



Maoiniú Teaghais-Tógála Éireann
Home Building Finance Ireland

Annual Report and
Financial Statements
2025



Financing the
homes of tomorrow

Welcome to the HBFI Annual Report 2025

About HBFI

Home Building Finance Ireland (“HBFI”) was established in January 2019 to provide funding at market rates for commercially viable residential developments in the State. Its establishment was part of a wider response to Ireland’s housing supply shortage that, over recent years, has seen supply falling short of the estimated demand.

HBFI has a broad range of products and provides funding directly to housebuilders to support developments of five or more units. The funding provided supports the delivery of houses and apartments for owner occupiers, social and affordable homes and those seeking rental accommodation. By engaging extensively with the market and monitoring the availability of finance for residential development, HBFI can identify gaps as they emerge and respond accordingly. HBFI aims to ensure that funding is not an impediment in the drive to increase Ireland’s housing supply.

Our Mission

HBFI’s mission is to help increase the supply of new homes in the State through the provision of finance to commercially viable residential property development.



Explore online

Visit our website to
find out more www.hbfi.ie

Front Cover: Ard Griffin, Middleton, Co. Cork is a multi-phased residential development of 2, 3 and 4-bedroom homes

Below: Clonattin Village, Gorey, Co Wexford is a mixed tenure development of 64 homes



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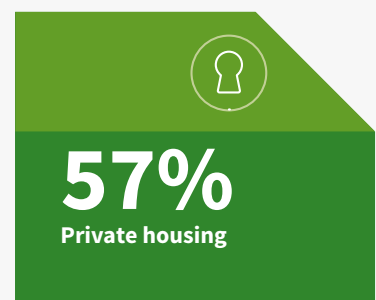
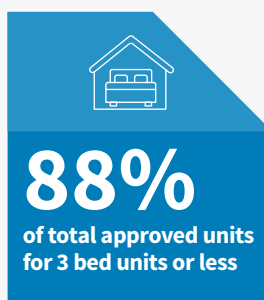
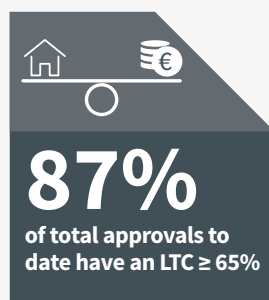
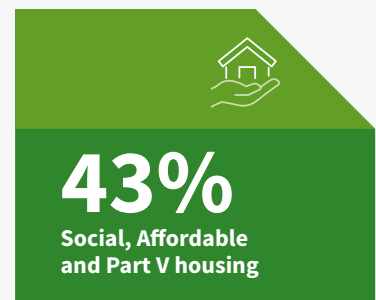
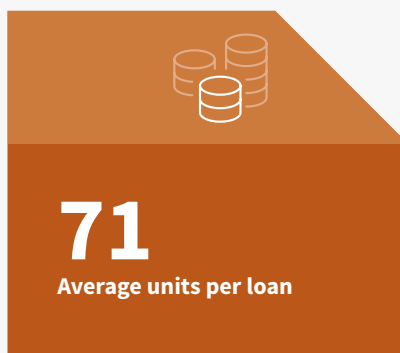
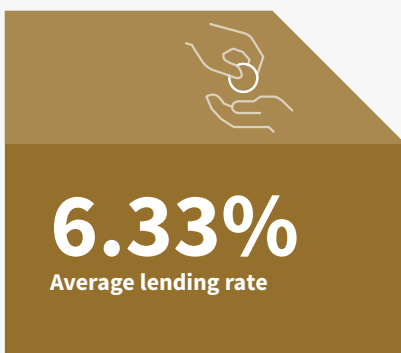
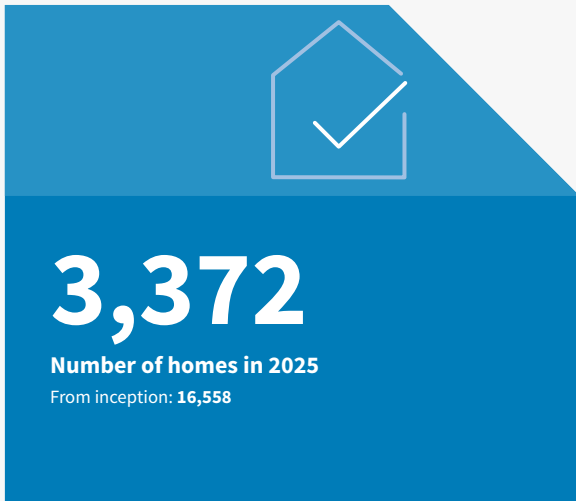
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Mullavale, Castletownroche, Co. Cork comprises of eight 3-bedroom homes for the open market



Key Business Highlights

Approvals



Active or Completed Sites



13,246

Number of new homes delivered or under construction



€2.45bn

Total funding approved which relates to active or completed sites



152

Total number of active or completed sites



6,936

Number of homes completed
2,243 of which were completed in 2025



4,099

Number of units contracted for sale/sale agreed

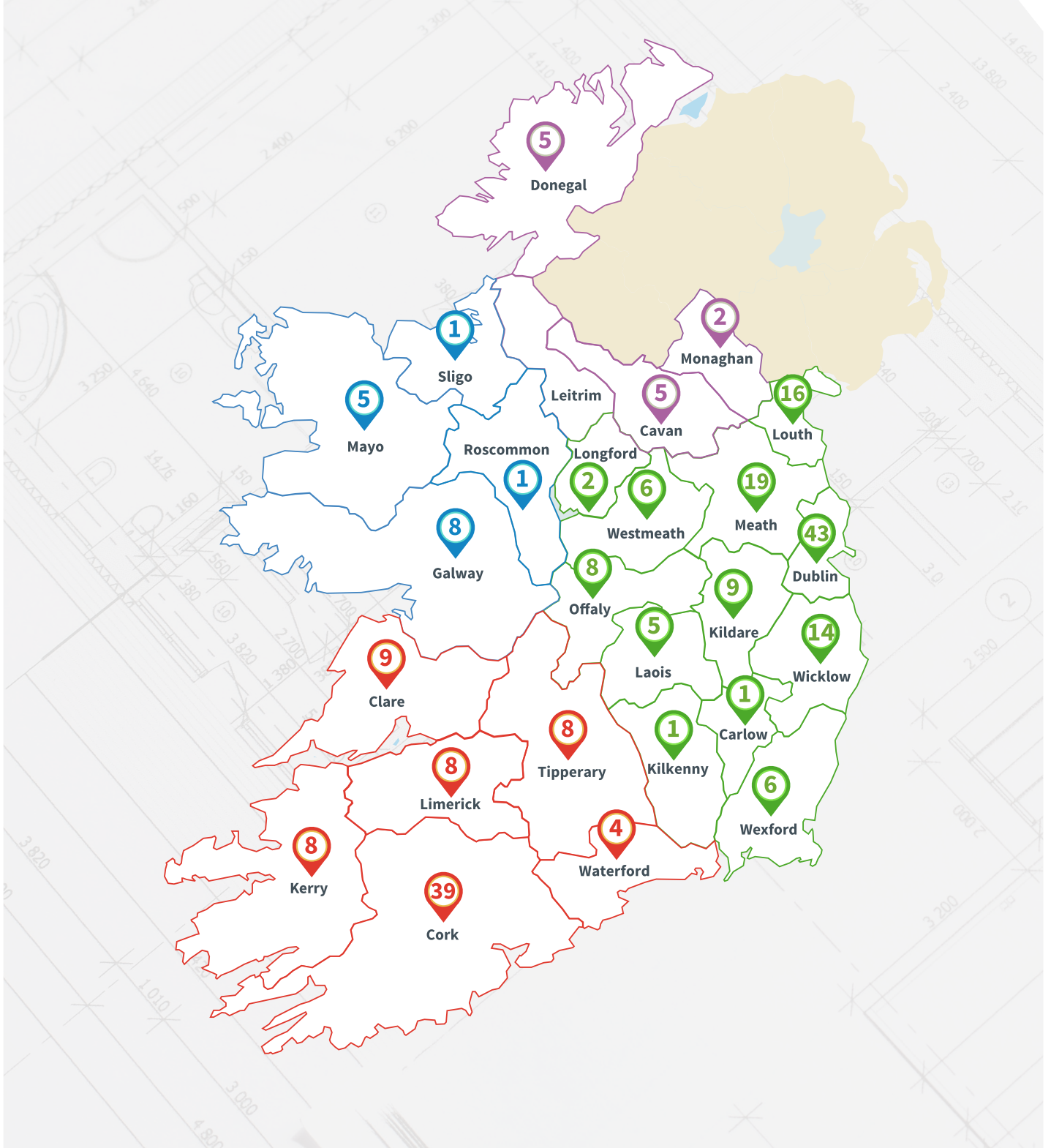


* From Inception figures reported are from 28 January 2019 to 31 December 2025. Not all schemes approved will draw down funding from HBFI for various reasons including the project not progressing or alternative funding secured.

HBFI Facilities Approved to Date

By County

From inception to 31 December 2025, HBFI approved 233 loan facilities. These facilities are located across 25 counties with an average of 71 new homes per facility. Further details are available below.



**2025 saw over €0.66bn
of funding approved to
support more than 3,372
new homes.**

Ard Griffin, Midleton, Co. Cork is a multi-phased
development of 2, 3 and 4-bedroom homes



Joint Chairperson and CEO Statement



Throughout 2025, HBFI continued to play a significant role in supporting the delivery of residential developments across Ireland. To date, we have approved funding to support 16,558 new homes, reinforcing our commitment to helping address Ireland's housing supply challenges.

Our strategic focus remains clear: to enable the delivery of more homes across Ireland. In 2025, HBFI provided €0.66 billion in funding for viable residential projects. Since our establishment, we have approved more than €3.3 billion for the building of new homes across 25 counties.

During 2025, we also saw strong progress in construction activity on our active sites. To date, 6,936 HBFI-funded new homes have been completed with a further 4,099 homes at sale agreed or contract stage. We expect the level of completed homes to continue rising in the year ahead as projects advance, making a further meaningful contribution to new home delivery.

Demand for housing remains robust across all tenures: owner occupiers, social, affordable and private rental. While national efforts to increase supply continued in 2025, persistent viability challenges remained in apartment delivery. During the year, the government announced a number of policy measures for apartments that are expected to increase supply in the medium term. Against this backdrop, HBFI's role is particularly important in what continues to be a complex market for builders and developers.

A key priority for HBFI is ensuring that the residential development sector is fully aware that HBFI has funding available to support viable home building projects. Throughout 2025, we continued to strengthen our engagement with customers and stakeholders, listening to feedback and refining our product offering to reflect the market needs.

Our broad product range enables us to fund viable developments across all tenures and in all locations nationwide. To date, 50% of the homes funded by HBFI

are for owner occupiers, 43% for social and affordable housing, and 7% for the private rental market.

In 2025, HBFI increased its overall lending capacity with the addition of a new €200 million funding facility from Danske Bank, complementing our existing ISIF funding. This expanded capacity enables us to continue supporting a growing pipeline of homebuilding projects, particularly among SME developers.

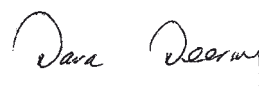
The Minister for Finance completed the third Section 24 review of HBFI in 2025 confirming that the continuation of HBFI funding remains necessary given prevailing market conditions

Looking ahead, we remain focused on playing a central role in addressing Ireland's home building funding needs. With the launch of *Delivering Homes, Building Communities 2025–2030*, and a strong pipeline of projects as well as the additional €200 million in funding, HBFI is well positioned to continue to support housebuilders in meeting the growing demand. While global uncertainty is elevated due to geopolitical tensions, we remain committed to working with our customers to deliver much needed new homes.

Finally, we would like to express our sincere appreciation to the management and staff at HBFI for their continued professionalism, commitment, and agility throughout what has been another significant year for HBFI. We also acknowledge the dedication and support of our fellow directors, and we warmly welcome Ronan O'Neill to the Board, bringing valuable experience and insight.



Marie Collins
Chairperson



Dara Deering
Chief Executive Officer

Over 2,200 HBFi-funded new homes were completed in 2025.

The Orchard is a HBFi-funded development of 80 new 1, 2 and 3-bedroom homes in Watergrasshill, Co. Cork



Business Review

Our Market

Throughout 2025, HBFI continued to deepen its engagement with both new and established customers, as well as key stakeholders across the public and private sectors. These conversations offered valuable insights into the evolving market conditions and continue to inform our forward planning. This ongoing engagement enables us to identify emerging funding needs in the residential development sector and ensure that our offering remains responsive and appropriately aligned with market demand.

HBFI now provides five distinct funding products that support viable residential schemes across a broad spectrum of tenures, sizes and locations. Combined with focused business development efforts, this product offering ensures we can support underserved segments of the market scale up housing delivery. A stable and consistent risk appetite underpins our approach, allowing us to maintain support through changing economic cycles and periods of uncertainty.

Demand for HBFI funding remained strong throughout 2025, covering a wide range of project types from smaller housing developments to larger, mixed-tenure schemes. To date, 50% of the homes we have supported are for owner occupiers, 43% for social and affordable housing and 7% for the private rental sector.



HBFI continued its growth in 2025, approving an additional 49 new facilities across the country.

Although not all proposals presented meet commercial viability requirements, the volume of applications received continues to demonstrate the level of demand for development funding. This need is expected to increase further in the years ahead as national housing delivery targets continue to increase to meet demand.

