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If you sell or have sold or otherwise transferred all of your Cairn Homes p.l.c. shares, please forward this document and the accompanying Form of Proxy to the purchaser or transferee or the stockbroker, or other agent through whom the sale or transfer is/was effected for onward transmission to the purchaser or transferee.

ANNUAL GENERAL MEETING

The logo for Cairn, featuring the word "CAIRN" in white, bold, sans-serif capital letters centered within a solid red rectangular background.

Wednesday, 17 May 2017 at 11.00 a.m.

at The Westbury Hotel, Grafton Street, Dublin 2, D02 CH66

The Group's 2016 Annual Report is available to view online at:

www.cairnhomes.com

Notice of the Annual General Meeting of Cairn Homes p.l.c. to be held at The Westbury Hotel, Grafton Street, Dublin 2, D02 CH66 on Wednesday, 17 May 2017 at 11.00 a.m., is set out in this document, accompanied, for ordinary shareholders, by a Form of Proxy for use in connection with the resolutions at the meeting. To be valid, the Form of Proxy must be returned so as to be received by the Company's Registrar, Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, D18 Y2X6, Ireland not later than 11.00 a.m. on Monday, 15 May 2017.

Cairn Homes p.l.c.

(Incorporated in Ireland under the Companies Act 2014 – registered number 552564)

Directors:

John Reynolds - *Independent Non-Executive Chairman*
Michael Stanley - *Chief Executive Officer, Co-Founder and Executive Director*
Alan McIntosh - *Executive Director and Co-Founder*
Eamonn O'Kennedy - *Group Finance Director **
Andrew Bernhardt - *Independent Non-Executive Director*
Gary Britton - *Independent Non-Executive Director*
Giles Davies - *Independent Non-Executive Director*

7 Grand Canal
Grand Canal Street Lower
Dublin 2, D02 KW81
Ireland

Susan O'Connor - *Company Secretary*

Chairman's letter to Shareholders

6 April 2017

Dear Shareholder,

The Annual General Meeting (**AGM**) of Cairn Homes p.l.c. (the **Company**) will be held at 11.00 a.m. on Wednesday, 17 May 2017 at The Westbury Hotel, Grafton Street, Dublin 2 D02 CH66.

I believe that the AGM provides a worthwhile and meaningful opportunity for members to raise questions, engage with the Directors and to vote on the business of the meeting.

Even if you are not able to come to the meeting in person, all ordinary shareholders can still vote and I would urge all ordinary shareholders, regardless of the number of ordinary shares that you own, to complete, sign and return your proxy form as soon as possible but, in any event, so as to reach Computershare Investor Services (Ireland) Limited by **11.00 a.m. on Monday, 15 May 2017**. Alternatively, ordinary shareholders may register their proxy appointment and voting instructions electronically via the internet, details of which are provided in the notes section on pages 10, 11 and 12 of this document.

The Annual Report and Financial Statements for the year-ended 31 December 2016 are available to view and download from the Company's website, www.cairnhomes.com.

The formal Notice of AGM appears on pages 6, 7 and 8 of this document and this letter explains the 11 items to be transacted at the AGM.

Resolution 1 - Financial Statements, Annual Report and Affairs of the Company

Resolution 1 is asking members to receive and consider the Financial Statements and the reports of the Directors and Auditors for the year ended 31 December 2016 and a review of the affairs of the Company. It should be noted that Resolution 1 is an advisory resolution and is not binding on the Company.

Resolution 2 - Report of the Remuneration Committee

Resolution 2 is asking members to receive and consider the Report of the Remuneration Committee as set out on pages 68 to 89 of the 2016 Annual Report. It should be noted that Resolution 2 is an advisory resolution and is not binding on the Company.

Resolution 3 - Re-appointment of Directors

Resolution 3 deals with the re-appointment of Directors. In accordance with the provisions of the UK Corporate Governance Code, each of the current Directors will retire from office at the end of the AGM and will offer themselves for re-appointment. The names of the Directors together with a detailed description of the skills, expertise and experience that each of the Directors brings to the Board are set out on pages 34 to 37 of the 2016 Annual Report.

The Board regularly reviews the performance of Directors and is satisfied that all the Directors proposed for re-appointment have performed effectively and have demonstrated commitment to their respective roles.

Details of the process used to evaluate the effectiveness of the Board and of individual Directors are set out on page 53 of the 2016 Annual Report.

* As announced on 11 January 2017, Eamonn O'Kennedy has confirmed his intention to leave the Group once a replacement Group Finance Director is appointed. It is proposed that he be eligible for re-election as a director pending such appointment being made.

Resolution 4 - Remuneration of the Auditors

Resolution 4 authorises the Directors to determine the remuneration of the Company's Auditors.

Resolution 5 - Notice of General Meetings

Resolution 5 allows the Directors to call a general meeting (other than the AGM) on 14 clear days' notice where the purpose of the meeting is solely to consider one or more ordinary resolutions. Section 1102 of the Companies Act 2014 envisages that on an annual basis a company may pass a resolution such as this Resolution 5 to preserve its flexibility to call certain extraordinary general meetings, where appropriate, using the shorter notice period (14 clear days). This authority will be effective until the next AGM of the Company, when it is intended that a similar resolution will be proposed. This resolution is a common one at annual general meetings of companies listed on the Official List of the Irish and/or London Stock Exchanges.

