrace, Dublin 2	The Marker Commercial	48.0	3.4	—	—
Sandyford Forum Management Company Company Limited by Guarantee	28/30 Burlington Road, Dublin 4	The Forum	6.3	17.4	—	7.3
Stapolin Management Company Limited by Guarantee	11 Burrow Road, Sutton, Dublin 13	Stapolin	10.9	62.0	—	15.5
Red Arches Management Company Limited by Guarantee	16 Adelaide Street, Dun Laoghaire, Co. Dublin	Red Arches	7.0	32.1	—	8.0
Stillbeach Management Company Company Limited by Guarantee	Unit 1, Aspen Court, Bray Road, Dublin 18	Beechwood Court Stillorgan Co Dublin	32.0	222.5	—	111.3
Burnell Court Management Company Company Limited by Guarantee	City Junction Business Park, Northern Cross, Malahide Road Dublin 17	Burnell Court Northern Cross Dublin 17	23.8	146.3	—	—
Carrington Park Residential Property Management Company Limited by Guarantee	Rfpm, Ulysses House, Foley Street, Dublin 1	Carrington Park Dublin 9	40.8	356.3	—	—
Heywood Court Management Company (Dublin) Company Limited by Guarantee	Lansdowne Partnership, 21 Mespil Road, Dublin 4	Heywood Court Dublin 9	43.3	97.7	—	79.4
Harty's Quay Management Company Limited by Guarantee	David O'Sullivan & Co, 1st Floor Red Abbey Bld, Unit 20 South Link Industrial Estate, Cork	Harty's Quay Co Cork	29.0	117.5	—	—

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

24. Related Party Transactions (continued)

Owners' management companies not consolidated (continued)

Owners' Management Entity	Registered Official Address	Development Managed	Percentage of Voting Rights Held % of total(1)	Service Fees Incurred in the Period	Payable by I-RES €'000	Prepaid by I-RES €'000
Minority voting rights held						
Belville Court Management Company Limited by Guarantee	Unit 1, Aspen Court, Bray Road, Dublin 18	Belville Court Dublin 18	47.5	68.2	—	41.0
Malahide Waterside Management Company Limited by Guarantee	Office 3 The Eden Business Centre, Grange Road, Rathfarnham, Dublin 16	Waterside	9.6	17.1	—	5.9
PPRD Management Company CLG	Wyse Property Management Ltd., 94 Baggot Street Lower, Dublin 2	Phoenix Park 1	21.8	286.8	—	173.5
PPRD 2 Management Company CLG	21 Pembroke Road, Dublin 4	Phoenix Park 2	30.2	72.5	18.5	24.7
Oak Lodge Management Company Limited by Guarantee	c/o Dalata Hotel Group, Burton Court, Burton Hall Drive, Sandyford, Dublin 18	Tara View	49.0	80.0	80.0	—
Total				**9,926.6**	**98.5**	**1,030.6**

(1) For residential apartments, the voting rights are calculated based on one vote per apartment regardless of the size of that apartment. For commercial, it is based on square footage of the units or the memorandum and articles of the particular management company.
(2) Includes voting rights controlled directly and indirectly.

All of the owners' management companies are incorporated in Ireland and are property management companies. As noted above, as at 31 December 2023, €98,500 is payable and €1,030,600 is prepaid by the Group to the owners' management companies. As at 31 December 2022, €168,800 was payable and €714,100 was prepaid by I-RES to the owners' management companies.

25. Contingencies

At Beacon South Quarter, in addition to the capital expenditure work that has already been completed, water ingress works were identified in 2016 and I-RES is working with the Beacon South Quarter owners' management company to resolve these matters. There is also an active insurance claim with respect to the water ingress and related damage. The amount of potential costs relating to these structural remediation works cannot be currently measured with sufficient reliability.

26. Commitments

In January 2022, the Company entered into a forward purchase agreement to acquire 44 residential units at Ashbrook, Clontarf. The transaction was part of the total purchase price of €66.0 million (including VAT but excluding other transaction costs) paid for a total of 152 units, with the Company taking ownership of 108 units during the period to date. As part of the acquisition agreement entered into the Company has a gross capital commitment of €24.1 million in respect of the 44 units. These units are expected to be completed in H1 2024. Net cash outflow after taking account of deposit paid and proceeds from disposal of Part V units is expected to be c. €20 million.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

27. Loss per Share

Earnings per share amounts are calculated by dividing profit for the reporting period attributable to ordinary shareholders of I-RES by the weighted average number of ordinary shares outstanding during the reporting period.

For the year ended	31 December 2023	31 December 2022
Loss attributable to shareholders of I-RES (€'000)	**(116,014)**	(11,820)
Basic weighted average number of shares	**529,578,946**	529,560,795
Diluted weighted average number of shares(1)(2)	**529,578,946**	530,953,506
Basic Loss per share (cents)	**(21.9)**	(2.2)
Diluted Loss per share (cents)	**(21.9)**	(2.2)

(1) Diluted weighted average number of shares includes the additional shares resulting from dilution of the long-term incentive plan options as of the reporting period date.
(2) At 31 December 2023, 4,596,499 options (31 December 2022: 4,596,499) were excluded from the diluted weighted average number of ordinary shares because their effect would have been anti-dilutive.

EPRA issued Best Practices Recommendations most recently in October 2019, which gives guidelines for performance matters.

EPRA Earnings represents the earnings from the core operational activities (recurring items for I-RES). It is intended to provide an indicator of the underlying performance of the property portfolio and therefore excludes all components not relevant to the underlying and recurring performance of the portfolio, including any revaluation results and results from the sale of properties. EPRA Earnings per share amounts are calculated by dividing EPRA Earnings for the reporting period attributable to shareholders of I-RES by the weighted average number of ordinary shares outstanding during the reporting period.

EPRA Earnings per Share

For the year ended	31 December 2023	31 December 2022
Loss for the year (€'000)	**(116,014)**	(11,820)
Adjustments to calculate EPRA Earnings exclude:		
Changes in fair value on investment properties (€'000)	**141,791**	45,599
Loss/(profit) on disposal of investment property (€'000)	**418**	(2,795)
Changes in fair value of derivative financial instruments (€'000)	**(86)**	(35)
Taxation on disposal of properties (€'000)	**1,476**	—
EPRA Earnings (€'000)	**27,585**	30,949
Non-recurring costs (€'000)	**939**	5,748
Adjusted EPRA Earnings before non-recurring costs (€'000)	**28,524**	36,697
Basic weighted average number of shares	**529,578,946**	529,560,795
Diluted weighted average number of shares	**529,578,946**	530,953,506
EPRA Earnings per share (cents)	**5.2**	5.8
Adjusted EPRA EPS before non-recurring costs per share (cents)	**5.4**	6.9
EPRA Diluted Earnings per share (cents)	**5.2**	5.8

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

28. Net Asset Value per Share

In October 2019, EPRA introduced three EPRA NAV metrics to replace the then existing EPRA NAV calculation that was previously being presented. The three EPRA NAV metrics are EPRA Net Reinstatement Value ("EPRA NRV"), EPRA Net Tangible Asset ("EPRA NTA") and EPRA Net Disposal Value ("EPRA NDV"). Each EPRA NAV metric serves a different purpose. The EPRA NRV measure is to highlight the value of net assets on a long term basis. EPRA NTA assumes entities buy and sell assets, thereby crystallising certain levels of deferred tax liability. Lastly, EPRA NDV provides the reader with a scenario where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liabilities. The table below presents the transition between the Group's shareholders' equity derived from the consolidated financial statements and the various EPRA NAV.

EPRA NAV per Share

	31 December 2023		
As at	**EPRA NRV**	**EPRA NTA(1)**	**EPRA NDV(2)**
Net assets (€'000)	**697,331**	**697,331**	**697,331**
Adjustments to calculate EPRA net assets exclude:			
Fair value of derivative financial instruments (€'000)	**163**	**163**	**—**
Fair value adjustment for fixed interest rate debt (€'000)	**—**	**—**	**30,058**
Real estate transfer cost (€'000)(3)	**65,976**	**—**	**—**
EPRA net assets (€'000)	**763,470**	**697,494**	**727,389**
Number of shares outstanding	**529,578,946**	**529,578,946**	**529,578,946**
Diluted number of shares outstanding	**529,578,946**	**529,578,946**	**529,578,946**
Basic Net Asset Value per share (cents)	**131.7**	**131.7**	**131.7**
EPRA Net Asset Value per share (cents)	**144.2**	**131.7**	**137.4**

	31 December 2022		
As at	**EPRA NRV**	**EPRA NTA(1)**	**EPRA NDV(2)**
Net assets (€'000)	847,353	847,353	847,353
Adjustments to calculate EPRA net assets exclude:			
Fair value of derivative financial instruments (€'000)	(4,764)	(4,764)	—
Fair value adjustment for fixed interest rate debt (€'000)	—	—	40,612
Real estate transfer cost (€'000)(3)	76,368	—	—
EPRA net assets (€'000)	918,957	842,589	887,965
Number of shares outstanding	529,578,946	529,578,946	529,578,946
Diluted number of shares outstanding	529,578,946	529,578,946	529,578,946
Basic Net Asset Value per share (cents)	160.0	160.0	160.0
EPRA Net Asset Value per share (cents)	173.5	159.1	167.7

(1) Following changes to the Irish REIT legislation introduced in October 2019, if a REIT disposes of an asset of its property rental business and does not (i) distribute the gross disposal proceeds to shareholders by way of dividend; (ii) reinvest them into other assets of its property rental business (whether by acquisition or capital expenditure) within a three-year window (being one year before the sale and two years after it); or (iii) use them to repay debt specifically used to acquire, enhance or develop the property sold, then the REIT will be liable to tax at a rate of 25% on 85% of the gross disposal proceeds, subject to having sufficient distributable reserves. For the purposes of EPRA NTA, the Group has assumed any such sales proceeds are reinvested within the required three year window.