Our Performance

HBFI maintained strong momentum throughout 2025, with new funding approvals exceeding €650 million.

As of 31 December 2025, total approvals since inception reached €3.3 billion across 233 sites nationwide, with the capacity to enable the delivery of up to 16,558 new homes. Given the lead time required for legal completion and facility execution, 152 of these approvals had progressed to first drawdown or completed by year end. These schemes account for €2.45 billion in committed funding and are expected to deliver 13,246 homes.

By the close of 2025, a cumulative 6,812 HBFI-funded homes had been completed and sold since operations began in 2019, reflecting steady and growing delivery of homes.

Performance at a glance:

- ▶ **€3.3bn** approved across **233 schemes** in **25 counties**
- ▶ **74%** of all approved funding is now drawn, under construction, or completed
- ▶ **6,936** homes completed to date, of which **6,812** have been sold, with a further **4,099** homes contracted for sale or sale agreed
- ▶ Housing mix: **67% houses, 33% apartments**
- ▶ **77%** of approved homes are 2- or 3-bedroom units, with an average expected price of **€372,000** for a 3-bedroom home
- ▶ **67%** of schemes funded will deliver **50 homes or fewer**, highlighting continued support for smaller scale developments

With a goal of supporting housebuilding nationally, HBFI works closely with local stakeholders across Ireland to increase understanding of the debt finance options available to residential developers. The spread of approvals across 25 counties demonstrates the broad reach and flexibility of HBFI's offering.



HBFI reviews its strategy and business plan annually to ensure alignment with evolving housing needs, national policy direction, and the financing environment for residential development. The most recent update of the HBFI Strategy and Business Plan was completed and submitted to the Minister for Finance in April 2025.

Our Customers

Supporting awareness and understanding of HBFI’s funding offering continues to be a central priority. We remain focused on ensuring that developers and stakeholders across the residential sector are well informed about the range of products available and how they can support different types of housing projects. Our engagement is proactive, ongoing, and designed to create meaningful impact in the Irish residential development finance market.

The Business Development, Lending and Portfolio teams work in close partnership to broaden recognition of HBFI’s role and to understand the evolving needs of housebuilders. Throughout 2025, the team held close to 2,000 meetings with prospective and existing customers, Approved Housing Bodies (“AHBs”), Local Authorities, and key industry participants. These discussions help ensure that our product suite remains aligned with market requirements and continues to support the delivery of new homes nationwide.

We also maintain strong connections with professional advisors, including architects, planners, engineers, accountants, and legal firms, so that those supporting developers have a clear and accurate understanding of HBFI’s remit and capabilities.

In 2025, our Business Development Team delivered five regional events, giving attendees an opportunity to meet directly with HBFI and explore financing routes for their schemes. To enhance the relevance and value of these sessions, we also invited AHBs, the First Home Scheme, and HISCo to contribute, offering attendees broader insights from across the wider housing and infrastructure ecosystem.

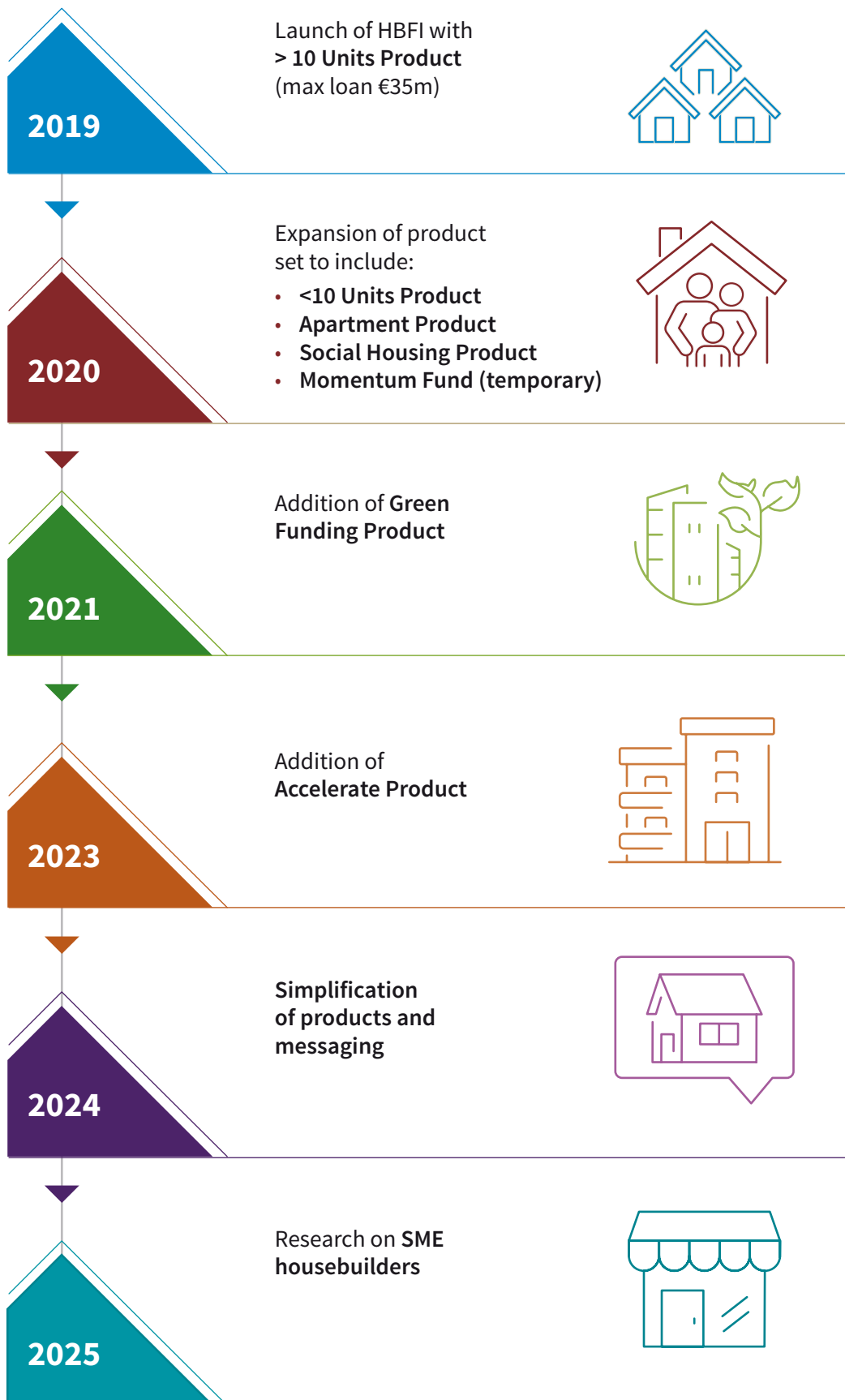
In addition to our own events, HBFI representatives participated in 29 industry engagements throughout the year, including speaking roles and panel discussions at 18 of these. This visibility strengthens our presence in the sector and supports ongoing dialogue with those shaping Ireland’s future housing delivery.

Our Products

In 2025, HBFI continued to provide a comprehensive suite of five funding products designed to support viable residential schemes of five new homes or more. An overview of each product is outlined on the following pages.

Business Review *(continued)*

HBFI's products have evolved since inception from a single product to five products:





Small Developments

Funding for projects of five units or more with a maximum loan requirement of €5m.

- ▶ Loan amount up to €5m (includes land purchase (up to 60%) and development funding)
- ▶ Gearing of up to 80% of the total cost of the development
- ▶ Margin of between 4.75% and 7.5% (over 3-month Euribor)
- ▶ 1% entry and 1% exit fee



Housing and Apartment Developments

Funding projects with a loan requirement of €5m upward.

- ▶ Gearing of up to 80% (includes site purchase and development funding)
- ▶ Margin of between 4.75% and 7.5% (over 3-month Euribor), with an entry fee and exit fee of up to 1%
- ▶ Maximum funding provided under this product type is typically €100m



Social/ Affordable Housing

Funding for social and affordable housing projects that are predominantly contracted for sale pre-construction to a Local Authority, an AHB or the LDA.

- ▶ Gearing of up to 85% (includes site purchase and development funding)
- ▶ Margin of between 4.5% and 6.5% (over 3-month Euribor), with an entry fee of 1% and no exit fee
- ▶ Ideally, the site should have planning permission or be in the process of achieving planning permission
- ▶ Needs to be contracted to a Local Authority, an AHB or the LDA prior to the first drawdown



Green Funding

Designed to encourage the development of sustainable housing across all HBFi products.

- ▶ To qualify for this product the project needs to be certified to the Home Performance Index (“HPI”) or equivalent standard
- ▶ Projects that qualify can avail of a discount of up to 0.5% on the margin they could normally expect to be charged
- ▶ Available across all HBFi products (some products are subject to certain minimum margins)
- ▶ Early engagement is essential to ensure that compliance with criteria for HPI certification can be planned from the outset



Accelerate

Designed to assist larger developers, with a track record of delivering schemes of 100 homes or more.

- ▶ For developers with a track record of delivering schemes of 100 units or more
- ▶ Can be provided on a standalone basis or on a syndicated (shared) basis with other lenders
- ▶ No limit is placed on the scale of the scheme
- ▶ Gearing typically up to 70% (includes site purchase and development funding)
- ▶ Margins and fees assessed on a case-by-case basis

Our Stakeholders

In 2025, HBFI continued to engage actively with stakeholders across the public sector and the wider residential development ecosystem. While homebuilders and residential developers seeking finance remain our core stakeholder group, the delivery of new housing relies on a broad network of professions. Our stakeholder community includes, but is not limited to:

- ▶ Accountancy Firms
- ▶ Approved Housing Bodies
- ▶ Architects
- ▶ Engineers
- ▶ Estate Agents and Auctioneers
- ▶ Legal Firms
- ▶ Local Authorities
- ▶ Other Public Bodies
- ▶ Planners
- ▶ Quantity Surveyors
- ▶ Valuers

Throughout the year, HBFI also strengthened collaboration with its nationwide network of Introducers, specialist advisors who support businesses within the construction industry. Engagement with key industry bodies was further enhanced through their participation in our regional events, including contributions from AHBs, the First Home Scheme, and HISCo.

Our engagement extended to regular interaction with leading professional organisations. In 2025, HBFI participated in, supported, or met with groups such as:

- ▶ Construction Industry Federation
- ▶ Engineers Ireland
- ▶ Institute of Professional Auctioneers and Valuers
- ▶ Irish Green Building Council
- ▶ Irish Home Builders Association
- ▶ Society of Chartered Surveyors Ireland

HBFI's stakeholder engagement activities in 2025 were designed to:

- ▶ Strengthen nationwide awareness of HBFI as a direct funding provider to the residential construction sector
- ▶ Reconnect with individuals and organisations that had previously expressed interest in HBFI's funding
- ▶ Capture feedback on emerging funding gaps and identify opportunities to refine HBFI's strategy, processes, and product suite

Feedback was gathered informally throughout the year across meetings, events, and day-to-day interactions. These insights contributed meaningfully to HBFI's strategic planning and continue to guide efforts to streamline processes and ensure our support is focused where it can create the greatest impact.

As a State agency, HBFI continues to maintain constructive working relationships with Government departments, the Housing Agency, AHBs, Local Authorities, and the LDA.

Collaboration remains central to our approach, and a detailed stakeholder engagement plan is in place for 2026, supporting efforts to enhance awareness of HBFI's offering and contribute to the delivery of homes under the Government's *Delivering Homes, Building Communities 2025–2030* strategy.

Our Policy Considerations

Under Section 24 of the HBFI Act, the Minister for Finance is required to carry out periodic reviews of HBFI to ensure we continue to fulfil our mandate and provide meaningful support to the residential development finance market.

The Minister for Finance published the third statutory review of Home Building Finance Ireland in June 2025. The review confirmed that HBFI remains an important contributor to the availability of development finance, particularly for small and medium-sized developers and for projects located outside major urban centres. While the wider debt market has strengthened, the review underscored the need for HBFI to maintain its focus on areas where private sector funding is less accessible. The Minister also noted HBFI's ongoing relevance as national housing delivery continues to expand. The next statutory review will take place in 2027.

HBFI continues to align closely with Government housing policy, including the *Delivering Homes, Building Communities 2025–2030* strategy published in November 2025 and the *Programme for Government 2025*. We maintain regular engagement with both the Department of Finance and the Department of Housing, reflecting the strong alignment across our mandates. HBFI also operates a dedicated contact channel for members of the Oireachtas to facilitate queries and support transparency.

Throughout 2025, HBFI ensured that our operations remained consistent with Government policy priorities. Ongoing stakeholder engagement and continuous monitoring of policy developments played an important role in addressing our policy considerations and ensuring our activities remain responsive to the evolving housing landscape.

Our ESG Priority

HBFI is committed to embedding Environmental, Social and Governance (“ESG”) principles in the delivery of its mandate including in its business practices and product offering which reflects the importance of ESG to the Irish economy and society.

Environmental

Lending activities

The construction sector has seen meaningful improvements in regulation in recent years. This will ultimately result in a considerable decrease in energy consumption over the lifecycle of new homes.

HBFI endeavours to ensure that all funded projects are compliant with the latest building standards, with compliance being confirmed by Monitoring Surveyors appointed to each project, helping to ensure that the highest standards in building regulation are met on all HBFI funded developments and that the impact on the environment is minimised.

HBFI launched a Green Funding product in January 2021 to encourage sustainable development and incentivise builders/developers to complete new homes to a standard which is higher than that set by regulation.