Resolution 6 - Board authority to allot shares

Resolution 6 authorises the Directors to allot shares up to an aggregate nominal value of €229,758 (representing approximately 33.3% of the issued ordinary share capital of the Company (excluding treasury shares) as at 6 April 2017 (the latest practicable date prior to the publication of this letter)). The Directors have no current intention of exercising this authority. If adopted, this authority will expire at the conclusion of the next AGM of the Company or at midnight on the date which is 15 months after the passing of the resolution (whichever is earlier) unless previously varied, revoked or renewed. This resolution is a common one at annual general meetings of companies listed on the Official List of the Irish and/or London Stock Exchanges and is in line with institutional shareholder guidance.

Resolution 7 - Adoption of the Cairn Homes p.l.c. Long Term Incentive Plan

Resolution 7 is asking members to approve the adoption of a new long term incentive plan. It should be noted that Resolution 7 is an advisory resolution and is not binding on the Company. In the Company's 2015 IPO prospectus, the Board stated its intention to introduce a long term incentive plan under which employees would be offered the opportunity to acquire shares. This intention was subsequently incorporated in the 2015 Remuneration Policy where the Remuneration Committee confirmed it would develop a plan once the Company had completed its initial development phase. Consequently, the Remuneration Committee has over the last few months undertaken a review of possible long term incentive structures. The review was comprehensive, covering type of vehicle, quantum, time horizons and performance measures, with the aim of attracting, motivating and retaining the talent required to steer our business forward as well as ensuring alignment with shareholders. The review also took into account typical practice at sector comparators as well as institutional shareholder guidelines.

Following the review, the Board is proposing to introduce the Cairn Homes p.l.c. Long Term Incentive Plan ("**LTIP**") which will, going forward, be the Company's primary long term incentive vehicle.

The LTIP will provide for annual awards of performance shares of up to 100% of salary (200% in exceptional circumstances relating specifically to recruitment) with actual grants based on an individual's performance and potential. The award limit of 100% of salary has been set with reference to the typical opportunities at other listed construction and real estate companies of similar size to the Company; and the additional headroom in exceptional circumstances will help ensure the Company has the flexibility to address specific situations as required.

All employees will be eligible to participate in the LTIP, with the exception of the holders of the Founder Shares in the capital of the Company (CEO Michael Stanley, Executive Director Alan McIntosh, and Managing Director, Corporate Development, Kevin Stanley) for the duration of the performance period relating to their Founder Shares.

LTIP awards will be subject to performance targets set over a 3 year period, with an additional 2 year holding period for senior executives as defined by the Company based on their role, reflecting current trends in LTIP design.

LTIP vesting will be based on 3 year financial performance. For the first cycle, the vesting will be based 80% on 3 year cumulative earnings per share, reinforcing the delivery of the Company's ambitious site execution plans and sales of units over the next 3 years, and 20% on 3 year Total Shareholder Return, helping ensure alignment with our shareholders. The performance targets for the first cycle are disclosed on page 82 of the Report of the Remuneration Committee.

As indicated in the 2015 Annual Report, vested awards under the LTIP will be funded using newly-issued shares subject to a limit of no more than 5% of issued ordinary share capital over any ten-year period.

The Company is proposing to adopt new general share ownership guidelines requiring the CEO to own ordinary shares in the capital of the Company equivalent to 3x his salary and for other senior executives it is proposed that the requirement would be to own ordinary shares in the capital of the Company equivalent to their annual salary. Executives in the LTIP will be required to hold 50% of any vested LTIP shares until the applicable ownership level is achieved.

The Board believes that the proposed LTIP will help to reinforce the Company's strategy, is in the interests of shareholders as a whole and will assist the Company in continuing to attract, motivate and retain the talent it requires.

The principal terms of the LTIP are summarised in the Appendix to this document. A copy of the rules of the LTIP will be available for inspection for at least 15 minutes prior to and during the AGM, and will also be available on request by contacting Susan.OConnor@cairnhomes.com.

Resolutions 8 & 9 - Disapplication of statutory pre-emption rights in certain circumstances

The Companies Act 2014 sets out pre-emption rights for shareholders where new equity securities (essentially ordinary shares in the case of the Company) are to be allotted for cash. The Companies Act also provides for these pre-emption rights to be modified or disapplied. The London based Pre-Emption Group has issued guidelines for such modifications or disapplications.

Resolution 8 is asking members to renew the Directors' authority to disapply the strict statutory pre-emption provisions in certain circumstances, being: (i) rights issues, open offers or other pre-emptive offers and subject thereto by way of placing or otherwise of any shares not taken up in such issue or offer; and/or (ii) for allotments (other than by way of pre-emptive offers) up to an aggregate nominal value of €34,464 which represents approximately 5% of the total nominal value of the Company's issued ordinary share capital (excluding treasury shares) as at 6 April 2017 (the latest practicable date prior to the publication of this document).

Resolution 9 is also asking members to authorise the Directors to disapply the strict statutory pre-emption provisions in additional circumstances, being for allotments (other than by way of pre-emptive offers) up to an additional aggregate nominal value of €34,464 which represents a further 5% of the total nominal value of the Company's issued ordinary share capital (excluding treasury shares) as at 6 April 2017 (the latest practicable date prior to the publication of this document) for transactions which the Directors determine to be an acquisition or specified capital investment as contemplated by the Pre-Emption Group's Statement of Principles (the **Pre-Emption Principles**).

If adopted, the authorities granted pursuant to Resolutions 8 & 9 will expire at the conclusion of the next AGM of the Company or on the date which is 15 months after the passing of the resolution (whichever is earlier) unless previously varied, revoked or renewed.