(2) Deferred tax is assumed as per the IFRS statement of financial position. To the extent that an orderly sale of the Group's assets was undertaken over a period of several years, during which time (i) the Group remained a REIT; (ii) no new assets were acquired or sales proceeds reinvested; (iii) any developments completed were held for three years from completion; and (iv) those assets were sold at 31 December 2023 valuations, the sales proceeds would need to be distributed to shareholders by way of dividend within the required time frame or else a tax liability amounting to up to 25% of distributable reserves plus current unrealised revaluation gains could arise for the Group.

(3) This is the purchaser costs amount as provided in the valuation certificate. Purchasers' costs consist of items such as stamp duty on legal transfer and other purchase fees that may be incurred and which are deducted from the gross value in arriving at the fair value of investment for IFRS purposes. Purchasers' costs are in general estimated at 9.96% for commercial, 4.46% for residential apartment units and 12.46% for houses and duplexes.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

29. Directors' Remuneration, Employee Costs and Auditor Remuneration

Key Management personnel of the Group consist of the Board of directors. The remuneration of the key management personnel paid during the period were as follows:

For the year ended	31 December 2023 €'000	31 December 2022 €'000
Directors' remuneration[1]		
Short-term employee benefits	**2,244**	1,932
Pension costs	**109**	92
Other benefits[2]	**263**	214
Share-based payments	**137**	113
Total	**2,753**	2,351

(1) Brian Fagan was elected as a Director of I-RES on 11 April 2022, his remuneration is included from that date. A full year of remuneration is included in 2023.
(2) Included in this amount is pay-related social insurance and benefits paid to the Directors.

For the year ended	31 December 2023 €'000	31 December 2022 €'000
Employees costs		
Salaries, benefits and bonus	**8,562**	7,559
Social insurance costs	**877**	761
Pension costs	**197**	174
Share-based payments	**153**	117
Total	**9,789**	8,611

The average number of employees in the period was 94 (2022: 86 - reflecting the acquisition of IFML on 31 January 2022). The total number of employees at the reporting date was 95 (31 December 2022: 95).

For the year ended	31 December 2023 €'000	31 December 2022 €'000
Auditor remuneration (including expenses)[1]		
Audit of Group accounts	**210**	185
Other assurance services[2][3]	**15**	15
Non-assurance services	**8**	-
Total	**233**	200

(1) Included in the auditor remuneration for the Group is an amount of €167,000 (31 December 2022: €175,000) that relates to the audit of the Company's financial statements.
(2) Non-audit remuneration for 31 December 2023 and 31 December 2022 relates to the review of the interim financial statements.
(3) Non-assurance services for 31 December 2023 relates to Accountants' report under Property Services Regulatory Authority (PRSA) regulations.

30. Holding Company Details

The name of the holding company of the Group is Irish Residential Properties REIT plc. The legal form of the Company is a public limited company. The place of registration of the holding company is Dublin, Ireland and its registration number is 529737. The address of the registered office is South Dock House, Hanover Quay, Dublin 2, Ireland.

31. Subsequent Events

On 4 January 2024, under the Revolving Credit Facility agreement, I-RES exercised its right to reduce the committed facility size from €600 million to €500 million, an option available to the Company given the successful completion of the c. €100m asset disposal programme.

COMPANY STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

	Note	31 December 2023 €'000	31 December 2022 €'000
Assets			
Non-Current Assets			
Investment properties	III	**1,130,235**	1,316,988
Investment in subsidiaries	VI	**2,240**	2,240
Property, plant and equipment	V	**8,208**	8,718
Derivative financial instruments	XIX	**—**	3,298
		1,140,683	1,331,244
Current Assets			
Loan advances to subsidiaries	VII	**129,320**	148,621
Other current assets	IX	**6,427**	7,286
Derivative financial instruments	XIX	**1,910**	1,474
Cash and cash equivalents		**4,296**	4,137
		141,953	161,518
Total Assets		**1,282,636**	1,492,762
Liabilities			
Non-Current Liabilities			
Bank indebtedness	XI	**371,355**	453,738
Private placement notes	XII	**128,811**	128,783
Loan advances from subsidiary	VIII	**68,852**	68,852
Lease liability	XXII	**7,842**	8,268
Derivative financial instruments	XIX	**2,073**	—
		578,933	659,641
Current Liabilities			
Accounts payable and accrued liabilities	X	**15,082**	15,014
Derivative financial instruments	XIX	**—**	9
Security deposits		**6,517**	7,276
Lease liability	II	**426**	416
		22,025	22,715
Total Liabilities		**600,958**	682,356
Shareholders' Equity			
Share capital		**52,958**	52,958
Share premium		**504,583**	504,583
Other reserve		**1,354**	1,201
Cashflow hedge reserve	XIX	**(580)**	4,207
Retained earnings		**123,363**	247,457
Total Shareholders' Equity		**681,678**	810,406
Total Shareholders' Equity and Liabilities		**1,282,636**	1,492,762

The accompanying notes form an integral part of these financial statements.

Hugh Scott-Barrett
Chair

Margaret Sweeney
Executive Director

COMPANY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2023

	Note	31 December 2023 €'000	31 December 2022 €'000
Operating Revenue			
Revenue from investment properties	XV	**79,036**	78,042
Operating Expenses			
Property taxes		**(1,038)**	(986)
Property operating costs		**(15,514)**	(16,724)
Net Rental Income ("NRI")		**62,484**	60,332
General and administrative expenses	XVI	**(14,934)**	(17,196)
Share-based compensation expense	XIII	**(153)**	(117)
Net movement in fair value of investment properties	III	**(122,252)**	(45,259)
(Loss)/Gain on disposal of investment property		**(9)**	2,812
Depreciation of property, plant and equipment	V	**(536)**	(536)
Lease interest	IV	**(212)**	(222)
Operating loss for the year		**(75,612)**	(186)
Financing costs	XVII	**(26,844)**	(16,787)
Interest from intercompany loan	VII	**6,218**	5,651
Loss for the year		**(96,238)**	(11,322)
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Cash flow hedges - effective portion of changes in fair value	XIX	**(3,126)**	4,065
Cash flow hedges - reclassified to profit or loss	XIX	**(1,661)**	142
Other Comprehensive (loss)/income for the year		**(4,787)**	4,207
Total Comprehensive Loss for the Year Attributable to Shareholders		**(101,025)**	(7,115)
Basic (Loss)/Earnings per Share (cents)	XXV	**(18.2)**	(2.1)
Diluted (Loss)/Earnings per Share (cents)	XXV	**(18.2)**	(2.1)

The accompanying notes form an integral part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

	Note	Share Capital €'000	Share Premium €'000	Retained Earnings €'000	Other Reserve €'000	Cashflow Hedge Reserve €'000	Total €'000
Shareholders' Equity at 1 January 2023		52,958	504,583	247,457	1,201	4,207	810,406
Total comprehensive loss for the year							
Loss for the year		–	–	(96,238)	–	–	(96,238)
Other comprehensive loss for the year		–	–	–		(4,787)	(4,787)
Total comprehensive loss for the year		–	–	(96,238)	–	(4,787)	(101,025)
Transactions with owners, recognised directly in equity							
Long-term incentive plan	XIII	–	–	–	153	–	153
Dividends paid	XXI	–	–	(27,856)	–	–	(27,856)
Transactions with owners, recognised directly in equity		–	–	(27,856)	153	–	(27,703)
Shareholders' Equity at 31 December 2023		52,958	504,583	123,363	1,354	(580)	681,678

For the year ended 31 December 2022

	Note	Share Capital €'000	Share Premium €'000	Retained Earnings €'000	Other Reserve €'000	Cashflow Hedge Reserve €'000	Total €'000
Shareholders' Equity at 1 January 2022		52,945	504,471	287,261	1,093	–	845,770
Total comprehensive income for the year							
Loss for the year		–	–	(11,322)	–	–	(11,322)
Other comprehensive income for the year		–	–	–	–	4,207	4,207
Total comprehensive income for the year		–	–	(11,322)	–	4,207	(7,115)
Transactions with owners, recognised directly in equity							
Long-term incentive plan	XIII	–	–	–	117	–	117
Share issuance	XIV	13	113	9	(9)	–	126
Dividends paid	XXI	–	–	(28,491)	–	–	(28,491)
Transactions with owners, recognised directly in equity		13	113	(28,482)	108	–	(28,248)
Shareholders' Equity at 31 December 2022		52,958	504,583	247,457	1,201	4,207	810,406

The accompanying notes form an integral part of these financial statements.