As an incentive, HBFI offers a discount of up to 0.5% on the margin charged. To qualify for this margin reduction, the scheme must be certified to Home Performance Index (“HPI”) or an equivalent standard. The HPI standard is monitored and certified by the Irish Green Building Council.

Public sector climate action mandate

HBFI works closely with the National Treasury Management Agency (“NTMA”) to meet public sector body obligations under the Public Sector Climate Action Mandate outlined in the Government’s Climate Action Plan.

A Climate Action Roadmap is a document produced by public sector bodies which communicates how each public body aims to meet the requirements of the Climate Action Mandate and reach its 2030 greenhouse gas reduction and energy efficiency targets.

The 2025 Climate Action Roadmap for the NTMA, including HBFI and other co-located affiliates, is available on the NTMA website. It contains details on the following:

Key targets and reporting:

- ▶ The NTMA is bound by the public sector target to reduce its emissions by 51% by 2030 relative to the baseline average of 2016-2018 emissions. This target is derived as follows:
 - ▶ 51% reduction of direct fossil fuel related CO₂e emissions (i.e. thermal);
 - ▶ projected supply side reductions in indirect fossil fuel related CO₂e emissions from electricity.
- ▶ The NTMA is required to improve its energy efficiency by 50% by 2030 in line with the public sector target;
- ▶ The NTMA aims to be a net zero organization by 2030 which target is based on Scope 1 and Scope 2 emissions;
- ▶ The NTMA (inclusive of the NTMA’s affiliate organisations HBFI, SBCI and NAMA) reports under the Energy Efficiency Monitoring and Reporting System, overseen by the Sustainable Energy Authority of Ireland; and
- ▶ The HBFI Climate and Sustainability Champion has responsibility for implementing and reporting on the mandate.

Business Review *(continued)*

Energy efficiency report

HBFI is located with the NTMA in offices at Treasury Dock, North Wall Quay. HBFI occupies 3.08% of Treasury Dock as at 31 December 2025.

The NTMA has been awarded a B2 Display Energy Certificate (DEC) rating for 2025.

A building systems performance and optimisation system is in place which enables the NTMA to identify and implement energy saving opportunities.

Treasury Dock has many sustainable features including rainwater harvesting for grey water use, LED lighting and daylight and presence detection sensors to manage lighting requirements and a building management system to control the internal environment in an energy efficient manner.

The NTMA's Energy Efficiency Report details energy usage by the Treasury Dock building and is published with the NTMA's Annual Report on the NTMA website and details are also provided in the Climate Action Roadmap.

Engagement and Training of Employees

The NTMA assigns staff to HBFI. The NTMA aims to support employees in addressing sustainability and climate change and play a leadership role in driving far-reaching climate action across its buildings, transport, waste, and energy usage, as well as wider society.

To embed sustainability as part of the culture of the organisation, education and training supports are available to employees as part of the overall Learning and Development programme. This includes sustainability and climate action e-learning focused on increasing climate awareness.

Senior management climate action leadership training took place in 2025 in line with PSCAM requirements.

All HBFI staff undertook and completed sustainability training through the NTMA Climate School in 2025.

Our Way of Working

The NTMA continues to explore opportunities for further digitisation while several measures have already been successfully implemented in relation to material paper-based processes.

Green criteria for selection and award criteria are implemented, where applicable, in accordance with the Green Public Procurement Implementation Mandate set out in *Buying Greener: Green Public Procurement Strategy and Action Plan 2024-2027*, using the Environmental Protection Agency (EPA) GPP Guidance and criteria as well as the Office of Government Procurement's online GPP Criteria Search tool as resources. Green criteria for selection and/or award criteria were incorporated into tender documents during 2025 where appropriate to ensure supplies and services provided to HBFI and the NTMA are done so in a sustainable manner.

Treasury Dock was designed as a bicycle friendly building and the NTMA participates in the Cycle to Work Scheme which encourages employees to cycle to and from work. Facilities onsite include lockers, showers, dry rooms and secure bicycle parking. Electrical sockets for e-bikes and e-scooters are also available, in addition to a bike maintenance station.

Social

Lending activities

HBFI has a social/affordable housing product, which was introduced in 2020, to promote the delivery of social and affordable housing.

HBFI's stakeholder engagement programme includes engagement with a range of bodies supporting the delivery of social housing across Ireland, including the Housing Agency, Approved Housing Bodies, the Land Development Agency and Local Authorities.

43% of HBFI's approvals to date relate to Social and Affordable and Part V housing.

HBFI team

HBFI staff, as employees of the NTMA, benefit from a wide range of progressive equity, diversity, inclusion and wellbeing initiatives aimed at creating an inclusive, positive and healthy working environment.

HBFI staff participate in a number of employee resource groups in the NTMA which includes the Green Team, Gender Matters, Disability Advocacy, Multicultural Awareness and LGBT+.

The NTMA supports various fundraising initiatives each year. In 2025, the NTMA Charity Cycle in which a number of HBFI staff participated raised approximately €16,700 for the Royal National Lifeboat Institution and Pieta.

HBFI operates a flexible hybrid working model.

Irish Human Rights and Equality Commission Act 2014

As a public body, HBFI has regard to the need to eliminate discrimination, promote equality of opportunity and protect human rights of staff and service users, as set out in Section 42 of the Irish Human Rights and Equality Commission Act 2014.

HBFI undertook an assessment of human rights and equality issues relevant to its functions and purposes which is available on HBFI's website – www.hbfi.ie.

Gender Balance

HBFI's gender profile as at 31 December 2025 is:

	Female	Male
Board	43%	57%
Executive Management Team	60%	40%
Employee	36%	64%

The NTMA 2025 Gender Pay Gap Report published on 25th November 2025 includes figures for staff assigned to HBFI and is available on the NTMA website.

Employment of people with disabilities

The NTMA, as employer of all HBFI staff, is committed to supporting employees with disabilities and those requiring workplace accommodations, by addressing their needs, proactively improving accessibility and reducing and removing barriers in their day-to-day working lives, where reasonably possible. The NTMA has embedded a number of supports for staff in this regard.

- ▶ Disability Liaison Officer: A dedicated Disability Liaison Officer who can be approached confidentially with questions and issues around disability.
- ▶ Accommodations and Supports: Offering tailored reasonable accommodations and support to meet individual needs.
- ▶ Disability Advocacy Team: Organise initiatives and events that celebrate and champion a workplace where everyone thrives.
- ▶ Recruitment Partnerships: Collaborating with organisations to attract diverse talent.
- ▶ Awareness Programmes: Hosting workshops and events to promote disability awareness.

Governance

HBFI is committed to maintaining the highest standards of corporate governance. HBFI complies with the Code of Practice for the Governance of State Bodies, subject to certain exceptions agreed with the Department of Finance.

HBFI has a strong governance structure around decision making with certain approvals Reserved for Decision by the Board and robust Terms of Reference for the Committees established to support the Board.

In respect of the Board of Directors, these are chosen through an open and transparent Public Appointments Service process (PAS System).

Further detail is available in the Governance Section of this report.

Case Studies

Housing and Apartment Developments

Company

Sunfield Bandon

Site Name

Cul na Greine

Location

Bandon, Co. Cork

Number of Units

83

Project Status

Complete



Green Funding

Company

Drumakilla Ltd

Site Name

Bellevue Rise

Location

Delgany, Co. Wicklow

Number of Units

56

Project Status

Under Construction



Social/Affordable

Company

PM Blackstone

Contracted to

Local Authority

Site Name

Errigal

Location

Cootehill, Co. Cavan

Number of Units

6

Project Status

Complete

Small Developments

Company

JPR Enterprises

Site Name

Sunset Ave

Location

Courtown, Co. Wexford

Number of Units

6

Project Status

Under Construction



Governance and Corporate Information

Directors



Marie Collins

Chairperson

*(Reappointed 1 June 2024 for a five-year term)
(Member of the Remuneration Committee,
Member of the Credit Committee)*

Marie Collins is an experienced non-executive director in both the private and public sectors, serving on boards for over 20 years. She currently chairs Bank of Ireland's Dawson Master Trust DAC, Dunnes Stores Pension Trustee ULC and Trinity College Dublin Foundation. Marie is a Chartered Director and is a Board Evaluation Assessor and is a lead Tutor on the IOD Chartered Director Program. She holds an MBA from TCD and Postgraduate in Corporate Governance from UCD.



Des Carville

Board member

*(Reappointed 7 December 2023 for a five-year term)
(Member of the Audit and Risk Committee,
Member of the Credit Committee)*

Des Carville is head of the Shareholding and Financial Advisory Division (SFAD) of the Department of Finance, which manages the State's shareholdings and investments in the banking sector, the National Asset Management Agency (NAMA) and IBRC (in Special Liquidation). It has policy responsibility for the Credit Union sector. The Division also provides financial advisory services to the Department. He previously worked with Davy Corporate Finance for 15 years. He is a Fellow of Chartered Accountants Ireland (FCA), having trained with KPMG, is a Certified Bank Director with the Institute of Banking and completed the Advanced Management Program at Harvard Business School. He is a director of the European Investment Bank since 2018.



Dara Deering

Board member

*(Reappointed 3 September 2024 for a five-year term)
(Chief Executive Officer and ex officio member)*

Dara Deering is CEO of HBFi having joined the organisation on 2 September 2019. Dara has extensive experience in Financial Services having previously served as Executive Director and Head of Retail Banking at KBC Bank Ireland plc. During that time Dara led the launch and implementation of a new Retail Bank, broadening the range of products and services available, and offering a new banking alternative for Irish consumers. Prior to her time in KBC Dara held a number of leadership positions in the retail financial services industry. She holds an MBA from Smurfit Business School and a Bachelor of Science Management from Trinity College Dublin.



Andrew O'Flanagan

Board member

*(Reappointed 7 December 2023 for a five-year term)
(Interim Chair of the Remuneration Committee,
Member of the Credit Committee)*

Andrew O'Flanagan is Director of the National Development Finance Agency and NewERA at the National Treasury Management Agency (NTMA). Prior to joining the NTMA in 2011, he was Group Head of Legal at ESB and Chief Legal Officer of Ervia and worked in New York and London for seven years as a corporate lawyer with the Wall Street law firm Davis Polk & Wardwell, which included a secondment to the international investment bank Morgan Stanley. Andrew is a graduate of NUI Galway and Yale Law School (where he was a John F. Kennedy Scholar).



Claire Solon

Board member

*(Reappointed 1 June 2023 for a five-year term)
(Member of the Credit Committee)*

Claire Solon is Managing Director at Greystar Ireland managing multi-family investment and development in Ireland. Previous roles include Head of Property at Aviva, managing in excess of €600m of property funds in Ireland and the UK and Head of Estates Management at ESB, responsible for the management of the ESB property portfolio in Ireland. She is a Fellow of the SCSi and RICS and has lectured extensively in valuations and feasibility analyses. She served as President of the Society of Chartered Surveyors in 2016 and also served on the Board of the Irish Green Building Council.



Ronan O'Neill

Board member

*(Appointed 6 October 2025 for a five-year term)
(Member of the Audit and Risk Committee,
Member of the Remuneration Committee)*

Ronan is a Fellow of the Institute of Chartered Accountants, a Fellow of the Institute of Bankers and a Certified Bank Director. Ronan worked in AIB Group for a term of 34 years across a range of businesses including Corporate Banking, Capital Markets and finally as Chief Executive of AIB's business in the UK. Ronan then joined the Board of Permanent TSB where he served as Chair of the Risk and Compliance Committee, Chair of the Audit Committee and latterly as Senior Independent Director.



Ken Slattery

Board member

*(Reappointed 1 June 2023 for a five-year term)
(Chair of the Audit and Risk Committee)*

Ken Slattery has extensive board room experience in the financial services sector. He is currently the Chair of DLL Leasing DAC, and was until 2023 on the board of Permanent TSB where he chaired the Remuneration Committee and sat on the Nomination, Culture and Ethics Committee. Previously he held a number of senior leadership positions with Bank of Ireland including Corporate Banking Director (15 years) and Credit and Operations Director with Social Finance Foundation (9 years). He is a Fellow of the Institute of Bankers and a Certified Bank Director.

Board membership as at 31 December 2025

Governance Statement and Board Members' Report

Governance

HBFI was incorporated as a designated activity company pursuant to the Home Building Finance Ireland Act 2018 (the "HBFI Act 2018") on 7 December 2018. A group entity, Home Building Finance Ireland (Lending) DAC ("HBFIL"), was subsequently incorporated on 4 January 2019.

The Board is accountable to the Minister for Finance. The Board is responsible for ensuring good governance and performs this task by setting strategic objectives and targets and making strategic decisions on all key business issues. The regular day-to-day management, control and direction of HBFI, within defined authority levels, are the responsibility of the Chief Executive Officer (CEO) and the senior management team. The CEO and the senior management team must follow the broad strategic direction set by the Board and must ensure that all Board members have a clear understanding of the key activities and decisions related to the entity, and of any significant risks likely to arise. The CEO acts as a direct liaison between the Board and management of HBFI.

Board Responsibilities

The functions of HBFI are prescribed in Section 7 of the HBFI Act 2018. There is a formal schedule of matters reserved for decision by the Board. This includes:

- ▶ Annual Reports and Financial Statements;
- ▶ Risk Management Policy;
- ▶ Risk Appetite Statement, including eligibility criteria;
- ▶ Strategic Plan;
- ▶ Annual Budgets and Corporate Plans;
- ▶ Financing facilities;
- ▶ Appointment and terms and conditions of the Chief Executive Officer (after consultation with the Minister); and
- ▶ Overall remuneration policy and staffing plan.