These resolutions are common at annual general meetings of companies on the Official List of the Irish and/or London Stock Exchanges and are in line with institutional shareholder guidance, and in particular with the Pre-Emption Principles. The Pre-Emption Principles were revised in March 2015 to allow the authority for an issue of equity securities for cash otherwise than in connection with a pre-emptive offer to be increased from 5% to 10% of a company's issued ordinary share capital provided that the company intends to use the additional 5% authority only in connection with an acquisition or capital investment. In May 2016, the Pre-Emption Group published template resolutions outlining good practice in requests for the disapplication of statutory pre-emption rights. These template resolutions propose separate resolutions to authorise companies to: (i) disapply pre-emption rights up to 5% of the issued ordinary share capital and (ii) disapply pre-emption rights for an additional 5% for transactions which the Directors determine to be an acquisition or other capital investment as contemplated by the Pre-Emption Principles. In accordance with the Pre-Emption Principles, the Board confirms that it does not intend to issue under Resolution 8 (b) equity securities for cash (other than any issues of equity securities pursuant to (i) Resolution 9 or (ii) any other specific disapplication of pre-emption rights) representing in any rolling three year period more than 7.5% of the Company's issued ordinary share capital (excluding treasury shares) to those who are not existing shareholders. The Board confirms in relation to Resolution 9 that any use of the authority in excess of 5% of the Company's issued ordinary share capital would be only in connection with an acquisition or specified capital investment. For this purpose and reflecting the Pre-Emption Principles, an acquisition or specified capital investment means one that is announced contemporaneously with the issue of share capital, or that has taken place in the preceding six-month period and is disclosed in the announcement of the issue.

Resolution 10 - Authority to make market purchases

Resolution 10 is asking members to give the Company (and its subsidiaries) the authority to make market purchases and overseas market purchases provided that the maximum number of ordinary shares authorised to be acquired shall not exceed 10% of the issued ordinary share capital of the Company as at the date of the passing of this Resolution 10. If adopted, this authority will expire at the conclusion of the next AGM of the Company or on the date which is 15 months after the passing of the resolution (whichever is earlier) unless previously varied, revoked or renewed.

While the Directors do not have any current intention to exercise this power, this authority and flexibility is being sought as it is common practice for companies on the Official List of the Irish and/or London Stock Exchanges. Furthermore, such purchases would be made only at price levels which the Directors considered to be in the best interests of the members generally, after taking into account the Company's overall financial position.

In addition, the authority being sought from members will provide that the minimum price (excluding expenses) which may be paid for such ordinary shares shall be an amount not less than the nominal value of the ordinary shares and the maximum price will be the lower of:

- (a) 5% above the average of the closing prices of the Company's ordinary shares taken from the London Stock Exchange Daily Official List for the five United Kingdom business days prior to the day the purchase is made (the **Market Purchase Appropriate Price**) or if on any such business day there shall be no dealing of ordinary shares on the trading venue where the purchase is carried out or a closing price is not otherwise available, the Market Purchase Appropriate Price shall be determined by such other method as the Directors shall determine, in their sole discretion, to be fair and reasonable; and
- (b) the amount stipulated by Article 3(2) of the Commission Delegated Regulation (EU) 2016 / 1052 relating to such regulatory technical standards for the conditions applicable to buy-backs and stabilisation (being the value of such an ordinary share calculated on the basis of the higher of the price quoted for: (i) the last independent trade; and (ii) the highest current independent purchase bid for any number of such ordinary shares on the trading venue where the purchase pursuant to the authority conferred by the Resolution will be carried out).

Resolution 11 - Authority to re-issue treasury shares

Resolution 11 is asking members to give the Company the authority to re-allot treasury shares pursuant to Section 1078 of the Companies Act 2014 and the re-allotment price range at which treasury shares may be re-allotted is as follows:

- (a) the maximum price at which a treasury share may be re-allotted off-market shall be an amount equal to 120% of the **Treasury Share Appropriate Price**; and
- (b) the minimum price at which a treasury share may be re-allotted off-market shall be an amount equal to 95% of the **Treasury Share Appropriate Price** (provided always that no treasury share shall be issued at a price lower than its nominal value).

If adopted, this authority will expire on close of business on the date of the next AGM of the Company or on the date which is 15 months after the passing of the resolution (whichever is earlier), unless previously varied, revoked or renewed. (For the purpose of the resolution, **Treasury Share Appropriate Price** means the average of the closing prices of the Company's ordinary shares taken from the London Stock Exchange Daily Official List in each case for the five United Kingdom business days prior to the day the re-issue is made (or if on any business day there shall be no dealing of ordinary shares on the trading venue or a closing price is not otherwise available, the Treasury Share Appropriate Price shall be determined by such other method as the Directors shall determine, in their sole discretion, to be fair and reasonable)).

Recommendation

The Board of Directors is satisfied that each of the resolutions set out in the Notice of AGM are in the best interests of the Company and its members as a whole. Accordingly, your Board of Directors unanimously recommends that you vote in favour of each of these resolutions to be proposed at the AGM.