COMPANY STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

	Note	31 December 2023 €'000	31 December 2022 €'000
Cash Flows from Operating Activities:			
Operating Activities			
Loss for the Year		**(96,238)**	(11,322)
Adjustments for non-cash items:			
Fair value adjustment - investment properties	III	**122,252**	45,259
Loss/(Gain) on disposal of investment property		**9**	(2,812)
Depreciation of property, plant and equipment	V	**536**	536
Amortisation of other financing costs	XXII	**1,987**	1,936
Share-based compensation expense	XIII	**153**	117
Allowance for expected credit loss		**49**	689
Capitalised leasing costs	iii	**871**	581
Interest accrual relating to derivatives	XXII	**—**	9
(Loss)/Profit adjusted for non-cash items		**29,619**	34,993
Interest expense		**17,190**	9,318
Changes in operating assets and liabilities	XXII	**910**	(3,342)
Net Cash Generated from Operating Activities		**47,719**	40,969
Cash Flows from Investing Activities			
Net proceeds from disposal of investment property		**69,999**	53,901
Deposits on acquisitions		**2**	(3,855)
Acquisition of investment properties		**—**	(31,112)
Development of investment properties	III	**—**	(4,632)
Property capital investments	III	**(6,405)**	(8,441)
Direct leasing cost	III	**28**	(6)
Purchase of property, plant and equipment	V	**(26)**	(44)
Interest received from subsidiaries	VII	**4,411**	1,534
Advances to subsidiaries	VII	**21,108**	(45,946)
Acquisition of subsidiary, net of cash acquired	VI	**—**	1,093
Net Cash Generated from/(Used in) Investing Activities		**89,117**	(37,508)
Cash Flows from Financing Activities			
Financing fees	XXII	**(342)**	(1,610)
Interest paid	XXII	**(24,063)**	(15,337)
Credit Facility drawdown	XXII	**10,700**	93,000
Credit Facility repayment	XXII	**(94,700)**	(56,000)
Lease payment	XXII	**(416)**	(406)
Proceeds on issuance of shares	XXII	**—**	126
Dividends paid to shareholders	XXI	**(27,856)**	(28,491)
Net Cash Used in Financing Activities		**(136,677)**	(8,718)
Changes in Cash and Cash Equivalents during the Year		**159**	(5,257)
Cash and Cash Equivalents, Beginning of the Year		**4,137**	9,394
Cash and Cash Equivalents, End of the Year		**4,296**	4,137

The accompanying notes form an integral part of these financial statements.

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued)

I. Material Accounting Policies

These Company financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("EU IFRS") but makes amendments where necessary in order to comply with the Companies Act 2014 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The financial statements of the Company are prepared on a going concern basis and under the historical cost convention, as modified by the revaluation of investment properties and derivatives at fair value through profit or loss and the measurement of share options at fair value at the date of grant. The financial statements of the Company have been presented in Euro, which is the Company's functional currency.

For Company details, refer to note 30 of the consolidated financial statements.

The significant accounting policies of the Company are the same as those of the Group, which are set out in note 2 of the consolidated financial statements.

Investment in subsidiaries

Investment in subsidiaries is shown at cost less provision for any impairment or diminution in value.

Intercompany loan

The intercompany loan is recognised at amortised cost using the effective interest rate method. Under the effective interest rate method, any transaction fees, costs and discounts directly related to the intercompany loan were recognised within interest expense on intercompany loan in the statement of profit or loss and other comprehensive income over the expected term of the intercompany loan.

II. Critical Accounting Estimates, Assumptions and Judgements

For further information on critical accounting estimates, assumptions and judgements, refer to note 3 of the consolidated financial statements.

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued)

III. Investment Properties

For further information on investment properties, refer to note 5 of the consolidated financial statements.

For the Company, an increase of 1% in the Equivalent Capitalisation Rate would have the impact of a €170.1 million reduction in fair value while a decrease of 1% in the Equivalent Capitalisation Rate would result in a fair value increase of €244.5 million. An increase between 1% and 4% in Stabilised NRI would have an impact ranging from €11.2 million to €45.0 million respectively in fair value, while a decrease between 1% and 4% in Stabilised NRI would have the impact ranging from €11.2 million to €45.0 million reduction respectively. I-RES believes that this range of change in Stabilised NRI is a reasonable estimate in the next twelve months based on expected changes in Stabilised NRI.

A summary of the Equivalent Capitalisation Yields and ranges along with the fair value of the total portfolio of the Company as at 31 December 2023 and 2022 is presented below:

As at 31 December 2023

Type of Interest	Fair Value €'000	WA Stabilised NRI(1) €'000	Rate Type(2)	Max.	Min.	Weighted Average
Income properties	1,124,425	3,238	Equivalent Yield	6.27%	4.75%	5.63%
Development land(3)	5,810	n/a	Market Comparable (per sq ft.)	€106.8	€46.5	€92.3
Total investment properties	1,130,235					

(1) WA Stabilised NRI is the NRI of each property weighted by its fair value over the total fair value of the investment properties ("WA NRI"). The WA Stabilised NRI is an input to determine the fair value of the investment properties.
(2) The Equivalent Yield disclosed above is provided by the external valuers.
(3) Development land is fair-valued based on the value of the undeveloped site per square foot.

As at 31 December 2022

Type of Interest	Fair Value €'000	WA Stabilised NRI(1) €'000	Rate Type(2)	Max.	Min.	Weighted Average
Income properties	1,310,158	2,939	Equivalent Yield	5.75%	4.10%	4.85%
Development land(3)	6,830	n/a	Market Comparable (per sq ft.)	€122.8	€30.1	€104.5
Total investment properties	1,316,988					

(1) WA Stabilised NRI is the NRI of each property weighted by its fair value over the total fair value of the investment properties ("WA NRI"). The WA Stabilised NRI is an input to determine the fair value of the investment properties.
(2) The Equivalent Yield disclosed above is provided by the external valuers.
(3) Development land is fair-valued based on the value of the undeveloped site per square foot.

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued)

III. Investment Properties (continued)

The following table summarises the changes in the investment properties portfolio during the periods:

Reconciliation of carrying amounts of investment properties

For the year ended 31 December 2023	Income Properties €'000	Properties Under Development €'000	Development Land €'000	Total €'000
Balance at the beginning of the year	1,310,158	—	6,830	1,316,988
Property capital investments	6,405	—	—	6,405
Capitalised leasing costs[2]	(871)	—	—	(871)
Direct leasing costs[3]	(28)	—	—	(28)
Disposal	(70,007)	—	—	(70,007)
Unrealised fair value movements	(121,232)	—	(1,020)	(122,252)
Balance at the end of the year	1,124,425	—	5,810	1,130,235

For the year ended 31 December 2022	Income Properties €'000	Properties Under Development €'000	Development Land €'000	Total €'000
Balance at the beginning of the year	1,332,595	18,000	7,650	1,358,245
Acquisitions	42,604	—	—	42,604
Development expenditures	—	4,632	—	4,632
Reclassification[1]	22,632	(22,632)	—	—
Property capital investments	8,441	—	—	8,441
Capitalised leasing costs[2]	(581)	—	—	(581)
Direct leasing costs[3]	6	—	—	6
Disposal	(51,100)	—	—	(51,000)
Unrealised fair value movements	(44,439)	—	(820)	(45,259)
Balance at the end of the year	**1,310,158**	**—**	**6,830**	**1,316,988**

(1) The development at School Yard was reclassified from properties under development to income properties upon completion in 2023.
(2) Straight-line rent adjustment for commercial leasing.
(3) Includes cash outlays for leasing.

IV. Leases

For further information on the Leases, refer to note 6 of the consolidated financial statements.

V. Property, Plant and Equipment

For further information on the property, plant and equipment, refer to note 7 of the consolidated financial statements.

NOTES TO COMPANY FINANCIAL STATEMENTS (continued)

VI. Investment in Subsidiaries

As at	31 December 2023 €'000	31 December 2022 €'000
Balance at the beginning of the year	**2,240**	873
Additions	**—**	1,367
Disposals	**—**	—
Balance at the end of the year	**2,240**	2,240

On 31st January 2022, the Company acquired 100% of the shares in IRES Fund Management Limited for a consideration of €1.4 million. For further information on the acquisition of IRES Fund Management Limited, refer to note 12 of the consolidated financial statements.

On 10th August 2022, the Company acquired 100% of the shares in IRES Residential Properties (Tara View) Limited, formerly Bayvan Limited, for a consideration of €1.

On 22nd August 2023, the Company incorporated IRES Residential Properties (Orion) Limited and acquired 100% of the shares for a consideration of €100.