HBFI is required by the HBFI Act 2018 to prepare financial statements in respect of its operations for each financial year. The financial statements are prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Ireland, and in accordance with the Companies Act 2014.

In preparing these financial statements, the HBFI Board is required to:

- ▶ Select suitable accounting policies and apply them consistently;
- ▶ Make judgements and estimates that are reasonable and prudent;
- ▶ Prepare the financial statements on a going concern basis unless it is inappropriate to do so; and
- ▶ Disclose and explain any material departure from applicable accounting standards.

The Board is responsible for ensuring that HBFI keeps, or causes to be kept, adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the Financial Statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited.

The Board is responsible for approving the HBFI income and expenditure budget and corporate strategy.

Forecasts against budget and goals are reviewed by the Board during the year and variations are reviewed at year end.

The Board is also responsible for safeguarding its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board considers that the financial statements of HBFI give a true and fair view of the financial performance during the period under review and the financial position of HBFI at 31 December 2025.

Board Structure

HBFI's Constitution provides that there shall be a minimum of three and a maximum of seven directors, one of whom will be the Chief Executive Officer as an ex-officio member of the Board. The first three directors were appointed by the Minister on the formation and registration of HBFI with the additional four directors appointed on 1 June 2019 following a Public Appointments Service process. The CEO was appointed to the Board in September 2019 replacing one of the original Board members.

The Chairperson is appointed by the Minister.

A director's term of office shall not exceed five years. Directors may be reappointed for a subsequent term subject to a maximum of ten years in total. Details of the current directors and their appointment periods are set out on pages 18 to 19.

The Board has established three committees to assist it in discharging its responsibilities, each with formal terms of reference:

- ▶ Audit and Risk Committee
- ▶ Credit Committee
- ▶ Remuneration Committee

For further information on the Board's committees, see Committee Reports on pages 24 to 26.

In addition, the Board has delegated certain credit decisions to an Executive Management Team Credit Committee through the Delegated Authority Policy, which is subject to regular review by the Board.

The Board plan includes a requirement for the Board to conduct an annual evaluation of its own performance and that of its Committees. For 2024, 2023, 2021 and 2020, this performance evaluation was conducted by way of self-assessment. In relation to 2022 and 2025, the Board's performance evaluation was conducted externally in accordance with the requirement set out in paragraph 4.6 of the Code of Practice for the Governance of State Bodies (2016).

The Board is supported in its functions by the Board Secretary who also coordinates the activities for the various Board committees.

Schedule of Attendance, Fees and Expenses

A schedule of attendance at the Board and Committee meetings for 2025 is set out below including the fees and expenses received by each member in their capacity as a Board or Committee member:

	Board		Audit and Risk Committee	Credit Committee	Remuneration Committee	Fees 2025 €	Expenses 2025 €
	Scheduled	Unscheduled					
Number of Meetings	5	2	5	4	2		
Board Members							
Dara Deering	5	2	–	4	–	–	–
Marie Collins	5	2	–	4	2	€31,500	–
Des Carville	5	2	5	4	–	–	–
Grainne Hennessy	0/0(p)	0/0(p)	0/0(p)	–	0/0(p)	€2,120	–
Andrew O'Flanagan	4	2	–	3	2	–	–
Ken Slattery	5	2	5	–	–	€15,750	–
Claire Solon	5	2	–	3	–	€15,750	–
Ronan O'Neill	1/1(p)	0/1(p)	1/1(p)	–	1/1(p)	€3,938	–
Staff Members							
Sean Alger	–	–	–	4	–	–	–

(p) refers to the number of meetings it was possible to attend.

The HBFI board members are also members of the HBFIL board, with nine HBFIL board meetings held during 2025.

The Chief Executive Officer (ex officio member), Andrew O'Flanagan (NTMA) and Des Carville (Department of Finance) do not receive any remuneration in respect of their membership of the Board. Members of staff do not receive any additional remuneration in respect of membership of committees.

Gender Balance in the Board Membership

As at 31 December 2025, the Board had three female (43%) and four male (57%) members, with no positions vacant. The Board therefore meets the Government target of a minimum of 40% representation of each gender in the membership of State Boards.

The following measures are in place to maintain and support gender balance on this Board:

- ▶ The term of office of appointed members does not exceed five years; and
- ▶ Board vacancies are filled through the Public Appointments Service process which considers the requirements set out in Section 4.4 of the Code of Practice for the Governance of State Bodies regarding diversity.

Key Personnel Changes

There were two changes to the members of the Board during 2025.

In February 2025, Grainne Hennessy resigned as a director and Ronan O'Neill was appointed as a director in October 2025.

Remuneration

The HBFI Act 2018 provides that the NTMA shall assign staff to HBFI as HBFI determines to be necessary for the performance of its functions. Thus, all HBFI staff are employees of the NTMA.

The NTMA's remuneration model is based on confidential, individually negotiated employment contracts, with competitive, market-aligned remuneration. The typical remuneration package comprises a fixed-base salary, pension entitlement and provision for discretionary performance-related pay.

Discretionary performance-related payments are intended to reward exceptional performance having regard to the employee's own performance, the performance of the employee's area of responsibility, and the overall performance of HBFI. Performance related payments are made in accordance with parameters approved by the Board on the recommendation of the Remuneration Committee.

The overall amount of performance-related payments made in respect of any year is also subject to the approval of the Board.

HBFI made performance-related payments to 16 staff in 2026 in respect of 2025. These payments totalled €190,500 in aggregate.

Employee Short-Term Benefits Breakdown

Employee short-term benefits in excess of €50,000 in 2025 are categorised into the following bands:

Range	No. of Employees
€50,001 to €75,000	4
€75,001 to €100,000	8
€100,001 to €125,000	12
€125,001 to €150,000	4
€150,001 to €175,000	5
€175,001 to €200,000	1
€200,001 to €225,000	1
€225,001 to €250,000	0
€250,001 to €275,000	0
€275,001 to €300,000	0
€300,001 to €325,000	0
€325,001 to €350,000	1
Total	36

Note: For the purposes of this disclosure, short-term employee benefits rendered during 2025 include salary, other taxable benefits paid to employees (including performance-related payments), and other payments made on behalf of employees, but exclude employer's PRSI and employer pension contributions.

Disclosures Required by Code of Practice for the Governance of State Bodies (2016)

The Board is responsible for ensuring that HBFI has complied with the requirements of the Code of Practice for the Governance of State Bodies ("the Code"), as published by the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation in August 2016. The following disclosures are required by the Code:

Consultancy costs

Consultancy costs include the cost of external advice to management and exclude outsourced ‘business-as-usual’ functions.

	2025 €'000	2024 €'000
Legal advice	122	80
Financial advice	40	62
Marketing/Design/ Public Relations	15	15
Human Resources	2	3
Other	68	33
Total consultancy costs	247	193
Consultancy costs capitalised	0	0
Consultancy costs charged to the Statement of Comprehensive Income	247	193
Total consultancy costs	247	193

Other consultancy costs include costs for market research reports in relation to the residential development sector.

Legal costs and settlements

For the purposes of the Code disclosure requirement, there was no relevant expenditure incurred in 2025.

Travel and subsistence expenditure

Travel and subsistence expenditure is categorised as follows:

	2025 €'000	2024 €'000
Domestic		
- Board	0	0
- Employees	64	64
International		
- Board	0	0
- Employees	1	0
Total	65	64

Employee travel and subsistence costs consist of costs related to site visits and customer and stakeholder meetings.

Hospitality expenditure

The Statement of Comprehensive Income includes €9.7k in respect of staff hospitality expenditure in 2025 (2024: €8.2k). This includes the NTMA's sports and social committee and diversity and inclusion initiatives.

Statement of Compliance

HBFI has complied in all material respects with the Code of Practice for the Governance of State Bodies, as published by the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation (“the Code”) with a limited number of adaptations/ variations which have been agreed with the Department of Finance as summarised below:

Matters reserved for decision by the board

The Code sets out a formal schedule of matters specifically reserved for decision by the Board. Other than “significant amendments to the pension benefits of the Chief Executive and staff” which is a matter for the NTMA Board as all HBFI staff are employees of the NTMA and are members of the NTMA superannuation scheme, the Schedule of Reserved Matters includes the items set out in the Code.

Customer service

The Code sets out a requirement to have a four-step cycle in respect of a customer charter. In relation to the fourth step which deals with the reporting of results, as the Code does not specify whether this reporting should be external or internal, HBFI reports the results internally to the Board.

Non-compliance with statutory obligations

In view of the wide range of relevant statutory obligations to which HBFI is subject, it is agreed to address this requirement with regard to the most significant obligations to which HBFI is subject and to apply a materiality filter to the notification of any incidence of non-compliance to the Minister.

Audit and Risk Committee

The Code recommends that the Audit and Risk Committee has members drawn from outside the Board. Although the Committee consists wholly of non- executive Board members, the Board is satisfied that the members have the requisite skills and experience to perform the role required.

Governance Statement and Board Members' Report *(continued)*

Infrastructure guidelines

The Infrastructure Guidelines (which replaced the Public Spending Code in December 2023) are likely to be limited in their application to HBFI as its principal activity is the provision of finance to commercially viable residential developments. Should HBFI engage in capital projects, a further review of the applicability of the Guidelines will be undertaken.

Remuneration and superannuation

The HBFI Act 2018 provides that the NTMA shall assign such staff to HBFI as HBFI determines to be necessary for the performance of its functions. Thus, all HBFI staff are employees of the NTMA.

Remuneration matters in respect of NTMA employees assigned to HBFI are approved by the NTMA Chief Executive Officer, representing the NTMA as employer, in accordance with criteria and oversight arrangements agreed from time to time with HBFI. With regard to these criteria and oversight arrangements, the HBFI Board has established a Remuneration Committee and has put in place a formal remuneration policy. In complying with the Code's provisions in respect of remuneration, HBFI has adopted the provisions applying to commercial State bodies, adapted in light of its particular governance and reporting structures and remuneration model.

Travel circulars

The NTMA's travel policy which applies to all HBFI staff is based on the Framework for a Travel Policy for State Bodies contained in the Code. Revenue approved civil service mileage rates (reflecting Circular 07/2017) are applied. In accordance with the NTMA travel policy, HBFI does not pay subsistence rates in respect of travel but operates a vouched expense process for the reimbursement of travel expenses and Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation circulars and office notices regarding subsistence are, therefore, not applied.

Committee Reports

Audit and Risk Committee Report

The Audit and Risk Committee's role is to assist the Board in the oversight of:

- ▶ the quality and integrity of the financial statements; the review and monitoring of the effectiveness of the systems of internal control; the internal audit process and compliance matters; and the review of the outputs from the external auditor, the Comptroller and Auditor General (C&AG); and
- ▶ HBFI's risk management framework including risk appetite; the monitoring of adherence to risk governance and ensuring risks are properly identified, assessed, managed and reported.

The Committee comprises of three non-executive members appointed by the Board. The members of the Committee during 2025 were:

- ▶ Ken Slattery, Chairperson
- ▶ Des Carville
- ▶ Grainne Hennessy (up to February 2025)
- ▶ Ronan O'Neill (from October 2025)

The Committee met on five occasions in 2025.

Financial reporting

The Committee reviewed the draft financial statements and recommended them to the Board. The review focused on the accounting methods, the Companies Act 2014 and the clarity and completeness of disclosures in line with applicable accounting standards, and relevant provisions of the Code of Practice for the Governance of State Bodies. The Committee also reviewed the Governance Statement and Board Members' Report, and statements on risk management for inclusion in the HBFI Annual Report.

Internal controls

The Committee reviewed the effectiveness of the system of internal control. It also reviewed the Statement on Internal Control to be included in the financial statements and recommended it to the Board. The review was informed by a report from management in relation to the assertions contained in the Statement and by the Committee's detailed work programme, including regular internal audit and risk reports.

Internal audit

HBFI's internal audit process is managed by the NTMA Internal Audit function. The Committee received regular reports from internal audit. It reviewed the key findings from the outcome of individual audit reviews completed under the 2025 risk-based internal audit plan and monitored the implementation of audit recommendations. The Committee approved the 2026 internal audit plan and reviewed the effectiveness of the internal auditor. The Committee meets privately with the NTMA Head of Internal Audit without management present at least annually.

External audit

HBFI's external auditor is the Comptroller and Auditor General. The Committee reviewed the external audit plan, the key areas of focus and the audit terms of engagement. The Committee meets with the external auditor without management present at least annually.

Risk

The Committee reviewed and recommended to Board for approval the HBFI Risk Management Policy and Framework and Risk Appetite Framework and Statement. It reviewed and recommended, or approved, a number of specific risk policies as provided for under the Risk Management Policy and Framework. The Committee received regular reports on HBFI's risk and control environment. It also approved the 2025 Risk Management Plan and monitored progress against the plan throughout the year. The Committee meets privately with the Head of Risk without management present at least annually.

Compliance

The Committee received regular reports from NTMA Compliance and reviewed the annual compliance report and the services provided by NTMA Compliance. The Committee approved updates to the Protected Disclosures Policy and the Data Protection Policy and Statement.

The Committee also reviewed and recommended to the Board the Business Risk Assessment and the Anti-Money Laundering Policy. The Committee meets with the NTMA Head of Compliance without management present at least annually.

Other

The Committee's priorities in respect of 2026 were approved as part of its Work Programme.

The terms of reference for the Audit and Risk Committee were reviewed for recommendation to the Board during 2025.