Yours faithfully,

John Reynolds
Chairman

NOTICE OF ANNUAL GENERAL MEETING
OF
CAIRN HOMES p.l.c. (the "Company")

NOTICE is hereby given that the Annual General Meeting of the Company will be held at The Westbury Hotel, Grafton Street, Dublin 2, D02 CH66 on Wednesday, 17 May 2017 at 11.00 a.m. ("AGM") for the following purposes:

To consider and, if thought fit, to pass the following resolutions as **ordinary resolutions**:

1. To receive and consider the accounts for the year ended 31 December 2016 together with the reports of the Directors and Auditors thereon and a review of the affairs of the Company.
2. To receive and consider the Report of the Remuneration Committee for the year ended 31 December 2016.
3. By separate resolutions, to re-appoint the following Directors:
 - a) John Reynolds;
 - b) Michael Stanley;
 - c) Alan McIntosh;
 - d) Eamonn O'Kennedy;
 - e) Andrew Bernhardt;
 - f) Gary Britton; and
 - g) Giles Davies.
4. To authorise the Directors to determine the remuneration of the Auditors.
5. That, subject to and in accordance with Section 1102 of the Companies Act 2014, the Directors of the Company be and are hereby generally and unconditionally authorised to call a general meeting, other than an annual general meeting or a meeting for the passing of a special resolution, on not less than 14 clear days' notice (as defined in the Constitution of the Company). The authority hereby conferred shall expire at the conclusion of the next Annual General Meeting of the Company held after the date of the passing of this Resolution unless previously renewed, varied or revoked by the Company in general meeting.
6. The Directors be and are hereby generally and unconditionally authorised, pursuant to Section 1021 of the Companies Act 2014, to exercise all of the powers of the Company to allot and issue all relevant securities of the Company (within the meaning of Section 1021 of the Companies Act 2014) up to an aggregate nominal amount of €229,758 representing approximately 33.3% of the aggregate nominal value of the issued ordinary share capital of the Company as at 6 April 2017 (excluding treasury shares). The authority hereby conferred shall commence at the time of the passing of this Resolution and shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this Resolution or at midnight on the date which is 15 calendar months after the date of passing this Resolution (whichever is earlier) unless and to the extent that such power is renewed, revoked, or extended prior to such date; provided that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry, and the Directors may allot relevant securities in pursuance of such an offer or agreement as if the power conferred by this Resolution had not expired.
7. That the establishment of the "Cairn Homes p.l.c. Long Term Incentive Plan" (the "LTIP"), the principal features of which are summarised in the Appendix to the Chairman's Letter dated 6 April 2017 which accompanies the notice convening this AGM, and the rules of the LTIP (a copy of which is provided to this AGM and initialled by the Chairman for the purposes of identification) be and is hereby approved and the Directors be and are hereby authorised to:
 - a) do all acts and things which they may consider necessary or expedient to effectively adopt, implement and operate the LTIP; and/ or
 - b) make any such minor amendments to the rules of the LTIP to benefit the administration of the LTIP, to take account of legislative changes, or to obtain or maintain favourable tax treatment, exchange control or regulatory treatment for participants, the Company or any other member of the Group.

To consider and, if thought fit, to pass the following resolutions as **special resolutions**:

8. That, subject to and conditional upon Resolution 6 of the Notice of AGM being passed, pursuant to Sections 1022 and 1023(3) of the Companies Act 2014 the Directors be and are hereby empowered to allot equity securities (within the meaning of Section 1023(1) of the Companies Act 2014) for cash pursuant to the authority to allot relevant securities conferred on the Directors by Resolution 6 of this Notice of AGM as if Section 1022(1) of the Companies Act 2014 did not apply to any such allotment, such power to be effective from the time of passing of this Resolution and shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this Resolution or at midnight on the date which is 15 calendar months after the date of passing this Resolution (whichever is earlier) unless and to the extent that such power is renewed, revoked, or extended prior to such date but in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired; and such power being limited to:
 - (a) the allotment of equity securities in connection with any offer of securities, open for a period fixed by the Directors, by way of rights issue, open offer or other invitation to or in favour of the holders of ordinary shares and/or any persons having a right to subscribe for equity securities in the capital of the Company (including, without limitation, any persons entitled or who may become entitled to acquire equity securities under any Company employee share schemes or share incentive plans then in force) where the equity securities respectively attributable to the interests of such holders are proportional (as nearly as may be reasonably be) to the respective number of ordinary shares held by them and subject thereto to the allotment in any case by way of placing or otherwise of any securities not taken up in such issue or offer to such persons as the Directors may determine; and; generally, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to legal or practical problems (including dealing with any fractional entitlements and/or arising in respect of any overseas shareholders) under the laws of, or the requirements of any regulatory body or stock exchange in, any territory;
 - (b) and/or the allotment of equity securities up to a maximum aggregate nominal value of €34,464, which represents approximately 5% of the issued ordinary share capital of the Company (excluding treasury shares) as at the close of business on 6 April 2017;
 - (c) and/or the allotment of equity securities pursuant to any Company employee share schemes or share incentive plans then in force (and which for these purposes shall include the "Cairn Homes p.l.c. Long Term Incentive Plan" which it is proposed to adopt pursuant to Resolution 7).
9. That, subject to and conditional upon Resolution 6 of the Notice of AGM being passed and in addition and without prejudice to or limitation of any power and authority granted under Resolution 7 of the Notice of AGM, pursuant to Sections 1022 and 1023(3) of the Companies Act 2014 the Directors be and are hereby empowered to allot equity securities (within the meaning of Section 1023(1) of the Companies Act 2014) for cash pursuant to the authority to allot relevant securities conferred on the Directors by Resolution 6 of this Notice of AGM as if Section 1022(1) of the Companies Act 2014 did not apply to any such allotment, such power to be effective from the time of passing of this Resolution and shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this Resolution or midnight on the date which is 15 calendar months after the date of passing this Resolution (whichever is earlier) unless and to the extent that such power is renewed, revoked, or extended prior to such date but in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired; and such power being limited to:
 - (a) the allotment of equity securities up to a maximum aggregate nominal value of €34,464, which represents approximately 5% of the issued ordinary share capital of the Company (excluding treasury shares) as at the close of business on 6 April 2017; and
 - (b) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying the Pre-Emption Rights most recently published by the Pre-Emption Group and in effect prior to the date of this Notice of AGM.
10. That, pursuant to Section 1074 of the Companies Act 2014, the Company and any subsidiary of the Company be and they are each hereby generally authorised to make market purchases and overseas market purchases (in each case as defined by Section 1072 of that Act) of ordinary shares in the capital of the Company on such terms and conditions and in such manner as the Directors may determine from time to time, but subject however to the provisions of that Act and to the following restrictions and provisions:
 - (a) the maximum number of ordinary shares authorised to be acquired shall not exceed 10% of the ordinary share capital in issue in the Company as at close of business on the day on which this Resolution is passed;