VII. Loan Advances to Subsidiaries

As at	31 December 2023 €'000	31 December 2022 €'000
Balance at the beginning of the year	**148,621**	98,558
Interest income	**6,218**	5,651
Interest received	**(4,411)**	(1,534)
Advances to/(repayments from) subsidiaries	**(21,108)**	45,946
Balance at the end of the year	**129,320**	148,621

On 31 March 2015, the Company acquired the entire issued share capital of IRES Residential Properties Limited for €0.8 million and provided financing to IRES Residential Properties Limited to repay the loan on the Rockbrook Portfolio to CAPREIT LP. The total amount in aggregate receivable from its subsidiary amounted to €86.1 million as at 31 December 2023 (€101.4 million as at 31 December 2022), net of repayments. This receivable is interest bearing at 4.94% per annum fixed and repayable on demand.

On 10 August 2022, the Company acquired 100% of the issued share capital of IRES Residential Properties (Tara View) Limited and provided financing to IRES Residential Properties (Tara View) Limited to pay the development costs for the Tara View portfolio. The total amount in aggregate receivable from the subsidiary amounted to €43.2 million as at 31 December 2023 (€47.2 as at 31 December 2022), net of repayments. This receivable is interest bearing at 4.25% per annum fixed and repayable on demand.

As these receivables are repayable on demand, the carrying value is considered to be materially in line with the fair value.

NOTES TO COMPANY FINANCIAL STATEMENTS (continued)

VIII. Loan Advances from Subsidiary

On 10 March 2020, IRES Residential Properties Limited provided the following facilities to the Company. Interest is paid semi-annually on 9 March and 9 September of each year.

As at	Maturity €'000	Contractual interest rate €'000	31 December 2023 €'000
Series A Facility	9 March 2027	1.87%	**45,901**
Series B Facility	9 March 2030	2.25%	**22,951**
Total			**68,852**

IX. Other Assets

As at	31 December 2023 €'000	31 December 2022 €'000
Prepayments(1)	**2,700**	2,344
Deposits on acquisitions(2)	**2,459**	2,462
Trade receivables	**1,000**	1,023
Intercompany receivable	**268**	1,457
Total	**6,427**	7,286

(1) Includes prepaid costs such as OMC Service charges, insurance and costs associated with ongoing transactions.
(2) Includes deposit paid for Ashbrook Phase 2

X. Accounts Payable and Accrued Liabilities

As at	31 December 2023 €'000	31 December 2022 €'000
Accounts Payable and Accrued Liabilities(1)		
Rent - early payments	**3,538**	3,014
Trade creditors	**729**	636
Accruals(2)	**6,876**	5,489
Value Added Tax	**410**	40
Intercompany payable	**3,529**	5,835
Total	**15,082**	15,014

(1) The carrying value of all accounts payable and accrued liabilities approximates their fair value.
(2) Includes property related accruals, development accruals and professional fee accruals.

XI. Bank Indebtedness

For further information on the Revolving Credit Facility, refer to note 10 of the consolidated financial statements.

NOTES TO COMPANY FINANCIAL STATEMENTS (continued)

XII. Private Placement Notes

On 11 March 2020, I-RES successfully closed the issue of €130 million notes on a private placement basis (collectively, the "Notes"). Interest is paid semi-annually on 10 March and 10 September.

The Notes have been placed in two tranches:

As at	Maturity	Contractual interest rate	31 December 2023 €'000	31 December 2022 €'000
EUR Series A Senior Secured Notes	10 March 2030	1.83%	**90,000**	90,000
EUR Series B Senior Secured Notes	10 March 2032	1.98%	**40,000**	40,000
			130,000	130,000
Deferred financing costs, net			**(1,189)**	(1,217)
Total			**128,811**	128,783

The Notes are secured by a floating charge over the assets of the Group and a fixed charge over the shares held by the Company in IRES Residential Properties Limited.

XIII. Share-based Compensation

For further information on share-based compensation, refer to note 13 of the consolidated financial statements.

XIV. Shareholders' Equity

For further information on shareholders' equity, refer to note 14 of the consolidated financial statements.

XV. Revenue From Investment Properties

The Company generates revenue primarily from rental income from investment properties. Rental income represents lease revenue earned from the conveyance of the right to use the property, including access to common areas, to a lessee for an agreed period of time. The rental contract also contains an undertaking that common areas and amenities will be maintained to a certain standard. This right of use of the property and maintenance performance obligation is governed by a single rental contract with the tenant. The Company has evaluated the lease and non-lease components of its rental revenue and has determined that common area maintenance services constitute a single non-lease element, which is accounted for as one performance obligation under IFRS 15 and is recognised separately to rental income.

For the year ended	31 December 2023 €'000	31 December 2022 €'000
Rental Income	**67,549**	66,945
Revenue from services	**9,752**	9,653
Car park income	**1,735**	1,444
Revenue from contracts with customers	**11,487**	11,097
Total Revenue	**79,036**	78,042

NOTES TO COMPANY FINANCIAL STATEMENTS (continued)

XVI. General and Administrative Expenses

For the year ended	31 December 2023 €'000	31 December 2022 €'000
General and administrative expenses	**10,100**	7,213
Asset Management fee	**3,895**	4,235
Total recurring general and administrative expenses	**13,995**	11,448
Non-recurring costs	**939**	5,748
Total general and administrative expenses	**14,934**	17,196

Recurring general and administrative expenses include costs such as director fees, executives' and employees' salaries, professional fees for audit, legal and advisory services, depositary fees, property valuation fees, insurance costs, asset management fee and other general and administrative expenses. The current year non-recurring costs related specifically to the ongoing Activist interaction and requisition of an EGM.

From 31st January 2022, the asset management fee became an intercompany transaction following the acquisition of IRES Fund Management by the Company.

XVII. Finance Cost

For the year ended	31 December 2023 €'000	31 December 2022 €'000
Financing costs on RCF	**24,252**	12,629
Financing costs on private placement debt	**2,868**	2,717
Financing costs on loan advances from subsidiary	**1,385**	1,393
Reclassed from OCI	**(1,661)**	142
Gross financing costs	**26,844**	16,881
Less: Capitalised interest	**—**	(94)
Total Financing costs	**26,844**	16,787

XVIII. Realised and Unrealised Gains and Losses on Derivative Financial Instruments

The derivative financial instruments consist of the interest rate swap entered into on 14 December 2022. For further information on the derivative financial instruments of the Company refer to note 19 of the consolidated financial statements.

NOTES TO COMPANY FINANCIAL STATEMENTS (continued)

XIX. Financial Instruments, Investment Properties and Risk Management

a) Fair Value of Financial Instruments and Investment Properties

For further information on the fair value of financial instruments and investment properties, refer to note 20(a) of the consolidated financial statements. The following table presents the Company's estimates of the fair value on a recurring basis based on information available as at 31 December 2023, and aggregated by the level in the fair value hierarchy within which those measurements fall.

As at 31 December 2023, the fair value of the Company's private placement debt is estimated to be €106.7 million. (31 December 2022: €100 million). The fair value of the Company's loan advances from subsidiary is estimated to be €70.9 million. (31 December 2022: €72.7 million). The change in fair value is due to changes in interest rates since the private placement debt was issued and the impact of the passage of time on the fixed rate of the private placement debt. The fair value of the private placement debt is based on discounted future cash flows using rates that reflect current rates for similar financial instruments with similar duration, terms and conditions, which are considered Level 2 inputs.

As at 31 December 2023	Level 1 Quoted prices in active markets for identical assets and liabilities €'000	Level 2 Significant other observable inputs €'000	Level 3 Significant unobservable inputs[1] €'000	Total €'000
Recurring Measurements – Assets				
Investment properties	—	—	1,130,235	1,130,235
Derivative financial instruments	—	1,910	—	1,910
	—	1,910	1,130,235	1,132,145
Recurring Measurements – Liability				
Derivative financial instruments[2]	—	(2,073)	—	(2,073)
Total	—	(163)	1,130,235	1,130,072

As at 31 December 2022	Level 1 Quoted prices in active markets for identical assets and liabilities €'000	Level 2 Significant other observable inputs €'000	Level 3 Significant unobservable inputs[1] €'000	Total €'000
Recurring Measurements – Assets				
Investment properties	—	—	1,316,988	1,316,988
Derivative financial instruments	—	4,772	—	4,772
	—	4,772	1,316,988	1,321,760
Recurring Measurements – Liability				
Derivative financial instruments[2]	—	(9)	—	(9)
Total	—	4,763	1,316,988	1,321,751

(1) See note 5 of the consolidated financial statements for detailed information on the valuation methodologies and fair value reconciliation.
(2) The valuation of the interest rate swap instrument is determined using widely accepted valuation techniques including discounted cash flow analysis on the expected cash flows of the derivatives. The fair value is determined using the market-standard methodology of netting the discounted future fixed cash payments and the discounted variable cash receipts of the derivatives. The variable cash receipts are based on an expectation of future interest rates (forward curves) derived from observable market interest rates. If the total mark-to-market value is positive, I-RES will include a current value adjustment to reflect the credit risk of the counterparty, and if the total mark-to-market value is negative, I-RES will include a current value adjustment to reflect I-RES' own credit risk in the fair value measurement of the interest rate swap agreements.

XIX. Financial Instruments, Investment Properties and Risk Management (continued)

b) Risk Management

For further information on risk management, refer to note 20(b) of the consolidated financial statements.