Credit Committee Report

The Committee operates under delegated authority from the Board of HBFI which has ultimate responsibility for the credit risk of HBFI. Commensurate with the risk appetite approved by the Board, and subject to agreed credit policies, the Credit Committee is responsible for the approval of credit applications in line with the credit approval authority as set out in the Delegated Authority Policy approved by the Board.

The Committee comprises of four non-executive members of the Board, the Chief Executive Officer and the Head of Credit and Risk. The members of the Committee during 2025 were:

- ▶ Marie Collins Chairperson (Board Chairperson)
- ▶ Des Carville
- ▶ Andrew O'Flanagan
- ▶ Claire Solon
- ▶ Dara Deering
- ▶ Sean Alger (HBFI Head of Credit and Risk)

The Credit Committee met on four occasions during the year. Its main activity involved the review of detailed credit proposals from management.

The terms of reference for the Credit Committee were reviewed for recommendation to the HBFI Board during 2025.

Governance Statement and Board Members' Report *(continued)*

Remuneration Committee Report

The Remuneration Committee assists the Board on remuneration matters in respect of the NTMA employees assigned to HBFI in accordance with the criteria and oversight arrangements agreed with the NTMA. The Board is responsible for HBFI's overall Remuneration Policy and is guided in its responsibilities by the advice and recommendations of the Remuneration Committee.

The Committee comprises of three non-executive members appointed by the Board. Its members during 2025 were:

- ▶ Grainne Hennessy, Chairperson (up to February 2025)
- ▶ Andrew O'Flanagan, Interim Chairperson
- ▶ Marie Collins
- ▶ Ronan O'Neill (from October 2025)

The Remuneration Committee met on two occasions and passed a written resolution during 2025.

The terms of reference for the Remuneration Committee were reviewed for recommendation to the Board during 2025.

Risk Management

HBFI aims to manage risk in an informed and proactive manner, in accordance with its Risk Management Policy and Framework and its Risk Appetite Statement, such that the level of accepted risk is consistent with its underlying business activity, and that HBFI understands and is able to manage or absorb the impact of any risks that may materialise. HBFI complies with the risk management provisions of the Code of Practice for the Governance of State Bodies (2016).

Throughout 2025, the Audit and Risk Committee and the Board reviewed the Risk Register on a regular basis, and the Board received regular updates in respect of risk management and high and emerging risks.

Roles and Responsibilities

Board

The Board is responsible for setting the risk appetite and overseeing and guiding risk management activity across HBFI. The Board has mandated that risk management be integrated and embedded into the tone and culture of HBFI and this has been adopted across HBFI with all members of the HBFI team responsible for identification and management of risk. Management is responsible for regularly reviewing the risk register and individually confirming that the stated controls are in place.

Audit and Risk Committee

The Audit and Risk Committee is responsible for overseeing the implementation of the HBFI Risk Management Policy and Framework and ensuring that HBFI's risk management governance model provides appropriate levels of independence and challenge.

The Audit and Risk Committee reports to the Board.

Three Lines of Defence

HBFI's Risk Management Policy and Framework is predicated on the three lines of defence model.

First Line of Defence

Within this model, the HBFI team (excluding the risk function) incur and own the risks.

Second Line of Defence

The HBFI Risk function (and the NTMA Compliance function with regard to Compliance Risk) is independent of the first line management and operations. They oversee compliance with risk management policies and provide review and objective challenge to the first line of defence. They also provide risk reports and information to the risk governance committees.

Third Line of Defence

The Internal Audit function acts as part of a third line of defence by providing independent, reasonable, risk-based assurance to key stakeholders on the robustness of the HBFI risk management system, its governance and the design and operating effectiveness of the internal control environment.

Audit

In accordance with statutory requirements, HBFI is audited by the Comptroller and Auditor General. HBFI's internal audit process is managed by the NTMA Internal Audit function and includes an external firm appointed to carry out internal audit work reporting to the NTMA Head of Internal Audit. The external firm in place during 2025 was KPMG.

Principal Risks

HBFI is exposed to a wide variety of risks which have the potential to affect its financial and operational performance. The Risk Management Policy and Framework establish the processes to identify, assess, report and mitigate risk. HBFI has identified the following principal risks which may adversely affect the achievement of its objectives. In addition, HBFI maintains a comprehensive Risk Register which identifies key risks and mitigating controls, including the principal risks listed below.

Reputational risk may also occur as a consequence of these risks.

Risk Management *(continued)*

Risk	Description of the Risk	Risk Mitigation Measure
Credit Risk	Credit Risk is defined as the risk of financial loss resulting from counterparties being unable to meet their contractual obligations to HBFI in respect of loans or other financial transactions. This risk comprises default risk, recovery risk, exposure risk, concentration risk and settlement risk.	Risk mitigants include HBFI's credit review and sanctioning process, adherence to relevant lending and credit policies and procedures, ongoing monitoring and review of facilities.
Business and Strategic Risk	The risk that HBFI will not perform as anticipated against its mandate which could be affected by strategy formation/execution and/or macroeconomic and geopolitical factors.	This risk is mitigated by ongoing product and strategic reviews to ensure that strategy is aligned to market needs. HBFI can adjust its strategy and business offering to fill gaps in the market, subject to review and approval through governance processes.
Operational Risk	HBFI is exposed to operational risk arising from its internal processes, people and systems or from external events, including weather events or pandemics. Key operational risks include system failures (due to cyber-attack or otherwise), reporting errors, data protection breaches and inadequate or failed internal processes.	This risk is mitigated by a suite of controls which is managed and monitored through appropriate governance. In addition, HBFI leverage the systems, processes and controls of the NTMA and external service providers.
Liquidity, Market and Equity Risk	Liquidity, market and equity funding risk is the possibility that, over a specific time horizon, HBFI will be unable to fund its assets or have insufficient funds to meet its obligations as they fall due, the risk of loss from changes in the value of assets and liabilities and the risk of holding insufficient capital to offset any unexpected losses.	The availability of funds to meet specific obligations as they fall due is managed through careful forward planning and day-to-day cashflow management and reporting and adherence to liquidity targets set out in relevant policies. Variable rate loans to borrowers are primarily funded via variable rate borrowings to minimise interest rate risk.
Regulatory Risk	The risk that HBFI fails to implement and comply with new or existing regulatory and/or legislative requirements and deadlines. HBFI must comply with a number of regulatory requirements including data protection law, anti-money laundering legislation and State Aid rules.	Adherence to relevant policies and procedures together with operational support and services provided by the NTMA under a Service Level Agreement, including provision of a Data Protection Officer and a Money Laundering Reporting Officer. A Market Economy Operator Principle report is procured annually to ensure compliance with State Aid rules.
Environmental, Social and Governance Risk	The risk that HBFI does not take necessary actions to integrate and implement ESG into its business operations and work practices.	The HBFI product suite includes a Social/Affordable Housing and a Green Funding product. HBFI-funded developments must comply with standards set out in applicable planning permissions and building regulations. HBFI has a robust risk management framework in place with oversight and reporting to the HBFI Board. The NTMA also provides various corporate initiatives to HBFI including the Green Team and the Sustainability Group.

Management Team



Dara Deering
Chief Executive Officer



Sean Alger
Head of Credit and Risk



Denise Donovan
Head of Operations, Portfolio and Finance



Fergus Mangan
Head of Commercial



Paula Flinter
Head of Legal



Tony McMahon*
Head of Risk

* Tony McMahon was appointed as a member of the Executive Management Team from 5 January 2026, assuming responsibilities as Head of Risk from 10 April 2026. Sean Alger is due to retire in Q2 2026

Customer Testimonials

Aidan Clancy, Clancy Homes

“We’ve been working with Home Building Finance Ireland since 2022 across two significant ongoing residential projects, over 100 new homes at Fox Meadows in Kilkenny and over 300 homes at Ard Griffin in Midleton, Co. Cork. Their team has been great to work with. They’re flexible, easy to deal with, and ready to adapt when things change on site. It’s been great having a funding partner who genuinely understands how projects evolve and supports us every step of the way.”



Michael McHale, Moyville Homes

“From the outset, the HBFI team were clear, responsive, and easy to work with throughout the entire process. Their support enabled us to progress the project efficiently in February 2026 and begin delivering much-needed homes in Co. Meath. We would highly recommend HBFI for their practical approach and strong understanding of SME developers—an essential factor in helping Ireland meet the housing targets set by the Government.”



Michael Polgar, Brader Holdings

“HBFI supported us from the outset. The professionalism and assistance was far better than expected. HBFI visited our site and showed a genuine interest and assisted us in application, to legals and through to drawdowns. HBFI laid out the timeframes and managed our expectations. They provided cost-effective finance, and we will be using them again for our next project. We have confidence in the lending requirements and the team that delivers it.”



CONSOLIDATED FINANCIAL STATEMENTS OF HOME BUILDING FINANCE IRELAND DAC AND ITS SUBSIDIARY

For the Financial Year Ended 31 December 2025

Company Registration Number: 639272

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Company and Other Information

Directors

Marie Collins (*Chairperson*)

Desmond Carville

Dara Deering

Grainne Hennessy (*resigned 14 February 2025*)

Ronan O'Neill (*appointed 6 October 2025*)

Andrew O'Flanagan

Timothy Ken Slattery

Claire Solon

Company Secretary

Cecilia Fourie

Registered Office

Treasury Dock

North Wall Quay

Dublin 1

D01 A9T8

Bankers

Allied Irish Banks Plc

Molesworth Street

Dublin 2

D02 W260

Central Bank of Ireland

New Wapping Street

North Wall Quay

Dublin 1

D01 F7X3

Auditor

Comptroller and Auditor General

3A Mayor Street Upper

Dublin 1

D01 PF72

Directors' Report

The Directors of Home Building Finance Ireland DAC present their report and audited Group and Company financial statements for the year ended 31 December 2025 ("the financial year").

Home Building Finance Ireland DAC ("HBFI" or the "Company"), the holding company, was incorporated on 7 December 2018 (company reg. 639272) pursuant to the Home Building Finance Ireland Act 2018 ("HBFI Act 2018") which was enacted on 3 December 2018.

On incorporation, HBFI allotted and issued, to the Minister for Finance, shares with a total nominal value of €20m. HBFI established and is a 100% shareholder of Home Building Finance Ireland (Lending) DAC ("HBFIL" or the "Subsidiary") which was incorporated on 4 January 2019 (company reg. 640801).

Principal activities

The principal activity of the Group is to provide debt funding for residential development in the State. The Group, through its subsidiary HBFIL, provides financing to builders and developers seeking to build viable residential development projects in Ireland on commercial, market equivalent terms and conditions.

Business review

The 2025 Annual Report ("the Report") forms part of the Directors' Report. The Chairperson's Statement and Chief Executive Officer's Review in the Report outline the development and performance of HBFI during the financial year and significant events that occurred during that period. Further information on HBFI's strategy, business model and operations is provided in the Business Review section of the Annual Report.

During the financial year, HBFI focused on achieving its key objectives by continuing to assess loan applications and advance loan amounts to existing and new developments. During the financial year, the following represent the key outcomes:

- ▶ €657m of loans approved for borrowers¹;
- ▶ €545m of funds advanced to borrowers under approved loans²;
- ▶ €462m of loans repaid by borrowers; and
- ▶ €4.2m Profit for the year after tax.

In addition, HBFI entered into a €200m loan facility with Danske Bank A/S to supplement its existing funding from the Ireland Strategic Investment Fund in order to boost its lending capacity.

Principal risks and uncertainties

The principal risks and uncertainties facing the Group are detailed below. In addition, reputational risk may occur as a consequence of these risks.

Credit Risk

- ▶ Credit Risk is defined as the risk of financial loss resulting from counterparties being unable to meet their contractual obligations to HBFI in respect of loans or other financial transactions. This risk comprises default risk, recovery risk, exposure risk and concentration risk.
- ▶ Uncertainties: Rising costs on developments, infrastructure challenges.

Business and Strategic Risk

- ▶ There is a risk that HBFI will not perform as expected against its mandate which could be affected by strategy formulation and execution and/or macroeconomic and geopolitical factors.
- ▶ Uncertainties: Macroeconomic environment including geopolitical landscape, availability of development land and infrastructure challenges.

Operational Risk

- ▶ HBFI is exposed to operational risk arising from its internal processes, people and systems or from external events, including weather events or pandemics. Key operational risks include system failures (due to cyber-attack or otherwise), reporting errors, data protection breaches and inadequate or failed internal processes.
- ▶ Uncertainties: Cyber landscape, extreme weather events, health or global pandemic.

1 Not all loans approved will proceed to draw down funding from HBFI for various reasons including the project not progressing or alternative funding secured
2 Including commitment fees capitalised

Liquidity, Market and Equity Risk

- ▶ Liquidity, market and equity funding risk is the possibility that, over a specific time horizon, HBFI will be unable to fund its assets or have insufficient funds to meet its obligations as they fall due, the risk of loss from changes in the value of assets and liabilities and the risk of holding insufficient capital to offset any unexpected losses.

Regulatory Risk

- ▶ The risk that HBFI fails to implement and comply with new or existing regulatory and/or legislative requirements and deadlines. HBFI must comply with a number of regulatory requirements including data protection law, anti-money laundering legislation and State Aid rules.
- ▶ Uncertainties: Potential impact of changes to legislation.

Environmental, Social and Governance Risk ("ESG")

- ▶ The risk that HBFI does not take necessary actions to integrate and implement ESG into its business operations and work practices. This could lead to missed opportunities, un-identified ESG risks and poor governance decisions.