- (b) the minimum price (excluding expenses) which may be paid for any ordinary share shall be an amount equal to the nominal value thereof; and
- (c) the maximum price (excluding expenses) which may be paid for any ordinary share shall be the higher of:
 - (i) 5% above the average of the closing prices of the Company's ordinary shares taken from the London Stock Exchange Daily Official List for the five United Kingdom business days prior to the day the purchase is made, or if on any such business day there shall be no dealing of ordinary shares on the trading venue where the purchase is carried out or a closing price is not otherwise available, the Market Purchase Appropriate Price shall be determined by such other method as the Directors shall determine, in their sole discretion, to be fair and reasonable; and
 - (ii) the amount stipulated by Article 3(2) of Commission Delegated Regulation (EU) 2016/1052 relating to regulatory technical standards for the conditions applicable to buy-back programmes and stabilisation measures (being the value of an ordinary share calculated on the basis of the higher of the price quoted for: (i) the last independent trade, and (ii) the highest current independent purchase bid for, any number of ordinary shares on the trading venue where the purchase pursuant to the authority conferred by this Resolution will be carried out);

provided that such authority shall expire on close of business on the date of the next Annual General Meeting of the Company after the date of passing this Resolution or the date which is 15 calendar months after the date of passing this Resolution (whichever is earlier), unless previously varied, revoked or renewed by special resolution in accordance with the provisions of Section 1074 of the Companies Act 2014. The Company may, before such expiry, enter into a contract for the purchase of ordinary shares which would or might be executed wholly or partly after such expiry and may complete any such contract as if the authority conferred hereby had not expired.

11. That, for the purposes of Section 1078 of the Companies Act 2014, the re-allotment price range at which any treasury shares (as defined by Section 106 of that Act) for the time being held by the Company may be re-allotted off-market shall be as follows:
 - (a) the maximum price (excluding expenses) at which a treasury share may be re-allotted off-market shall be an amount equal to 120% of the "Treasury Share Appropriate Price"; and
 - (b) the minimum price (excluding expenses) at which a treasury share may be re-allotted off-market shall be an amount equal to 95% of the "Treasury Share Appropriate Price" (provided always that no treasury share shall be issued at a price lower than its nominal value); and
 - (c) for the purposes of sub-paragraphs (a) and (b) above, the expression "Treasury Share Appropriate Price" shall mean the average of the closing prices of the Company's ordinary shares taken from the London Stock Exchange Daily Official List in each case for the five United Kingdom business days prior to the day the re-allotment is made, or if on any business day there shall be no dealing of ordinary shares on the trading venue or a closing price is not otherwise available, the Treasury Share Appropriate Price shall be determined by such other method as the Directors shall determine, in their sole discretion, to be fair and reasonable.

The authority hereby conferred shall expire on close of business on the date of the next Annual General Meeting of the Company after the date of passing this Resolution or the date which is 15 calendar months after the date of passing this Resolution (whichever is earlier), unless previously varied, revoked or renewed by special resolution. The Company may before such expiry make a contract for the re-allotment of treasury shares which would or might be wholly or partly executed after such expiry and may make a re-allotment of treasury shares pursuant to any such contract as if the authority hereby conferred had not expired.

By order of the Board

Susan O'Connor
 Company Secretary
 Registered Office: 7 Grand Canal, Grand Canal Street Lower, Dublin 2 D02 KW81

6 April 2017

AGM Notice: Notes

The following information is provided to members in accordance with Section 1103 of the Companies Act 2014.

Entitlement to attend and vote

1. Only those members registered in the register of members of the Company at 6.00 p.m. on Monday 15 May 2017 or if the AGM is adjourned, at 6.00 p.m. on the day that falls 48 hours before the time appointed for the adjourned meeting shall be entitled to attend, speak, ask questions and in respect of the number of ordinary shares registered in their name, vote at the meeting, or if relevant, any adjournment thereof. Changes in the register after that time and date will be disregarded in determining the right of any person to attend and/or vote at the meeting or any adjournment thereof.