Cash flow hedges
At 31 December 2023, the Company held the following instruments to hedge exposures to changes in interest rates:

As at	31 December 2023	31 December 2026	31 December 2027	31 December 2030
Interest Rate Swaps				
Net exposure (€'000)	15,469	–	–	–
Average fixed interest rate	2.50%	–	–	–

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

	Change in value used for calculating hedge ineffectiveness (€'000)	Cashflow hedge reserve (€'000)
Interest rate swap	3,126	580

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

	As at 31 December 2023			For the year ended 31 December 2023				
		Carrying amount						
	Nominal amount (€'000)	Assets (€'000)	Liability (€'000)	Changes in the value of hedging instrument recognised in OCI (€'000)	Hedge ineffectiveness recognised in profit or loss (€'000)	Line items in profit or loss that includes hedge ineffectiveness	Amount reclassed from hedging reserve to profit or loss (€'000)	Line items in profit or loss affected by reclassification
Interest Rate Swaps	275,000	1,910	(2,073)	3,126	–	Gain on derivative financial instruments	1,661	Financing costs

Master netting or similar agreements
For further information on risk management, refer to note 20(b) of the consolidated financial statements.

The following table sets out the carrying amounts of recognised financial instruments that are subject to the above agreements.

NOTES TO COMPANY FINANCIAL STATEMENTS (continued)

XIX. Financial Instruments, Investment Properties and Risk Management (continued)

b. Risk Management (continued)

31 December 2023	Note	Gross amounts of financial instruments in the statement of financial position (€'000)	Related financial instruments that are not offset (€'000)	Net amount (€'000)
Financial assets				
Derivative financial instruments	XVIII	1,910	—	1,910
Financial liabilities				
Derivative financial instruments	XVIII	(2,073)	—	(2,073)

Liquidity risk

As at 31 December 2023	Total €'000	6 months or less[1] €'000	6 to 12 months[1] €'000	1 to 2 years[1] €'000	2 to 5 years[1] €'000	More than 5 years[1] €'000
Non-derivative financial liabilities						
Loan drawn down	373,020	—	—	—	373,020	—
Bank indebtedness interest[2]	38,673	9,953	8,400	13,683	6,637	—
Private placement debt	130,000	—	—	—	—	130,000
Private placement debt interest	17,444	1,220	1,220	2,440	7,320	5,244
Loan advance from subsidiary	68,852	—	—	—	45,901	22,951
Lease liability	10,042	314	314	628	1,883	6,903
Other liabilities	7,605	7,605	—	—	—	—
Security deposits	6,517	6,517	—	—	—	—
	652,153	25,609	9,934	16,751	434,761	165,098
Derivative financial liabilities						
Interest rate swap:						
Outflow[3]	(15,470)	(3,438)	(3,438)	(6,875)	(1,719)	—
Net inflow/(outflow)	15,236	4,931	3,786	5,275	1,244	—
	(234)	1,493	348	(1,600)	(475)	—

(1) Based on carrying value at maturity dates.
(2) Based on current in-place interest rate for the remaining term to maturity.
(3) Based on 1 month EURIBOR forward curve as at 31 December 2023.

As at 31 December 2022	Total €'000	6 months or less[1] €'000	6 to 12 months[1] €'000	1 to 2 years[1] €'000	2 to 5 years[1] €'000	More than 5 years[1] €'000
Non-derivative financial liabilities						
Loan drawn down	457,020	—	—	—	457,020	—
Bank indebtedness interest[2]	93,463	13,257	15,528	29,749	34,929	—
Private placement debt	130,000	—	—	—	—	130,000
Private placement debt interest	19,884	1,220	1,220	2,440	7,320	7,684
Loan advance from subsidiary	68,852	—	—	—	—	68,852
Lease liability	10,670	314	314	628	1,883	7,531
Other liabilities	6,126	6,126	—	—	—	—
Security deposits	7,276	7,276	—	—	—	—
	793,291	28,193	17,062	32,817	501,152	214,067
Derivative financial liabilities						
Interest rate swap:						
Outflow[3]	(22,345)	(3,438)	(3,438)	(6,875)	(8,594)	—
Net inflow	26,633	3,539	4,832	8,307	9,955	—
	4,288	101	1,394	1,432	1,361	—

(1) Based on carrying value at maturity dates.
(2) Based on current in-place interest rate for the remaining term to maturity.
(3) Based on 1 month EURIBOR forward curve as at 31 December 2022.

NOTES TO COMPANY FINANCIAL STATEMENTS (continued)

XX. Taxation

For further information on taxation, refer to note 21 of the consolidated financial statements.

XXI. Dividends

For further information on dividends, refer to note 22 of the consolidated financial statements.

XXII. Supplemental Cash Flow Information

Breakdown of operating income items related to financing and investing activities

For the year ended	31 December 2023 €'000	31 December 2022 €'000
Financing costs as per the statement of profit or loss and other comprehensive income	**26,844**	16,787
Interest expense accrual	**(1,006)**	170
Capitalised interest	**—**	94
Lease interest	**212**	222
Less: amortisation of financing fees	**(1,987)**	(1,936)
Interest Paid	**24,063**	15,337

Changes in operating assets and liabilities

For the year ended	31 December 2023 €'000	31 December 2022 €'000
Prepayments	**(356)**	(114)
Trade receivables	**23**	188
Intercompany receivables	**1,189**	(4,324)
Accounts payable and other liabilities	**813**	857
Security deposits	**(759)**	51
Changes in operating assets and liabilities	**910**	(3,342)

Issuance of Shares

For the year ended	31 December 2023 €'000	31 December 2022 €'000
Issuance of shares	**—**	126
Issuance costs	**—**	—
Net proceeds	**—**	126

NOTES TO COMPANY FINANCIAL STATEMENTS (continued)

XXII. Supplemental Cash Flow Information (continued)

Changes in liabilities due to financing cash flows

Liabilities	Changes from Financing Cash Flows					Non-cash Changes			
	1 January 2023	Revolving Credit Facility drawdown	Revolving Credit Facility repayment	Lease payments	Financing fees	Amortisation of other financing costs	Interest accrual relating to derivatives	Change in fair value of hedging instruments	31 December 2023
Bank indebtedness	457,020	10,700	(94,700)	—	—	—	—	—	373,020
Deferred loan costs, net	(3,282)	—	—	—	(185)	1,802	—	—	(1,665)
Private placement debt	130,000	—	—	—	—	—	—	—	130,000
Deferred financing costs, net	(1,217)	—	—	—	(157)	185	—	—	(1,189)
Loan advances from subsidiary	68,852	—	—	—	—	—	—	—	68,852
Derivative financial instruments	9	—	—	—	—	—	—	2,064	2,073
Lease liability	8,684	—	—	(416)	—	—	—	—	8,268
Total liabilities from financing activities	**660,066**	**10,700**	**(94,700)**	**(416)**	**(342)**	**1,987**	**—**	**2,064**	**579,359**

Liabilities	Changes from Financing Cash Flows					Non-cash Changes			
	1 January 2023	Revolving Credit Facility drawdown	Revolving Credit Facility repayment	Lease payments	Financing fees	Amortisation of other financing costs	Interest accrual relating to derivatives	Change in fair value of hedging instruments	31 December 2023
Bank indebtedness	420,020	93,000	(56,000)	—	—	—	—	—	457,020
Deferred loan costs, net	(3,398)	—	—	—	(1,610)	1,726	—	—	(3,282)
Private placement debt	130,000	—	—	—	—	—	—	—	130,000
Deferred financing costs, net	(1,428)	—	—	—	—	211	—	—	(1,217)
Loans advances from subsidiary	68,852	—	—	—	—	—	—	—	68,852
Derivative financial instruments	—	—	—	—	—	—	9	—	9
Lease liability	9,090	—	—	(406)	—	—	—	—	8,684
Total liabilities from financing activities	623,136	93,000	(56,000)	(406)	(1,610)	1,936	9	—	660,066

XXIII. Related Party Transactions

During 2015 the Company financed the purchase of the Rockbrook Portfolio on behalf of its subsidiary, IRES Residential Properties Limited. The total amount receivable from IRES Residential Properties Limited amounted to €86.1 million as at 31 December 2023 (31 December 2022: €101.4 million), net of repayments. The total amount payable by the Company to IRES Residential Properties Limited amounted to €70.9 million as at 31 December 2023 (31 December 2022: €70.9 million). The loans are interest bearing and repayable on demand.

NOTES TO COMPANY FINANCIAL STATEMENTS (continued)

XXIII. Related Party Transactions (continued)

On 31st January 2022, the Company acquired 100% of the shares in IRES Fund Management Limited. The subsidiary provides asset management and property management services to the Company. For the year ended 31 December 2023 the asset management and property management fees totalled €3.9 million and €2.8 million respectively (31 December 2022: €4.2 million and €2.7 million). As at 31 December 2023 the total amount payable to IRES Fund Management Limited was €1.1 million (31 December 2022: €2.0 million) and the amount receivable was €0.2 million (31 December 2022: €0.5 million).