Financial risk management

The Group is exposed to financial risks including market risk, liquidity risk, capital risk and concentration risk in addition to credit risk in the normal course of its business. Further details on how the Group manages these financial risks are given in Note 12 to the financial statements.

Directors

The following are the names of the persons who, at any time during the financial year, were Directors of the Company:

Marie Collins (*Chairperson*)

Desmond Carville

Dara Deering

Grainne Hennessy (*resigned 14 February 2025*)

Ronan O'Neill (*appointed 6 October 2025*)

Andrew O'Flanagan

Timothy Ken Slattery

Claire Solon

Company Secretary

Cecilia Fourie

Directors' interests

The Directors had no beneficial interest in the Group during the financial year or at the year end. The issued share capital of the Group is owned solely by the Minister for Finance.

Adequate accounting records

The Directors ensure compliance with the Group's obligations with regards to keeping accounting records required under sections 281 to 285 of the Companies Act 2014, through the use of qualified accounting personnel and appropriate systems and procedures, as set out in the Statement on Internal Control on page 37. The accounting records are kept at the Company's registered office at Treasury Dock, North Wall Quay, Dublin 1, D01 A9T8.

Financial results

The results for the financial year and assets, liabilities and financial position of the Group are set out in the Consolidated Statement of Comprehensive Income and the Consolidated Statement of Financial Position on pages 43 and 44 respectively. The Company results and financial position are set out on pages 47 and 48.

Capital and dividends

The Board approved a Capital and Dividend Policy which sets out the Group's approach to capital allocation including the prioritisation of capital maintenance to support operational resilience. Review of the Group's capital allocation is undertaken annually and any decision regarding dividend distribution is subject to the capital maintenance requirements set out in the policy. The Group is not restricted by any externally imposed capital requirements but, pursuant to its capital allocation policy and following the annual review, the Board has approved the allocation of €2.5m of 2025 profits (2024: €2.15m), bringing the total Group Retained Earnings as non-distributable to €6.2m (2024: €3.7m).

The Group did not pay any dividends during the financial year to its sole shareholder, the Minister for Finance, and does not propose to pay any dividends for this financial year.

Events after the reporting period

Refer to Note 25 of the financial statements.

Auditor

The Comptroller and Auditor General (“C&AG”) is the Group’s statutory auditor by virtue of section 15 (2) of the HBFI Act 2018 which permits the C&AG to be HBFI’s statutory auditor notwithstanding HBFI is a for profit entity.

So far as each of the Directors in office at the date of approval of the financial statements is aware:

- ▶ There is no relevant audit information of which the Group’s auditor is unaware; and
- ▶ The Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Group’s auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 330 of the Companies Act 2014.

Approved and authorised for issue by the Board of Directors and signed on its behalf:



Dara Deering

Chief Executive Officer

Home Building Finance Ireland DAC



Marie Collins

Chairperson

Home Building Finance Ireland DAC

9 April 2026

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report and the Group and Company financial statements ("the financial statements") in accordance with the Companies Act 2014.


Irish company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland (January 2022 with relevant amendments)*, issued by the Financial Reporting Council ("relevant financial reporting framework"). Under company law the Directors must not approve the 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 as at the financial year end date and of the profit or loss of the Group for the financial year and otherwise comply with the Companies Act 2014. In preparing these financial statements, the Directors are required to:

- ▶ select suitable accounting policies for the financial statements and then apply them consistently;
- ▶ make judgments and estimates that are reasonable and prudent;
- ▶ state whether the financial statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- ▶ prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and the Directors' report comply with the Companies Act 2014 and enable the financial statements to be audited.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

Approved and authorised for issue by the Board of Directors and signed on its behalf:



Dara Deering

Chief Executive Officer

Home Building Finance Ireland DAC



Marie Collins

Chairperson

Home Building Finance Ireland DAC

9 April 2026

Statement on Internal Control

The consolidated and Company financial statements for HBFI are prepared within an internal control framework established by HBFI. The HBFI Board and the committees established by the Board are responsible for the monitoring and oversight of HBFI and its subsidiary, HBFIL.

Scope of Responsibility

On behalf of HBFI, we acknowledge the Board's responsibility for ensuring that an effective system of internal control is maintained and operated. This responsibility takes account of the requirements of the Code of Practice for the Governance of State Bodies (2016).

Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it. The system can therefore only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded and that material errors or irregularities are either prevented or detected in a timely way.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation, has been in place in HBFI for the year ended 31 December 2025 and up to the date of approval of the financial statements.

Capacity to Handle Risk

HBFI has a formal risk management and governance framework in place, designed to support the proactive management of risk. HBFI's Risk Management Policy and Framework and Risk Appetite Framework together set out its risk appetite and risk management processes.

HBFI has an Audit and Risk Committee ("ARC") comprising of three non-executive members of the Board with financial and audit experience, one of whom acts as the Chairperson. The ARC met on five occasions during 2025.

The ARC oversees the internal audit activities of HBFI, which are based on a programme of work agreed with the ARC and performed by the National Treasury Management Agency's ("NTMA") internal audit function.

The NTMA provides certain finance, human resources, information technology, internal audit, compliance and procurement services to HBFI, as provided for under section 9 of the HBFI Act 2018, and as agreed in the Service Level Agreement between the NTMA and HBFI. HBFI therefore depends to a significant degree on the controls operated by the NTMA. The NTMA has developed a thorough system of internal control and any services provided to HBFI under the Service Level Agreement are provided in accordance with the NTMA's system of internal control. HBFI has received a written confirmation from the NTMA that it has reviewed its system of internal control in relation to services provided to HBFI.

HBFI has also relied on controls operated by its third-party Loan Services provider. These loan services are provided in accordance with a Service Level Agreement and HBFI has established procedures with the Loan Services provider for the reporting of incidents, including control failures. HBFI has received a written confirmation from its Loan Services provider, Fexco Asset Finance Limited, that it has reviewed its system of internal control in relation to services provided to HBFI.

Risk and Control Framework

HBFI has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks.

A Risk Register is in place, which identifies the key risks facing HBFI and these have been identified, evaluated and graded according to their significance. On the basis of risks identified, controls are implemented to manage and mitigate these risks. The Risk Register is reviewed by the ARC on a quarterly basis and by the Board of Directors annually at a minimum. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level. The management team is required to attest on a quarterly basis that the controls noted in the Risk Register are in place and effective, to the best of their knowledge.

Statement on Internal Control (continued)

The Risk Register (i) details the controls needed to mitigate risks and (ii) assigns responsibility for operation of controls to specific staff. We confirm that the control environment contains the following elements:

- ▶ Documented procedures for key business processes;
- ▶ Systems ensuring the security of the information and communication technology systems;
- ▶ Regular review and assessment of financial assets;
- ▶ A comprehensive budgeting system including an annual budget which is reviewed and approved by the Board of Directors; and
- ▶ Regular reviews of periodic financial reports which detail financial performance against forecasts.

Ongoing Monitoring and Review

HBFI has established processes for the ongoing monitoring and review of the effectiveness of controls which are carried out through its three lines of defence model. All of HBFI is responsible for the day-to-day management of risk and for ensuring that adequate controls are in place and operating effectively. The three lines of defence is made up of:

- ▶ First Line comprising of the HBFI Team (excluding risk) incur and own the risks;
- ▶ Second Line comprising of HBFI Credit & Risk and NTMA Compliance (with regards to compliance risk). The HBFI Credit & Risk function acts as a Second Line of Defence with responsibility for providing independent challenge and oversight of risk monitoring; and
- ▶ Third Line comprising of Internal Audit which under the terms of the Service Level Agreement ("SLA") with the NTMA provides independent, reasonable, risk-based assurance to key stakeholders on the robustness of the HBFI risk management system, governance and the design and operating effectiveness of the internal control environment based.

Formal procedures have been established for monitoring control processes. Any control deficiencies are communicated to those responsible for taking corrective action and to management and the Board, where relevant, in a timely way. We confirm that the following ongoing monitoring systems are in place:

- ▶ Key risks and related controls have been identified and processes have been put in place to monitor the operation of those controls and report any identified deficiencies;
- ▶ Reporting arrangements have been established at all levels where responsibility for financial management has been assigned; and
- ▶ There are regular reviews by senior management of periodic/annual performance and financial reports which indicate performance against budgets/forecasts.

Procurement

HBFI's procurement support is provided by the NTMA and HBFI adheres to the NTMA Procurement Policy (published on its website) and associated procedures, which are consistent with the current Office of Government Procurement guidelines.

In certain circumstances, it is deemed appropriate to obtain duly authorised exceptions from the Policy and Procedure (i.e. not run a competitive tender process) in respect of services, supplies or works valued above €5,000 (ex VAT) and below the EU thresholds. Such exceptions are approved by the Executive Management team and do not amount to non-compliant procurement. During 2025, there were no such reportable procurement exceptions (> €25,000).

Review of Effectiveness

We confirm that HBFI has procedures to monitor the effectiveness of its risk management and control procedures. HBFI's monitoring and review of the effectiveness of the system of internal control is informed by the work of the internal and external auditors, the ARC which oversees their work, and the senior management within HBFI responsible for the development and maintenance of the internal control framework.

We confirm that the Board conducted a review of the system of internal control for the year ended 31 December 2025.

Internal Control Issues

No weaknesses in the system of internal control were identified in relation to the year ended 31 December 2025 that require disclosure in the financial statements.



Dara Deering

Chief Executive Officer

Home Building Finance Ireland DAC



Marie Collins

Chairperson

Home Building Finance Ireland DAC

9 April 2026

Report of the Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Home Building Finance Ireland

Opinion on the financial statements

I have audited the group and company financial statements of Home Building Finance Ireland designated activity company for the year ended 31 December 2025 as required under the provisions of the Home Building Finance Ireland Act 2018. The financial statements comprise

- ▶ the consolidated and company statements of comprehensive income
- ▶ the consolidated and company statements of financial position
- ▶ the consolidated and company statements of changes in equity
- ▶ the consolidated and company statements of cash flows, and
- ▶ the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements

- ▶ give a true and fair view of the assets, liabilities and financial position of the group and of the company at 31 December 2025 and of the group's profit for the year
- ▶ have been properly prepared in accordance with Financial Reporting Standard (FRS) 102 *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*, and
- ▶ have been properly prepared in accordance with the Companies Act 2014.

Basis of opinion

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the group companies and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions related to going concern

The directors have prepared the financial statements on a going concern basis. As described in the appendix to this report, I conclude on

- ▶ the appropriateness of the use of the going concern basis of accounting by the directors, and
- ▶ whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern.

I have nothing to report in that regard.

Opinion on other matters prescribed by the Companies Act 2014

Based on the work undertaken in the course of the audit, I report that in my opinion

- ▶ the information given in the directors' report is consistent with the financial statements, and
- ▶ the directors' report has been prepared in accordance with the applicable legal requirements.

I have obtained all the information and explanations that, to the best of my knowledge and belief, are necessary for the purposes of my audit.

In my opinion, the accounting records of the group were sufficient to permit the financial statements to be readily and properly audited, and the financial statements are in agreement with the accounting records.

Based on the knowledge and understanding of the group and its environment obtained in the course of the audit, I have not identified any material misstatements in the directors' report.

The Companies Act 2014 also requires me to report if, in my opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not complied with by the group. I have nothing to report in that regard.

Reporting on other information

The directors are responsible for other information they have presented with the financial statements. This comprises the annual report, including the governance statement and board members' report, the statement of directors' responsibilities, and the statement on internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.



Seamus McCarthy

Comptroller and Auditor General

14 April 2026

Appendix to the report

Responsibilities of the directors

As detailed in the governance statement and board members' report, the directors are responsible for

- ▶ the preparation of annual financial statements in the form prescribed under the Companies Act 2014
- ▶ ensuring that the financial statements give a true and fair view in accordance with FRS102
- ▶ ensuring the regularity of transactions
- ▶ assessing whether the use of the going concern basis of accounting is appropriate, and
- ▶ 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.

Responsibilities of the Comptroller and Auditor General

I am required under section 15 of the Home Building Finance Ireland Act 2018 to audit the financial statements of the group and company and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs 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.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- ▶ I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Report of the Comptroller and Auditor General *(continued)*

- ▶ I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- ▶ I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.
- ▶ I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on Home Building Finance Ireland's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause Home Building Finance Ireland to cease being a going concern.
- ▶ I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Other information

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if I identify material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

Consolidated Statement of Comprehensive Income

For the financial year ended 31 December 2025

	Note	2025 €000	2024 €000
Interest income	5	27,553	25,225
Interest expense	6	(17,829)	(16,114)
Net interest income		9,724	9,111
Other income	7	5,288	4,299
Operating expenses	8	(10,152)	(8,897)
Operating profit before tax		4,860	4,513
Tax expense	10	(625)	(577)
Profit for the year after tax		4,235	3,936
Other comprehensive income		-	-
Total comprehensive income for the year		4,235	3,936

The accompanying notes form an integral part of the financial statements.