Appointment of Proxies

2. A member who is entitled to attend, speak, ask questions and vote at a general meeting of the Company is entitled to appoint a proxy to attend, speak, ask questions and vote on his or her behalf at the AGM and may appoint more than one proxy to attend on the same occasion in respect of ordinary shares held in different securities accounts. Only ordinary shareholders shall have the right to appoint a proxy to attend, speak, ask questions and vote on his/her behalf at the AGM and at any adjournment thereof. Such a member acting as an intermediary on behalf of one or more clients may grant a proxy to each of its clients or their nominees and such intermediary may cast votes attaching to some of the ordinary shares differently from other ordinary shares held by it. The appointment of a proxy will not preclude an ordinary shareholder from attending, speaking, asking questions and voting at the general meeting should such ordinary shareholder subsequently wish to do so. A proxy shall be bound by the Constitution of the Company. A proxy need not be a member of the Company. Any ordinary shareholder wishing to appoint more than one proxy should contact the Registrars of the Company, Computershare Investor Services (Ireland) Limited on +353 (0)1 4475566.
3. A Form of Proxy for use by ordinary shareholders is enclosed with the Notice of AGM. To be effective, the Form of Proxy duly completed and executed, together with any original power of attorney or other authority under which it is executed, or a copy of such authority certified notarially or by a solicitor practising in the Republic of Ireland, must be deposited with the Registrars of the Company, either by post to Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, D18 Y2X6, Ireland or by hand to Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, D18 Y2X6, Ireland, so as to be received in any case no later than 48 hours before the time appointed for the AGM or adjourned AGM or (in the case of a poll taken otherwise than at or on the same day as the AGM or adjourned AGM) at least 48 hours before the taking of the poll at which it is to be used. Any alteration to the Form of Proxy must be initialled by the person who signs it.
4. Alternatively, subject to the Constitution of the Company and provided it is received not less than 48 hours before the time appointed for the holding of the AGM or adjourned AGM or (in the case of a poll taken otherwise than at or on the same day as the AGM or adjourned AGM) at least 48 hours before the taking of the poll at which it is to be used, the appointment of a proxy may:
 - (a) be submitted by fax to +353 (0)1 447 5572, provided it is received in legible form; or
 - (b) be submitted electronically, subject to the terms and conditions of electronic voting, via the internet by accessing the shareholder portal on the Computershare Investor Services (Ireland) Limited website www.eproxyappointment.com. You will need your control number, shareholder reference number and your PIN number, which can be found on your Form of Proxy; or
 - (c) be submitted through CREST in the case of CREST members, CREST sponsored members or CREST members who have appointed voting service providers. Transmission of CREST proxy instructions must be done and authenticated in accordance with Euroclear specifications as set out in the CREST Manual and received by the Registrar under CREST **Participant ID 3RA50**.
5. In the case of a corporation, the Form of Proxy must be either executed under its common seal, signed on its behalf by a duly authorised officer or attorney, or submitted electronically in accordance with note 4.
6. On any other business which may properly come before the AGM, or any adjournment thereof, and whether procedural or substantive in nature (including without limitation any motion to amend a resolution or adjourn the meeting) not specified in this Notice of AGM, the proxy will act at his/her discretion.

Voting rights and total number of issued shares

7. As an ordinary shareholder, you have several ways of exercising your vote: (a) by attending the AGM in person, (b) by appointing a proxy to attend and vote on your behalf, or (c) by appointing a proxy via the CREST system if you hold your ordinary shares in CREST. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other registered ordinary shareholders and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
8. The total number of issued ordinary shares on the date of this Notice of AGM is 689,274,623. Each ordinary share carries one vote. On a vote on a show of hands, every ordinary shareholder present in person and every proxy has one vote (but no individual shall have more than one vote). On a poll every ordinary shareholder shall have one vote for every ordinary share of which he or she is the holder. All resolutions at the AGM will be determined on a poll. Ordinary Resolutions require to be passed by a simple majority of votes cast by those ordinary shareholders who vote in person or by proxy. Special Resolutions require to be passed by a majority of 75% of votes cast by those ordinary shareholders who vote in person or by proxy.

Questions at the AGM

9. The AGM is an opportunity for members to put questions to the Chairman during the question and answer session. Before the AGM, a member may also submit a question in writing by sending a letter and evidence of their shareholding at least four business days prior to the AGM by post to the Company Secretary, at the Company's Registered Office.
10. Under Section 1107 of the Companies Act 2014, the Company must answer any question which a member may ask relating to the business being dealt with at the AGM unless:
 - (a) answering the question would interfere unduly with the preparation of the AGM or the confidentiality and business interests of the Company;
 - (b) the answer has already been given on a website in a question and answer format: or
 - (c) it appears to the Chairman of the AGM that it is undesirable in the interests of good order of the meeting that the question be answered.

Members' right to table draft resolutions and to put items on the agenda

11. Pursuant to Section 1104 of the Companies Act 2014, a member or a group of members holding 3% of the issued share capital, representing at least 3% of the total voting rights of all members who have a right to vote at the AGM, have a right to put an item on the agenda for the AGM and/or table a draft resolution for inclusion in the agenda of the AGM subject to any contrary provisions in company law which impose other conditions on the right of members to put items on the agenda for or to propose resolutions at the AGM. Requests:
 - (a) may be in hard copy form or in electronic form;
 - (b) must set out in writing details of the item to be included and/or draft resolution in full or, if supporting an item to be included or a draft resolution sent by another member, clearly identify the item to be included and/or the draft resolution which is being supported;
 - (c) must be authenticated by the person or persons making it (by identifying the member or members meeting the qualification criteria and, if in hard copy, by being signed by the member or members); and
 - (d) must have been received by the Company no later than 4 April 2017 having regard to the 42 day period specified in Section 1104. For this purpose and in accordance with Section 1104, the date of the AGM was placed on the Company's website before the end of 2016.