On 10th August 2022, the Company completed the acquisition of 100% of the shares of IRES Residential Properties (Tara View) Limited, formerly Bayvan Limited, and financed the development of the Tara View portfolio. The total amount receivable from IRES Residential Properties (Tara View) Limited was €43.3 million as at 31 December 2023 (31 December 2022: €48.2 million). The total amount payable to the subsidiary was €0.4 million as at 31 December 2023 (31 December 2022: €1.7 million).

For further information on related party transactions, refer to note 24 of the consolidated financial statements.

XXIV. Contingencies

For further information on contingent liabilities of the Company, refer to note 25 of the consolidated financial statements.

XXV. Loss per Share

For further information on earnings per share, refer to note 27 of the consolidated financial statements.

For the year ended	31 December 2023	31 December 2022
(Loss)/Profit attributable to shareholders (€'000)	**(96,238)**	(11,322)
Basic weighted average number of shares	**529,578,946**	529,560,795
Diluted weighted average number of shares(1)(2)	**529,578,946**	530,953,506
Basic (Loss)/Earnings per share (cents)	**(18.2)**	(2.1)
Diluted (Loss)/Earnings per share (cents)	**(18.2)**	(2.1)

(1) Diluted weighted average number of shares includes the additional shares resulting from dilution of the long-term incentive plan options as of the reporting period date.
(2) At 31 December 2023, 4,596,499 options (31 December 2022: 4,596,499) were excluded from the diluted weighted average number of ordinary shares because their effect would have been anti-dilutive.

For further information on EPRA Earnings per share, refer to note 27 of the consolidated financial statements.

EPRA Earnings per Share

For the year ended	31 December 2023	31 December 2022
(Loss)/Profit for the period (€'000)	**(96,238)**	(11,322)
Adjustments to calculate EPRA Earnings exclude:		
Changes in fair value on investment properties (€'000)	**122,252**	45,259
(Profit) or losses on disposal of investment property	**9**	(2,812)
Changes in fair value of derivative financial instruments (€'000)	**—**	—
EPRA Earnings (€'000)	**26,023**	31,125
Basic weighted average number of shares	**529,578,946**	529,560,795
Diluted weighted average number of shares	**529,578,946**	530,953,506
EPRA Earnings per share (cents)	**4.9**	5.9
EPRA Earnings per share (cents)	**4.9**	5.9

NOTES TO COMPANY FINANCIAL STATEMENTS (continued)

XXVI. Net Asset Value per Share

For further information on net asset value per share, refer to note 28 of the consolidated financial statements.

As at	31 December 2023		
	EPRA NRV	EPRA NTA[1]	EPRA NDV[2]
Net assets (€'000)	681,678	681,678	681,678
Adjustments to calculate EPRA net assets exclude:			
Fair value of derivative financial instruments (€'000)	163	163	—
Fair value adjustment for fixed interest rate debt (€'000)	—	—	22,858
Real estate transfer cost (€'000)[3]	59,043	—	—
EPRA net assets (€'000)	740,884	681,841	704,536
Number of shares outstanding	529,578,946	529,578,946	529,578,946
Diluted number of shares outstanding	529,578,946	529,578,946	529,578,946
Basic Net Asset Value per share (cents)	128.7	128.7	128,7
EPRA Net Asset Value per share (cents)	139.9	128.7	133.0

As at	31 December 2022		
	EPRA NRV	EPRA NTA[1]	EPRA NDV[2]
Net assets (€'000)	810,406	810,406	810,406
Adjustments to calculate EPRA net assets exclude:	—	—	—
Fair value of derivative financial instruments (€'000)	(4,764)	(4,764)	—
Fair value adjustment for fixed interest rate debt (€'000)	—	—	30,040
Real estate transfer cost (€'000)[3]	73,844	—	—
EPRA net assets (€'000)	879,486	805,642	840,446
Number of shares outstanding	529,578,946	529,578,946	529,578,946
Diluted number of shares outstanding	529,578,946	529,578,946	529,578,946
Basic Net Asset Value per share (cents)	153.0	153.0	153.0
EPRA Net Asset Value per share (cents)	166.1	152.1	158.7

(1) Following changes to the Irish REIT legislation introduced in October 2019, if a REIT disposes of an asset of its property rental business and does not (i) distribute the gross disposal proceeds to shareholders by way of dividend; (ii) reinvest them into other assets of its property rental business (whether by acquisition or capital expenditure) within a three-year window (being one year before the sale and two years after it); or (iii) use them to repay debt specifically used to acquire, enhance or develop the property sold, then the REIT will be liable to tax at a rate of 25% on 85% of the gross disposal proceeds, subject to having sufficient distributable reserves. For the purposes of EPRA NTA, the Group has assumed any such sales proceeds are reinvested within the required three year window.

(2) Deferred tax is assumed as per the IFRS statement of financial position. To the extent that an orderly sale of the Group's assets was undertaken over a period of several years, during which time (i) the Group remained a REIT; (ii) no new assets were acquired or sales proceeds reinvested; (iii) any developments completed were held for three years from completion; and (iv) those assets were sold at 31 June 2022 valuations, the sales proceeds would need to be distributed to shareholders by way of dividend within the required time frame or else a tax liability amounting to up to 25% of distributable reserves plus current unrealised revaluation gains could arise for the Group.

(3) This is the purchaser costs amount as provided in the valuation certificate. Purchasers' costs consist of items such as stamp duty on legal transfer and other purchase fees that may be incurred and which are deducted from the gross value in arriving at the fair value of investment for IFRS purposes. Purchasers' costs are in general estimated at 9.96% for commercial, 4.46% for residential apartment units and 12.46% for houses and duplexes.

NOTES TO COMPANY FINANCIAL STATEMENTS (continued)

XXVII. Directors' Remuneration, Employee Costs and Auditor Remuneration

For further information on Directors' remuneration and employee costs, refer to note 29 of the consolidated financial statements

XXVIII. Commitments

For further information on Commitments, refer to note 26 of the consolidated financial statements

XXIX. Subsequent Events

For further information on subsequent events, refer to note 31 of the consolidated financial statements.

Supplementary Information

Tallagh Cross West, Dublin 24

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Residential Units

SUPPLEMENTARY INFORMATION

Alternative performance measures

The Group has applied the European Securities and Markets Authority ("ESMA") 'Guidelines on Alternative Performance Measures' in this document. An alternative performance measure ("APM") is a measure of financial or future performance, position or cash flows of the Group which is not a measure defined by International Financial Reporting Standards ("IFRS"). The main APMs presented are European Public Real Estate Association ("EPRA") performance measures as set out in EPRA's Best Practices Recommendations Guidelines 2019 ("BPR"). These measures are defined by EPRA in order to encourage comparability with the real estate sector in Europe.

APM	Reconciled to IFRS measure	Reference	Definition
EPRA earnings	IFRS (loss)/profit for the financial year attributable to owners of the parent.	pg. 252	As EPRA earnings is used to measure the operational performance of the Group, it excludes all components not relevant to the underlying net income performance of the portfolio, such as the change in value of the underlying investments and any gains or losses from the sales of investment properties.
Adjusted EPRA earnings	IFRS (loss)/profit for the financial year attributable to owners of the parent.	pg. 28	As EPRA earnings is used to measure the operational performance of the Group, it excludes all components not relevant to the underlying net income performance of the portfolio, such one-off non-recurring costs and all the costs referenced above.
EPRA earnings per share ("EPS")	IFRS earnings per share	pg. 252	EPRA earnings per share ("EPS")
Adjusted EPRA earnings per share	IFRS earnings per share	pg. 28	Adjusted EPRA earnings per share
Adjusted EBITDA	IFRS (loss)/profit for the financial year attributable to owners of the parent.	pg. 22	Earnings before interest, tax, depreciation and amortisation adjusted for non-recurring costs
EPRA Net Reinstatement Value ("NRV")	Total assets less total liabilities as calculated under IFRS (IFRS NAV)	pg. 253	This assumes that entities never sell assets and aims to represent the value required to rebuild the entity.
EPRA Net Reinstatement Value ("NRV") per share	Total assets less total liabilities as calculated under IFRS (IFRS NAV)	pg. 253	EPRA NRV calculated on a diluted basis.
EPRA Net Tangible Assets ("NTA")	Total assets less total liabilities as calculated under IFRS (IFRS NAV)	pg. 253	Assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.
EPRA Net Tangible Assets ("NTA") per share	Total assets less total liabilities as calculated under IFRS (IFRS NAV)	pg. 253	EPRA NTA calculated on a diluted basis.
EPRA Net Disposal Value ("NDV")	Total assets less total liabilities as calculated under IFRS (IFRS NAV)	pg. 253	Represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.