Approved and authorised for issue by the Board of Directors and signed on its behalf:



Dara Deering

Chief Executive Officer

Home Building Finance Ireland DAC



Marie Collins

Chairperson

Home Building Finance Ireland DAC

9 April 2026

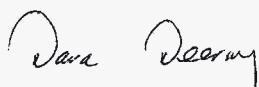
Consolidated Statement of Financial Position

as at 31 December 2025

	Note	31 December 2025 €000	31 December 2024 €000
Non-current assets			
Loans and receivables	11	276,006	187,187
Other receivables	14	482	452
		276,488	187,639
Current assets			
Loans and receivables	11	121,126	104,124
Other receivables	14	2,054	1,654
Cash and cash equivalents		44,262	46,204
		167,442	151,982
Creditors: amounts falling due within 1 year			
Funding	16	(664)	–
Other liabilities	15	(6,547)	(5,104)
		(7,211)	(5,104)
Net current assets		160,231	146,878
Total assets less current liabilities		436,719	334,517
Creditors: amounts falling due after 1 year			
Funding	16	(403,159)	(305,269)
Other liabilities	15	(2,284)	(2,207)
Net assets		31,276	27,041
Capital and reserves			
Called up share capital presented as equity	19	20,000	20,000
Retained earnings		11,276	7,041
Total equity		31,276	27,041

The accompanying notes form an integral part of the financial statements.

Approved and authorised for issue by the Board of Directors and signed on its behalf:



Dara Deering
Chief Executive Officer
Home Building Finance Ireland DAC



Marie Collins
Chairperson
Home Building Finance Ireland DAC

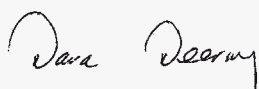
9 April 2026

Consolidated Statement of Changes in Equity

For the financial year ended 31 December 2025

	Share capital €000	Retained earnings €000	Total equity €000
Balance at 1 January 2024	20,000	3,105	23,105
Total comprehensive income for the year	–	3,936	3,936
Balance at 31 December 2024	20,000	7,041	27,041
Total comprehensive income for the year	–	4,235	4,235
Balance at 31 December 2025	20,000	11,276	31,276

Approved and authorised for issue by the Board of Directors and signed on its behalf:



Dara Deering

Chief Executive Officer

Home Building Finance Ireland DAC



Marie Collins

Chairperson

Home Building Finance Ireland DAC

9 April 2026

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2025

	Notes	2025 €000	2024 €000
Cash flows from operating activities			
Profit for year		4,235	3,936
Advances to borrowers	11	(544,551)	(434,805)
Repayments from borrowers	11	461,871	473,803
Interest receivable	11	(23,141)	(21,085)
Increase in other receivables	14	(430)	(1,128)
Interest payable	16	16,804	15,534
Increase in other liabilities	15	1,520	1,447
Net cash from operating activities		(83,692)	37,702
Cash flows from financing activities			
Funding loans received	16	387,500	257,410
Funding loans repaid	16	(305,750)	(292,823)
Net cash from financing activities		81,750	(35,413)
Net (decrease)/ increase in cash and cash equivalents		(1,942)	2,289
Cash and cash equivalents at 1 January		46,204	43,915
Cash and cash equivalents at 31 December		44,262	46,204

Company Statement of Comprehensive Income

For the financial year ended 31 December 2025

	Note	2025 €000	2024 €000
Interest income		-	-
Interest expense		-	-
Net interest income		-	-
Other income		22	31
Operating expenses	8	(69)	(79)
Operating loss before tax		(47)	(48)
Tax expense	10	-	-
Loss for the year after tax		(47)	(48)
Other comprehensive income		-	-
Total comprehensive income for the year		(47)	(48)

The accompanying notes form an integral part of the financial statements.

Approved and authorised for issue by the Board of Directors and signed on its behalf:



Dara Deering

Chief Executive Officer

Home Building Finance Ireland DAC



Marie Collins

Chairperson

Home Building Finance Ireland DAC

9 April 2026

Company Statement of Financial Position

as at 31 December 2025

	Note	31 December 2025 €000	31 December 2024 €000
Non-current assets			
Investment in subsidiary	22	19,000	19,000
		19,000	19,000
Current assets			
Cash and cash equivalents		917	895
		917	895
Creditors; amounts falling due within 1 year			
Other liabilities	15	(509)	(440)
Net current assets		408	455
Total assets less current liabilities		19,408	19,455
Net assets		19,408	19,455
Capital and reserves			
Called up share capital presented as equity	19	20,000	20,000
Retained losses		(592)	(545)
Total equity		19,408	19,455

The accompanying notes form an integral part of the financial statements.

Approved and authorised for issue by the Board of Directors and signed on its behalf:



Dara Deering
Chief Executive Officer
Home Building Finance Ireland DAC



Marie Collins
Chairperson
Home Building Finance Ireland DAC

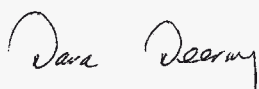
9 April 2026

Company Statement of Changes in Equity

For the financial year ended 31 December 2025

	Share capital €000	Retained losses €000	Total equity €000
Balance at 1 January 2024	20,000	(497)	19,503
Total comprehensive income for the year	–	(48)	(48)
Balance at 31 December 2024	20,000	(545)	19,455
Total comprehensive income for the year	–	(47)	(47)
Balance at 31 December 2025	20,000	(592)	19,408

Approved and authorised for issue by the Board of Directors and signed on its behalf:



Dara Deering

Chief Executive Officer

Home Building Finance Ireland DAC



Marie Collins

Chairperson

Home Building Finance Ireland DAC

9 April 2026

Company Statement of Cash Flows

For the financial year ended 31 December 2025

	2025 €000	2024 €000
Cash flows from operating activities		
Loss for year	(47)	(48)
Increase in other liabilities	69	79
Net cash from operating activities	22	31
Cash flows from investing activities		
Investment in subsidiary	-	-
Net cash from investing activities	-	-
Net increase in cash and cash equivalents	22	31
Cash and cash equivalents at 1 January	895	864
Cash and cash equivalents at 31 December	917	895

Notes to the Financial Statements

1. Reporting entity

The HBFI Group comprises of HBFI, as holding company, and its subsidiary HBFIL. HBFI is a Designated Activity Company limited by shares incorporated under the Companies Act 2014 (Registered Number 639272). HBFIL is a Designated Activity Company limited by shares incorporated under the Companies Act 2014 (Registration Number 640801). The principal activity of the Group is to provide debt funding for residential development in the State.

The registered office of both companies is at Treasury Dock, North Wall Quay, Dublin 1, D01 A9T8.

The financial statements consolidate the financial statements of HBFI and HBFIL for the financial year ended 31 December 2025. The financial statements of the holding company, HBFI, are shown separately within this report.

2. Statement of Compliance

These financial statements for the financial year ended 31 December 2025 have been prepared in accordance with the Companies Act 2014 and *FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (January 2022 with relevant amendments)*, issued by the Financial Reporting Council in the UK (“FRS 102”) having elected, as permitted by FRS 102, to account for the Group’s and Company’s financial instruments by applying the recognition and measurement rules of IAS 39 *Financial Instruments: Recognition and Measurement*.

3. Significant accounting estimates and judgements

The preparation of financial statements in conformity with FRS 102 requires the use of estimates and judgements that affect the reported amounts of assets and liabilities. Estimates and judgements are continually evaluated and are based on a number of factors, including expectations of future events that are believed to be reasonable under the circumstances.

Management believes that the underlying assumptions used are appropriate and that the financial statements, therefore, present the financial position and results fairly. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are described as below:

3.1 Key sources of estimates and judgements

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3.1.1 Loan impairment assessment

In line with the requirements of IAS 39 as permitted by FRS 102, the Group reviews its portfolio of loans for objective evidence of impairment at the statement of financial position date. In determining whether an impairment loss should be recorded in the Consolidated Statement of Comprehensive Income at the reporting date, the Group uses internal and external sources of information to assess whether there is any evidence that an asset may be impaired (in line with IAS 39.59). Evidence of impairment may include the following:

- ▶ significant financial difficulty of the borrower;
- ▶ a breach of contract, such as a default in interest or principal payments;
- ▶ the granting of a concession to the developer for economic or legal reasons relating to the borrower’s financial difficulty that wouldn’t otherwise be considered; or
- ▶ where it is probable that the borrowers will enter bankruptcy or other financial reorganisation.

Notes to the Financial Statements *(continued)*

If any objective evidence of impairment exists, the Group performs a detailed impairment calculation on each loan individually to determine the amount of impairment loss that should be recognised. An asset is impaired, and an impairment loss is recognised, if the loss is incurred at the reporting date as a result of one or more events that occurred after initial recognition of the asset.

3.1.2 Income recognition on loans and receivables

The accounting policy for the recognition of interest income on loans and receivables is set out in Note 4.5.

4. Significant accounting policies

4.1 Basis of preparation

The financial statements are prepared on a going concern basis and the Board of Directors of the Company (“the Board”) is satisfied that the Group and Company will continue as a going concern for the foreseeable future.

In its consideration of whether accounting on a going concern basis is appropriate, the Board has had regard to the functions of the Group and Company as set out in the HBFI Act 2018 and believes it is reasonable to assume that, given the purpose of the legislation, the State will take appropriate steps to ensure that the Group and Company are put in a position to discharge their mandate.

The Group’s and Company’s activities are subject to risk factors including credit, business and strategic, operational, liquidity, market and equity, regulatory and environmental, social and governance risk. The Board has reviewed these risk factors and all relevant information to assess the Group’s and Company’s ability to continue as a going concern. The Board and Audit and Risk Committee review key aspects of the Group’s and Company’s activities on an on-going basis and review, whenever appropriate, the critical assumptions underpinning its long-term strategies.

As permitted by the Companies Act 2014, the Directors have adapted the arrangements and headings and subheadings otherwise required by Profit and Loss Account Format 1 and Balance Sheet Statement Format 1 as the special nature of the Group’s and Company’s business requires such adaptation. The financial statements are presented in euro (€), which is the Company’s functional, and the Group’s and Company’s presentational currency. The figures shown in the financial statements are stated in € thousands.

4.2 Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and its subsidiary undertaking drawn up to 31 December each year. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

4.3 Investment in subsidiaries

In the Company financial statements, the investment in the subsidiary, HBFIL, is accounted for at cost less impairment.

4.4 Basis of measurement

The financial statements have been prepared under the historical cost convention.

4.5 Interest income and expense

Interest income and expense for all financial instruments are recognised in the Consolidated Statement of Comprehensive Income using the Effective Interest Rate (“EIR”) method.

The EIR method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant financial period. The EIR is the rate that exactly discounts estimated future cash payments or receipts over the expected life of the financial instrument to the net carrying amount of the financial asset or liability. When calculating the EIR, the Group estimates cash flows considering all contractual terms of the financial instrument.

Once a financial asset has been written down as a result of an impairment loss, interest income is recognised using the original rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

Interest income receivable on loans to borrowers and interest expense payable on loans from funders are presented within operating activities in the Consolidated Statement of Cash Flows.

4.6 Other income

Fee income relates mainly to arrangement fees and commitment fees charged to the borrower. Fee expenditure relates to due diligence and legal fees incurred on facilities. Fee income and fee expenditure are deferred initially and then released to the Statement of Comprehensive Income over the term of the relevant facility in line with *FRS 102 Section 23 Revenue*.

4.7 Costs reimbursable to the NTMA

In accordance with section 9 (2) of the HBFI Act 2018, the NTMA provides business and support services and systems in addition to assigning staff to the Group. Costs reimbursable to the NTMA are recognised on an accruals basis. These expenses are recovered from the Group by the NTMA at cost. Further information on costs reimbursable to the NTMA is included in Note 8.1.

4.8 Financial assets

The Group classifies its financial assets in accordance with IAS 39 classifications. The Group determines the classification of its financial instruments at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. On initial recognition, the loans are measured at fair value plus incremental direct transaction costs that are directly attributable to the issue of the loan. They are then subsequently measured at amortised cost using the EIR method as described in Note 4.5.

Cash and cash equivalents

Cash comprises cash on hand and on demand deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

The Statement of Cash Flows shows the changes in cash and cash equivalents arising during the financial year from operating activities, investing activities and financing activities. The cash flows from operating activities are reported using the indirect method, whereby major classes of gross cash receipts and gross payments are disclosed.

Notes to the Financial Statements *(continued)*

4.9 Financial liabilities

Financial liabilities are being measured in accordance with IAS 39. Funding are those readily accessible loans drawn down by the Group from the Ireland Strategic Investment Fund (“ISIF”) and Danske Bank A/S (“Danske”) in order to support its lending activities. The Group recognises these loans in its Consolidated Statement of Financial Position on the date the loan is drawn down. These loans are measured initially at fair value plus incremental direct transaction costs that are directly attributable to the issue of the financial liability. They are subsequently measured at amortised cost using the EIR method as described in Note 4.5.

4.10 De-recognition of financial assets and liabilities

Financial assets are derecognised when the contractual rights to receive the cash flows from these assets have ceased to exist or the assets have been transferred and substantially all the risks and rewards of ownership of the assets have also been transferred. Financial liabilities are derecognised when they have been redeemed or otherwise extinguished.

4.11 Impairment of financial assets

The Group assesses at the end of each financial period whether there is objective evidence that a financial asset or group of financial assets, measured at amortised cost, is impaired.

For loans and receivables, the amount of the impairment loss is measured as the difference between the asset’s carrying amount and the present value of estimated future cash flows discounted at the financial asset’s original EIR. The amount of the impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

The loans to each borrower deemed to be individually significant are objectively assessed for evidence of impairment at the end of the financial period. A collective assessment approach, grouped on the basis of similar credit risk characteristics is adopted for all other loans without individual specific impairments.

Objective evidence that a financial asset is impaired includes:

- ▶ significant financial difficulty of the borrower;
- ▶ granting a concession to the borrower for economic or legal reasons relating to the borrower’s financial difficulty which would not otherwise have been considered;
- ▶ breaches of contract, such as default or delinquency in interest or principal payments; or
- ▶ signs that the borrower will enter bankruptcy or other financial reorganisation.