In addition to the above, requests must be made in one of the following ways:

- (a) a hard copy request which is signed by the member(s), stating the full name and address of the member(s) and is sent to the Company Secretary at the Company's Registered office; or
- (b) a request which states the full name and address of the member(s) and is sent to Susan.OConnor@cairnhomes.com.

A requested item or draft resolution must not be such as would be incapable of being passed or otherwise be ineffective or redundant (whether by reason of inconsistency with any enactment or the Company's memorandum and articles of association, or on account of the substantive nature of other resolutions on the agenda of the AGM, or otherwise). Any requested item or draft resolution must not be defamatory of any person.

Subject to the Companies Act 2014 and any provision of the Company's articles of association, where a resolution is proposed as a special resolution, no amendment to the resolution (other than an amendment to correct a patent error) may be considered at the general meeting. Subject to the Companies Act 2014 and any provision of the Company's articles of association, where a resolution is proposed as an ordinary resolution, no amendment to the resolution (other than an amendment to correct a patent error) may be considered or voted upon unless either at least 48 hours

prior to the time appointed for holding the general meeting or adjourned meeting at which the ordinary resolution is to be proposed, notice in writing of the terms of the amendment and intention to move same has been lodged with the Company Secretary (at the Company's Registered Office), or the Chairman in his absolute discretion decides that it may be considered or voted upon.

Information regarding the AGM

12. Information regarding the AGM, including information required by Section 1103 of the Companies Act 2014, is available from www.cairnhomes.com.

APPENDIX

Summary of the principal terms of the Cairn Homes plc Long Term Incentive Plan

A summary of the principal terms of the Cairn Homes plc Long Term Incentive Plan (the “LTIP”) is set out below. The plan will be administered by the Board or any duly authorised committee of the Board, except that decisions in relation to the participation in the LTIP by Executive Directors will always be taken by the Remuneration Committee. In this Schedule, references to the Remuneration Committee include, where applicable, the Board or any duly authorised committee.

1. ELIGIBILITY

Any relevant employee (including any Executive Director but excluding holders of Founders Shares in Cairn Homes plc, for the duration of the performance period of the Founders Shares) of the Company or any of its subsidiaries will be eligible to participate in the LTIP at the discretion of the Remuneration Committee.

2. FORM OF AWARDS

Awards under the LTIP will be in the form of a conditional right to acquire ordinary shares in the Company (“Shares”) at no cost or nominal (par value) cost to the participant (“Award”).

3. PERFORMANCE CONDITIONS

Awards will be subject to the satisfaction of a performance condition which will determine the proportion (if any) of the Award which will vest following the end of a performance period. The application of performance conditions to Awards granted to Executive Directors of the Company will be consistent with the Company’s policy on directors’ remuneration as reviewed by shareholders from time to time. A performance period shall be at least three years long commencing with the financial year in which the award is granted.

Any performance condition attached to an Award already granted may be amended or, if one or more material exceptional events cause the Remuneration Committee to consider that an amended or substituted performance condition would be a fairer measure of the Company’s performance. Any amended or substituted performance condition will be no less difficult to satisfy than the original condition attached to that Award.

It is proposed that the first Awards to be granted under the LTIP will be granted in FY2017. The intention is for the FY2017 Awards to be based 80% on three-year cumulative EPS and 20% on three-year Total Shareholder Return, the targets for which are laid out below for 2017 and which will be reviewed annually for grants issued thereafter to ensure that ongoing performance targets are sufficiently stretching and appropriate for the business. Therefore, future Awards will be subject to performance conditions determined by the Remuneration Committee taking into account the Company’s strategies and priorities at the relevant time.

Cumulative EPS (80% of 2017 LTIP award)	Vesting of EPS-based award
Less than 16.7c	0%
16.7c	25%
Between 16.7c and 18.6c	Straight-line basis between 25% and 40%
18.6c	40%
Between 18.6c and 26.0c	Straight-line basis between 40% and 100%
26.0c	100%

Total Shareholder Return (20% of 2017 LTIP award)	Vesting of TSR-based award
Less than 8% p.a.	0%
8% p.a.	25%
Between 8% p.a. and 12.5% p.a.	Straight-line basis between 25% and 100%
12.5% p.a.	100%

4. INDIVIDUAL LIMITS

The value of an Award (calculated based on the market value of the number of Shares subject to the Award at the date of grant) cannot exceed 100% of salary, except in specific situations relating to recruitment where a grant upon the appointment of a senior executive may be up to a maximum of 200% of salary, if the Remuneration Committee determines that it is necessary to secure the services of the executive.

5. GRANT OF AWARDS

Awards may only be granted within the six-week period following the announcement of the Company's results for any period or on any day on which the Remuneration Committee determines that exceptional circumstances exist. However, if the Company is restricted from granting Awards during any such period, under any relevant market abuse or similar legislation, Awards may be granted in the period of six weeks following the relevant restriction being lifted. It is proposed that the first Awards under the LTIP will be the Awards for FY2017, and will be granted in the six-week period following the approval of the LTIP by shareholders.

6. DIVIDENDS

The Remuneration Committee may provide additional Shares (or the cash equivalent) to a participant equal in value to any dividends (which may include or exclude special dividends) paid on vested Shares from the grant date until the date of vesting. In these circumstances, the Remuneration Committee has discretion to determine the basis on which this additional amount will be calculated, which may assume the reinvestment of the relevant dividends into Shares on such terms as the Remuneration Committee determines.