SUPPLEMENTARY INFORMATION

APM	Reconciled to IFRS measure	Reference	Definition
EPRA Net Disposal Value ("NDV") per share	Total assets less total liabilities as calculated under IFRS (IFRS NAV)	pg. 253	EPRA NDV calculated on a diluted basis.
EPRA Net Initial Yield ("EPRA NIY")	n/a	pg. 254	Inherent yield of the completed portfolio using passing rent at the reporting date.
EPRA vacancy rate	n/a	pg. 254	ERV of the vacant space over the total ERV of the completed portfolio.
IFRS net asset value ("IFRS NAV")	Total equity per the consolidated statement of financial position)	pg. 29	Total assets less total liabilities as calculated under IFRS
Loan to value ("LTV")/ Group Total Gearing	n/a	pg. 5	Net debt as a proportion of the value of investment properties.
EPRA Loan to value ("LTV")	n/a	pg. 255	Net debt as a proportion of total assets.
Net debt	Financial liabilities	pg. 255	Financial liabilities net of cash balances (as reduced by the amounts collected from tenants for deposits, sinking funds and similar) available.
Annualised Passing rent	n/a	pg. 254	Annualised gross property rent receivable on a cash basis as at the reporting date.
Average Monthly Rent ("AMR")	n/a	pg. 26	Actual monthly residential rents, net of vacancies, divided by the total nuber of residential units owned as at the reporting date.
Occupancy	n/a	pg. 26	Total number of residential units occupied over the total number of residential units owned as at the reporting date.
Gross Yield at Fair Value	n/a	pg. 27	Annualised passing rent at the reporting date divided by the fair market value of the investment properties, excludig development land and investment properties under development, as at the reporting date.
EPRA Capital Expenditure Disclosure	Amounts expended on investment property, i.e. property purchases and development and refurbishment expenditure	pg. 254	Property-related capital expenditure analysed so as to illustrate the element of such expenditure that is 'maintenance' rather than investment.

SUPPLEMENTARY INFORMATION

EPRA Performance Measure

	Unit	31 December 2023	31 December 2022
EPRA Earnings	€'000	**27,585**	30,949
EPRA EPS	€ cents/share	**5.2**	5.8
Diluted EPRA EPS	€ cents/share	**5.2**	5.8
EPRA NRV	€'000	**763,470**	918,957
EPRA NRV per share	€ cents/share	**144.2**	173.5
EPRA NTA	€'000	**697,494**	842,589
EPRA NTA per share	€ cents/share	**131.7**	159.1
EPRA NDV	€'000	**727,389**	887,965
EPRA NDV per share	€ cents/share	**137.4**	167.7
EPRA NIY	%	**4.9%**	4.4%
EPRA topped up NIY	%	**4.9%**	4.4%
EPRA vacancy rate	%	**0.9%**	1.2%
EPRA LTV	%	**45.6%**	43.8%

EPRA Earnings per Share

For the year ended	31 December 2023	31 December 2022
Profit for the year (€'000)	**(116,014)**	(11,820)
Adjustments to calculate EPRA Earnings exclude:		
Changes in fair value on investment properties (€'000)	**141,791**	45,599
Loss/(profit) on disposal of investment property	**418**	(2,795)
Changes in fair value of derivative financial instruments (€'000)	**(86)**	(35)
Taxation on disposal of properties	**1,476**	—
EPRA Earnings (€'000)	**27,585**	30,949
Basic weighted average number of shares	**529,758,946**	529,560,795
Diluted weighted average number of shares	**529,758,946**	530,953,506
EPRA Earnings per share (cents)	**5.2**	5.8
EPRA Diluted Earnings per share (cents)	**5.2**	5.8

SUPPLEMENTARY INFORMATION

EPRA NAV per Share

As at 31 December 2023	EPRA NRV	EPRA NTA[1]	EPRA NDV[2]
Net assets (€'000)	**697,331**	**697,331**	**697,331**
Adjustments to calculate EPRA net assets exclude:			
Fair value of derivative financial instruments (€'000)	**163**	**163**	—
Fair value adjustment for fixed interest rate debt (€'000)	—	—	**30,058**
Real estate transfer tax (€'000)[3]	**65,976**	—	—
EPRA net assets (€'000)	**763,470**	**697,494**	**727,389**
Number of shares outstanding	**529,758,946**	**529,758,946**	**529,758,946**
Diluted number of shares outstanding	**529,758,946**	**529,758,946**	**529,758,946**
Basic Net Asset Value per share (cents)	**131.7**	**131.7**	**131.7**
EPRA Net Asset Value per share (cents)	**144.2**	**131.7**	**137.4**

As at 31 December 2022	EPRA NRV	EPRA NTA[1]	EPRA NDV[2]
Net assets (€'000)	847,353	847,353	847,353
Adjustments to calculate EPRA net assets exclude:			
Fair value of derivative financial instruments (€'000)	(4,764)	(4,764)	—
Fair value adjustment of fixed interest rate debt (€'000)	—	—	40,612
Real estate transfer tax (€'000)[3]	76,368	—	—
EPRA net assets (€'000)	918,957	842,589	887,965
Number of shares outstanding	529,578,946	529,578,946	529,578,946
Diluted number of shares outstanding	529,578,946	529,578,946	529,578,946
Basic Net Asset Value per share (cents)	160.0	160.0	160.0
EPRA Net Asset Value per share (cents)	173.5	159.1	167.7

(1) Following changes to the Irish REIT legislation introduced in October 2019, if a REIT disposes of an asset of its property rental business and does not (i) distribute the gross disposal proceeds to shareholders by way of dividend; (ii) reinvest them into other assets of its property rental business (whether by acquisition or capital expenditure) within a three-year window (being one year before the sale and two years after it); or (iii) use them to repay debt specifically used to acquire, enhance or develop the property sold, then the REIT will be liable to tax at a rate of 25% on 85% of the gross disposal proceeds, subject to having sufficient distributable reserves. For the purposes of EPRA NTA, the Group has assumed any such sales proceeds are reinvested within the required three year window.

(2) Deferred tax is assumed as per the IFRS statement of financial position. To the extent that an orderly sale of the Group's assets was undertaken over a period of several years, during which time (i) the Group remained a REIT; (ii) no new assets were acquired or sales proceeds reinvested; (iii) any developments completed were held for three years from completion; and (iv) those assets were sold at 31 December 2023 valuations, the sales proceeds would need to be distributed to shareholders by way of dividend within the required time frame or else a tax liability amounting to up to 25% of distributable reserves plus current unrealised revaluation gains could arise for the Group.

(3) This is the purchaser costs amount as provided in the valuation certificate. Purchasers' costs consist of items such as stamp duty on legal transfer and other purchase fees that may be incurred and which are deducted from the gross value in arriving at the fair value of investment for IFRS purposes. Purchasers' costs are in general estimated at 9.96% for commercial, 4.46% for residential apartment units and 12.46% for houses and duplexes.

SUPPLEMENTARY INFORMATION

EPRA Net Initial Yield (NIY)

As at	31 December 2023 €000	31 December 2022 €000
Annualised passing rent	**85,288**	87,401
Less: Operating expenses[1] (property outgoings)	**(19,341)**	(19,665)
Annualised net rent	**65,947**	67,736
Notional rent expiration of rent-free periods[2]	**—**	—
Topped-up net annualised rent	**65,947**	67,736
Completed investment properties	**1,268,550**	1,477,168
Add: Allowance for estimated purchaser's cost	**65,976**	76,368
Gross up completed portfolio valuation	**1,334,526**	1,553,536
EPRA Net Initial Yield	**4.9%**	4.4%
EPRA topped-up Net Initial Yield	**4.9%**	4.4%

(1) Calculated based on the net rental income to operating revenue ratio of 77.3% for 2023 (77.5% for 2022).
(2)For the year ended 31 December 2023

EPRA Vacancy Rate[1]

As at	31 December 2023 €000	31 December 2022 €000
Estimated rental value of vacant space	**736**	974
Estimated rental value of the portfolio	**80,434**	82,648
EPRA Vacancy Rate	**0.9%**	1.2%

(1) Based on the residential portfolio

EPRA Capital Expenditure Disclosure

EPRA recommends that capital expenditures, as stated on the financial statements, be split into four components based on the nature of the assets the expenditures were on to allow for enhanced comparability. Namely, the categories are acquisitions, development, like-for-like portfolio, and other items.

For the year ended	31 December 2023 €000	31 December 2022 €000
Acquisitions	**—**	423
Development	**—**	4,632
Like-for-like[1]	**7,590**	8,346
Other items	**—**	—
Total Capital Expenditure	**7,590**	13,401

(1) For 2023, Like-for-like is defined as properties held as of 31 December 2022.

SUPPLEMENTARY INFORMATION

EPRA LTV

As at	31 December 2023 €000	31 December 2022 €000
Loans & Borrowings	**567,480**	651,975
Net payables	**16,565**	14,474
Lease liability	**8,268**	8,684
Net derivative financial instruments	**788**	(7,805)
Cash and cash equivalents	**(7,864)**	(6,965)
Net debt	**585,237**	660,363
		—
Investment properties	**1,274,360**	1,498,998
Property, plant and equipment	**8,208**	8,718
Total Property Value	**1,282,568**	1,507,716
EPRA LTV	**45.6%**	43.8%

GLOSSARY OF TERMS

The following explanations are not intended as technical definitions, but rather are intended to assist the reader in understanding terms used in this report.