7. VESTING

Awards will normally vest as soon as practicable following the end of the performance period (or on such later date as the Remuneration Committee determines) and then only to the extent that any performance condition has been satisfied.

Any Shares that are to be issued, transferred or paid (as appropriate) to a participant in respect of a vested Award will be issued, transferred or paid (as appropriate) within 30 days of the date of vesting or exercise (as appropriate).

8. RETENTION OF SHARES AFTER VESTING

The Remuneration Committee will impose post-vesting retention condition on the most senior executives for a period of at least 2 years following the date on which their Awards vest.

9. CESSATION OF EMPLOYMENT

"Good leavers"

For the purpose of the LTIP a participant will be a "good leaver" If he ceases to be employed by the group by reason of death, ill-health, redundancy, the transfer or sale of the entity that

employs him outside of the group or for any other reason at the Remuneration Committee's discretion.

If a participant is a good leaver, he may continue to hold any unvested Award until the normal vesting date unless the Remuneration Committee determines that it will vest as soon as practicable following cessation. The Remuneration Committee will decide the extent to which an unvested Award vests in these circumstances, taking into account the extent to which any performance condition is satisfied at the end of any performance period or, as appropriate, at the date of cessation. Unless the Remuneration Committee in its discretion determines otherwise, the period of time that has elapsed since the Award was granted until the date of cessation will also be taken into account.

Other leavers

If a participant ceases employment with the group in any other circumstances any Award he holds under the LTIP shall lapse on the date on which the participant ceases employment.

10. CORPORATE EVENTS

In the event of a change of control of the Company, the Remuneration Committee will determine the extent to which Awards will vest taking into account the extent to which any performance condition has been satisfied. Unless the Remuneration Committee determines otherwise, the period of time which has elapsed between the grant date and the relevant event will also be taken into account in determining the extent of vesting. Alternatively, the Remuneration Committee may permit or, in the case of an internal re-organisation, require Awards to be exchanged for equivalent Awards which relate to shares in another company. The Awards may also be subject to a cash settlement by reference to the amount to be paid for one Share under any agreement of merger or takeover terms.

If other corporate events occur such as a winding-up of the Company, or a demerger, delisting, special dividend or other event which, in the opinion of the Remuneration Committee may affect the current or future value of Shares, the Remuneration Committee may determine that Awards will vest taking into account the satisfaction of any relevant performance condition and, in the case of Awards under the LTIP and unless the Remuneration Committee determines otherwise, pro-rating to reflect the period from the grant date to the date of the relevant event.

11. MALUS AND CLAWBACK

The malus and clawback provisions described below will apply to Awards granted to any person who is a director of the Company (or any other person to whom the Remuneration Committee determines these provisions should apply).

Malus

Unvested Awards under the LTIP may be reduced or cancelled or have further conditions imposed on them in the event of:

- a material misstatement of the group's published accounts;
- any group company suffering any business or reputational damage arising from a criminal offence, serious misconduct or gross negligence on the part of the participant; or
- a material breach of health and safety regulations on the part of the participant.

Clawback

The Remuneration Committee may determine prior to the second anniversary after the date on which an Award vests under the LTIP that:

- the Award shall be cancelled or reduced or have further conditions imposed on it; or
- that the participant shall make a cash payment to the Company in respect of some or all of the Shares or cash delivered to him pursuant to that Award and/or transfer for nil consideration some or all of the Shares delivered to him pursuant to that Award

in the circumstances referred to below.

The circumstances in which clawback may be implemented are:

- a material misstatement of the group's published accounts;
- any group company suffering any business or reputational damage arising from a criminal offence, serious misconduct or gross negligence on the part of the participant; or
- a material breach of health and safety regulations on the part of the participant.

12. SHARE CAPITAL LIMITS

Awards may be granted over newly issued Shares, treasury Shares or Shares purchased in the market. Awards are not transferable (other than on death). No payment will be required for the grant of an Award. Awards will not form part of pensionable earnings.

The LTIP is subject to the following overall limits:

- in any 10 year period, the number of Shares which may be issued under the LTIP and under any other discretionary share plan adopted by the Company may not exceed 5 per cent of the issued ordinary share capital of the Company from time to time.

Treasury Shares will be treated as newly issued for the purpose of this limit until such time as guidelines published by institutional investor representative bodies determine otherwise.

13. ADJUSTMENTS

In the event of a variation of the Company's share capital or a demerger, delisting, special dividend, rights issue or other event, which may, in the Remuneration Committee's opinion, affect the current or future value of Shares, the number of Shares subject to an Award and/or any performance condition attached to Awards, may be adjusted as determined by the Remuneration Committee.

14. AMENDMENT AND TERMINATION

The Remuneration Committee may amend the LTIP at any time, provided that prior approval of the Company's shareholders in a general meeting will be required for amendments to the advantage of eligible employees or participants relating to eligibility, share capital limits, the basis for determining a participant's entitlement to, and the terms of, the Shares or cash comprised in an award and the impact of any variation of capital.

However, any minor amendment to benefit the administration of the LTIP, to take account of legislative changes, or to obtain or maintain favorable tax treatment, exchange control or regulatory treatment may be made by the Remuneration Committee without shareholder

approval.

No amendment may be made to the material disadvantage of participants in the LTIP unless consent is sought from the affected participants and given by a majority of them.