"Adjusted General and Administrative Expenses"
General and administrative expenses adjusted to remove non-recurring costs;

"Annualised Passing Rent"
Defined as the actual monthly residential and commercial rents under contract with residents as at the stated date, multiplied by 12, to annualise the monthly rent;

"Average Monthly Rent (AMR)"
Actual monthly residential rents, net of vacancies, as at the stated date, divided by the total number of apartments owned in the property;

"Basic Earnings per share (Basic EPS)"
Calculated by dividing the profit/(loss) for the reporting period attributable to ordinary shareholders of the Company in accordance with IFRS by the weighted average number of ordinary shares outstanding during the reporting period;

"Companies Act, 2014"
The Irish Companies Act, 2014;

"Diluted weighted average number of shares"
Includes the additional shares resulting from dilution of the long-term incentive plan options as of the reporting period date;

"Adjusted EBITDA"
Represents earnings before lease interest, financing costs, depreciation of property, plant and equipment, gain or loss on disposal of investment property, net movement in fair value of investment properties and gain or loss on derivative financial instruments and non-recurring costs to show the underlying operating performance of the Group;

"Adjusted EBITDA Margin"
Calculated as Adjusted EBITDA over the revenue from investment properties;

"EPRA"
The European Public Real Estate Association;

"EPRA Diluted EPS"
Calculated by dividing EPRA Earnings for the reporting period attributable to shareholders of the Company by the diluted weighted average number of ordinary shares outstanding during the reporting period. EPRA Earnings measures the level of income arising from operational activities. It is intended to provide an indicator of the underlying income performance generated from leasing and management of the property portfolio, while taking into account dilutive effects and therefore excludes all components not relevant to the underlying net income performance of the portfolio, such as unrealised changes in valuation and any gains or losses on disposals of properties;

"EPRA Earnings"
EPRA Earnings is the profit after tax excluding revaluations and gains and losses on disposals and associated taxation (if any);

"Adjusted EPRA Earnings"
Represents EPRA Earnings adjusted for non-recurring costs to show the underlying EPRA Earnings of the Group;

"EPRA EPS"
Calculated by dividing EPRA Earnings for the reporting period attributable to shareholders of the Company by the weighted average number of ordinary shares outstanding during the reporting period. EPRA Earnings measures the level of income arising from operational activities. It is intended to provide an indicator of the underlying income performance generated from leasing and management of the property portfolio and therefore excludes all components not relevant to the underlying net income performance of the portfolio, such as unrealised changes in valuation and any gains or losses on disposals of properties;

"Adjusted EPRA EPS"
EPRA EPS calculated using Adjusted EPRA Earnings;

"EPRA NAV"
EPRA introduced three EPRA NAV metrics to replace the existing EPRA NAV calculation that was previously being presented. The three EPRA NAV metrics are EPRA Net Reinstatement Value ("EPRA NRV'), EPRA Net Tangible Asset ("EPRA NTA") and EPRA Net Disposal Value ("EPRA NDV"). Each EPRA NAV metric serves a different purpose. The EPRA NRV measure is to highlight the value of net assets on a long term basis. EPRA NTA assumes entities buy and sell assets, thereby crystallising certain levels of deferred tax liability. Any gains arising from the sale of a property are expected either to be reinvested for growth or 85% of the net proceeds are distributed to the shareholders to maintain the REIT status. Lastly, EPRA NDV provides the reader with a scenario where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liabilities.

"EPRA NAV per share"
Calculated by dividing each of the EPRA NAV metric by the diluted number of ordinary shares outstanding as at the end of the reporting period;

"Equivalent Yields (formerly referred as Capitalisation Rate)"
The rate of return on a property investment based on current and projected future income streams that such property investment will generate. This is derived by the external valuers and is used to estimate the term and reversionary yields;

GLOSSARY OF TERMS

"Group Total Gearing or Net Loan to Value (Net LTV)"
Calculated by dividing the Group's aggregate borrowings (net of cash) by the fair value of the Group's property portfolio;

"Loan to Value (LTV)"
Calculated by dividing the Group's aggregate borrowings by the fair value of the Group's property portfolio;

"Gross Yield"
Calculated as the Annualised Passing Rent as at the stated date, divided by the fair value of the investment properties, excluding fair value of development land and investment properties under development as at the reporting date;

"Irish REIT Regime"
Means the provisions of the Irish laws and regulations establishing and governing real estate investment trusts, in particular, but without limitation, section 705A of the Taxes Consolidation Act, 1997 (as inserted by section 41(c) of the Finance Act, 2013), as amended from time to time;

"LEED"
LEED stands for Leadership in Energy and Environmental Design. It is a rating system to certify sustainable buildings and neighbourhoods;

"Market Capitalisation"
Calculated as the closing share price multiplied by the number of shares outstanding;

"Net Asset Value" or "NAV"
Calculated as the value of the Group's or Company's assets less the value of its liabilities measured in accordance with IFRS;

"Net Asset Value per share"
Calculated by dividing NAV by the basic number of ordinary shares outstanding as at the end of the reporting period;

"Net Rental Income (NRI)"
Measured as property revenue less property operating expenses;

"Net Rental Income Margin"
Calculated as the NRI over the revenue from investment properties;

"Occupancy Rate"
Calculated as the total number of apartments occupied over the total number of apartments owned as at the reporting date;

"Property Income"
As defined in section 705A of the Taxes Consolidation Act, 1997. It means, in relation to a company or group, the Property Profits of the Company or Group, as the case may be, calculated using accounting principles, as: (a) reduced by the Property Net Gains of the Company or Group, as the case may be, where Property Net Gains arise, or (b) increased by the Property Net Losses of the Company or Group, as the case may be, where Property Net Losses arise;

"Property Profits"
As defined in section 705A of the Taxes Consolidation Act, 1997;

"Property Net Gains"
As defined in section 705A of the Taxes Consolidation Act, 1997;

"Property Net Losses"
As defined in section 705A of the Taxes Consolidation Act, 1997;

"Property Rental Business"
As defined in section 705A of the Taxes Consolidation Act, 1997;

"Sq. ft."
Square feet;

"Sq. m."
Square metres;

"Stabilised NRI"
Measured as property revenue less property operating expenses adjusted for market-based assumptions such as long-term vacancy rates, management fees, repairs and maintenance;

"Vacancy Costs"
Defined as the value of the rent on unoccupied residential apartments and commercial units for the specified period.

FORWARD-LOOKING STATEMENTS

I-RES Disclaimer

This Report includes statements that are, or may be deemed to be, forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “may”, “will”, “should”, “expect”, “anticipate”, “project”, “estimate”, “intend”, “continue”, “maintain”, “forecast”, “potential”, “target” or “believe”, or, in each case, their negative or other comparable terminology, or by discussions of strategy, plans, objectives, trends, goals, projections, future events or intentions. Such forward-looking statements are based on the beliefs of management as well as assumptions made and information currently available to the Company. Forward-looking statements speak only as of the date of this report and save as required by law, the Irish Takeover Rules, the Euronext Dublin Listing Rules and/or by the rules of any other securities regulatory authority, the Company expressly disclaims any obligation or undertaking to release any update of, or revisions to, any forward-looking statements or risk factors in this report, including any changes in its expectations, new information, or any changes in events, conditions or circumstances on which these forward-looking statements are based.

Due to various risks and uncertainties, actual events or results or actual performance of the Company may differ materially from those reflected or contemplated in such forward-looking statements. No representation or warranty is made as to the achievement or reasonableness of and no reliance should be placed on, such forward-looking statements. There is no guarantee that the Company will generate a particular rate of return.

SHAREHOLDER INFORMATION

Head Office
South Dock House
Hanover Quay
Dublin 2, Ireland
D02 XW94
Tel: +353 (0)1 557 0974
www.i-res.ie

Directors
Hugh Scott-Barrett (Chair)
Margaret Sweeney (CEO)
Brian Fagan (CFO)
Declan Moylan
Denise Turner
Joan Garahy
Phillip Burns
Stefanie Frensch
Tom Kavanagh

Investor Information
Analysts, shareholders and others seeking financial data should visit I-RES' website at https://investorrelations.iresreit.ie or contact:

Chief Executive Officer
Margaret Sweeney
Tel: +353 (0)1 557 0974
E-mail: investors@iresreit.ie

Company Secretary
Anna-Marie Curry
Tel: +353 (0) 1 557 0974
E-mail: companysecretary@iresreit.ie

Registrar And Transfer Agent
Computershare Investor Services (Ireland) Limited
3100 Lake Drive
Citywest Business Campus
Dublin 24, Ireland
Tel: +353 (0)1 447 5566

Depositary
BNP Paribas Securities Services, Dublin Branch
Trinity Point
10-11 Leinster Street South
Dublin 2, Ireland

Auditor
KPMG
1 Stokes Place
St. Stephen's Green
Dublin 2, Ireland

Legal Counsel
McCann FitzGerald
Riverside One
Sir John Rogerson's Quay
Dublin 2, D02 X576 Ireland

Sponsor and Corporate Broker
Davy
Davy House
49 Dawson Street
Dublin 2, D02 PY05
Ireland

Corporate Broker
Barclays Investment Bank
1 Churchill Place
Canary Wharf
London, E14 5HP
United Kingdom

Stock Exchange Listing
Shares of I-RES are listed on Euronext Dublin under the trading symbol "IRES".

NOTES

www.i-res.ie