The Group recognises interest income following impairment using the rate of interest used to discount the future cash flows in measuring that impairment. If, in a subsequent financial period, the amount of the impairment loss decreases due to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. The amount of the reversal is recognised in the Consolidated Statement of Comprehensive Income.

Where there is no further prospect of recovering the carrying value of a loan, or a portion of a loan, the Group writes the amount that is not recoverable off against the related impairment loss (i.e. in this circumstance, there is no additional charge to the Consolidated Statement of Comprehensive Income). Subsequent recoveries of amounts previously written off decrease the amount of the charge for loan impairment in the Consolidated Statement of Comprehensive Income.

4.12 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

When the effect is material, provisions are determined by discounting expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

4.13 Contingent liabilities

Contingent liabilities are possible obligations whose existence will be confirmed only by the occurrence of uncertain future events or present obligations where the transfer of economic benefit is uncertain or cannot be reliably estimated. Contingent liabilities are not recognised but disclosed in the notes to the financial statements unless the probability of the transfer of economic benefit is remote.

4.14 Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable.

4.15 Leasing

Rentals under operating leases are charged on a straight line basis over the term of the lease to the Consolidated Statement of Comprehensive Income in line with FRS 102 *Section 20 Leases*.

5. Interest income

	2025 €000	2024 €000
Interest on loans and receivables	27,553	25,225

Interest on loans and receivables relates to interest income from loans provided to borrowers. The EIR method is applied as per note 4.5.

6. Interest expense

	2025 €000	2024 €000
Interest on funding	17,829	16,114

Interest on funding relates to the interest charge on the ISIF and Danske funding facilities. The EIR method is applied as per note 4.5.

Notes to the Financial Statements (continued)

7. Other income

	Group 2025 €000	Group 2024 €000
Fee income	6,696	5,106
Fee expenditure	(1,920)	(1,407)
Central Bank Interest Income	512	600
	5,288	4,299

Fee income relates mainly to arrangement fees and commitment fees charged to the borrower and recognised over the term of the relevant facility. Commitment fees are fees charged to the borrower on certain facilities based on the committed but undrawn balance of the approved facility. Fee expenditure relates to due diligence and legal fees incurred on facilities, together with amortised fees in relation to the Danske funding. The amounts are recognised in line with note 4.6.

Central Bank Interest Income relates to interest earned on amounts held in accounts with the Central Bank of Ireland.

	Company 2025 €000	Company 2024 €000
Central Bank Interest Income	22	31
	22	31

8. Operating expenses

	Note	Group 2025 €000	Group 2024 €000
Costs reimbursable to the NTMA	8.1	8,855	7,702
Loan administration services		657	560
Board fees	9	69	79
Other expenses		571	556
		10,152	8,897

Other expenses consist mainly of professional fees, including legal and financial advisory.

	Note	Company 2025 €000	Company 2024 €000
Board fees	9	69	79
		69	79

8.1 Costs reimbursable to the NTMA (see note 23)

	2025	2024
	€000	€000
NTMA staff costs	5,705	4,767
Occupancy costs	388	359
Business services	68	59
Professional fees	135	165
Technology	325	265
Other operating costs	2,234	2,087
	8,855	7,702

Other operating costs consists mainly of the corporate function recharges for services provided by the NTMA to HBFi including compliance, procurement, finance and information technology, and an allocation for depreciation costs in relation to NTMA capital assets used by HBFi.

8.1.1 NTMA staff costs

The Group has no employees. All personnel are employed by the NTMA and the remuneration cost of staff who are engaged full time in the Group business is recharged to the Group by the NTMA. The number of NTMA employees directly engaged in the Group at the reporting date was 42 (2024: 34).

	2025	2024
	€000	€000
<i>Aggregate Employee Benefits</i>		
Staff short-term benefits	4,534	3,782
Pay-related social insurance	464	396
	4,998	4,178
<i>Staff Short-term Benefits</i>		
Basic Pay	4,260	3,554
Performance-related pay	191	137
Allowances	83	91
	4,534	3,782

Total pensions contributions are €889,000 (2024: €745,000), consisting of employer contributions of €707,000 (2024: €589,000) and employee contributions of €182,000 (2024: €156,000). Employee pension contributions are included within the basic pay amounts shown above.

NTMA staff costs include the CEO's salary which is as detailed in note 8.1.3.

Notes to the Financial Statements *(continued)*

8.1.2 Key management personnel

	2025 €000	2024 €000
Salary	944	934
Allowances	31	34
Performance-related pay	74	43
Health insurance	2	2
	1,051	1,013

Key management personnel in HBFi consists of the members of the Board, the Chief Executive Officer and the senior management team reporting directly to the Chief Executive Officer. The total value of employee benefits for key management personnel is set out above (excluding employer's contribution to social insurance costs). These amounts do not include board fees, which are detailed separately in Note 9.

This does not include the value of retirement benefits earned in the period. The key management personnel (excluding the Chief Executive Officer and the Board) are members of the NTMA pension scheme and their entitlements in that regard do not extend beyond the terms of the model public service pension scheme.

8.1.3 Chief Executive Officer salary and benefits

	2025 €000	2024 €000
Salary	280	260
Taxable benefits	19	19
Contributions to retirement schemes	50	47
Performance-related pay	30	–
	379	326

The amounts paid to the CEO are included in the costs reimbursable to the NTMA.

9. Board fees and expenses

An annual fee is paid to the chairperson of €31,500 and to certain Directors at a rate of €15,750 as specified by the Minister for Finance. The fee paid to each Director is as below.

Board member	2025 €	2024 €
Marie Collins	31,500	31,500
Claire Solon	15,750	15,750
Grainne Hennessy <i>(resigned 14 February 2025)</i>	2,120	15,750
Ronan O'Neill <i>(appointed 6 October 2025)</i>	3,938	–
Timothy Ken Slattery	15,750	15,750
	69,058	78,750

The Chief Executive Officer (ex officio member), Andrew O’Flanagan (NTMA) and Des Carville (Department of Finance) did not receive any remuneration in respect of their membership of the Board.

Directors can be reimbursed approved expenses on a vouched basis to travel to attend meetings in HBFI’s offices in Dublin. No expenses were incurred during the financial year (2024: Nil).

10. Taxation

	Group 2025 €000	Group 2024 €000
Profit before tax	4,860	4,513
Corporation tax	625	577
	Company 2025 €000	Company 2024 €000
Loss before tax	(47)	(48)
Corporation tax	–	–

The tax on profits is charged at the standard rate of corporation tax in Ireland (12.5%).

	Group 2025 €000	Group 2024 €000
Profit on ordinary activities before tax	4,860	4,513
Tax on profit on ordinary activities @ 12.5%	607	565
Adjusting items		
Non-deductible expenses - depreciation	18	12
Tax Charge	625	577
	Company 2025 €000	Company 2024 €000
Loss on ordinary activities before tax	(47)	(48)
Tax on ordinary activities @ 12.5%	(6)	(6)
Adjusting items		
Group relief surrender	6	6
Tax Charge	–	–

Notes to the Financial Statements (continued)

In 2025, HBFI elected to surrender its tax losses to HBFIL pursuant to the Group Relief provisions of the Taxes Consolidation Act 1997 S420. No consideration was received for this surrender from HBFIL.

HBFIL made preliminary payment of €625k during the year in relation to the 2025 tax charge (2024: €625k).

	2025	2024
	€	€
Opening net corporation tax position	48	–
Corporation tax for the period	(625)	(577)
Corporation tax preliminary payment	625	625
Closing net corporation tax position	48	48

11. Loans and receivables

	2025	2024
	€000	€000
Non-current		
Loans to borrowers	276,006	187,187
Current		
Loans to borrowers	121,126	104,124
	397,132	291,311

The Group had loans in issue to 54 borrowers (2024: 48) at the end of the year. The remaining term of the loans due range from less than one year to five years.

11.1 Reconciliation of movement in Loans and Receivables during the year

	2025	2024
	€000	€000
Opening balance	291,311	309,224
Advances	544,551	434,805
Repayments	(461,871)	(473,803)
Interest receivable	23,141	21,085
Closing balance	397,132	291,311

The Group assesses at the end of each financial period, whether there is objective evidence that the loans are impaired (See Note 4.11). Following the impairment assessment of the loans as at 31 December 2025, the Group concluded that no evidence of impairment existed at the reporting date.

12. Risk management

The Group aims to be risk aware and to actively manage its risks. The critical activities carried out by the organisation and the reliance on its good reputation mean that there is a strong emphasis on an appropriate range of controls.

The Group aims to manage risks in an informed and proactive manner, in accordance with its risk appetite, such that the level of risk is consistent with the underlying business activity and the Group understands and is able to manage or absorb the impact of the risk in the event that it materialises.

The principal risk categories identified and managed by the Group in its day-to-day business and which potentially have the greatest impact on the financial statements of the Group are credit risk, liquidity risk and market risk.

Risk management framework

The Board is responsible for setting the risk appetite and overseeing and guiding risk management activity across the Group. The Board has mandated that risk management be integrated and embedded into the tone and culture of the Group.

The Audit and Risk Committee is responsible for overseeing the implementation of the Group's Risk Management Framework. The Audit and Risk Committee will seek to ensure that the Group's risk management governance model provides appropriate levels of independence and challenge. The Audit and Risk Committee reports to the Board independently.

The Group's Risk Management Framework is in accordance with the principles of the Code of Practice for the Governance of State Bodies.

The Group relies on the services provided by the NTMA for certain elements of risk management, namely:

- ▶ business continuity services;
- ▶ compliance services;
- ▶ counterparty credit risk services for cash management purposes; and
- ▶ internal audit services.

First line of defence:

The HBFI team (excluding the credit & risk function) is responsible for the day-to-day management of risk and for ensuring that adequate controls are in place and operating effectively. Management report on risk management to the Audit and Risk Committee. The following are the key steps used in the risk management process:

- ▶ Identify all risks that may affect/prevent the Group from achieving the objectives established by the Group's Board and management (taking into consideration any historical events/near misses which may have threatened the achievement of such objectives);
- ▶ For each risk, determine its initial impact and its probability of occurrence;
- ▶ For each risk, determine whether the risk can be accepted or will need to be transferred, reduced or avoided;
- ▶ For each risk, regardless of its impact or probability of occurrence, consider actions to reduce risk;
- ▶ Review residual impact/probability of occurrence and criticality status of the risk in light of the implemented actions/controls/mitigants; and
- ▶ Review and monitor mitigating actions on an on-going basis.

Notes to the Financial Statements *(continued)*

Second line of defence:

The Group Risk function (and the NTMA Compliance function with regard to Compliance Risk) provide independent challenge and oversight to ensure implementation of the Group's Risk Management Policy and Framework.

Third line of defence:

Internal Audit is the third line of defence and provides independent, reasonable, risk-based assurance on the robustness of the Group's risk management system, governance and the design and operating effectiveness of the internal control environment.

12.1 Credit risk

Credit risk is the risk of incurring financial loss as a result of default of a counterparty to a particular transaction. In order to achieve its key objectives and fulfil its mandate, the Group must assume a certain level of credit risk. As a fundamental principle, the Group will seek to do so in a prudent manner that assumes the minimum level of credit risk required to achieve its objectives, which is in line with the Group's Risk Appetite Statement. The Group's main credit risk arises from the potential failure of a borrower to fulfil its contractual obligations to the Group.

Credit risk is the most important risk for the Group's business. The Group, therefore, carefully manages its exposure to credit risk. Credit risk is measured, assessed and controlled for all transactions entered into by the Group.

The Group endeavours to minimise its credit risk exposure by undertaking an extensive due diligence process in advance of any lending decisions. The Group's credit risk management process includes the following:

Underwriting approval and Portfolio Monitoring

- ▶ thorough assessment of each prospective borrower and development, its management, operational capability, development experience, financial performance and repayment capacity. This assessment includes factors such as construction cost inflation, supply chain disruptions and sales values;
- ▶ on-site visits and face-to-face meetings with management;
- ▶ assessment of the financial performance of the prospective borrower by reference to available information, including financial accounts, management accounts and financial projections;
- ▶ analysis of the borrower's repayment capacity, including clear and reasonable demonstration of the borrower's ability to meet its obligations and discharge the Group's debt in full;
- ▶ independent risk review and sign off by the Group's Head of Credit and Risk (or appointed delegate) of each potential transaction;
- ▶ obtaining adequate security for each transaction;
- ▶ credit decisions reserved to the HBFIL Board, HBFIL Credit Committee or Executive Management Team Credit Committee depending on size of facility or risk characteristics of transaction;
- ▶ the application of an internal credit rating system and on-going review of credit facilities, including monitoring surveyor reviews of each development to monitor construction progress and cost against budget; and
- ▶ regular review of compliance with the respective covenants and undertakings and any terms and conditions imposed by the Group.

The maximum exposure to credit risk is presented by class of financial instrument below. The credit quality of the Group's loans and receivables are non-rated. Cash and cash equivalents are held with the Central Bank of Ireland (Standard & Poor's rating: AA) (2024: AA) and Allied Irish Bank Plc (Standard & Poor's rating: A+) (2024: A).

	2025	2024
	€000	€000
Cash and cash equivalents	44,262	46,204
Loans and receivables	397,132	291,311
	441,394	337,515
Undrawn commitments to borrowers at 31 December	689,000	645,000
Total credit risk	1,130,394	982,515

12.2 Liquidity risk

Liquidity risk is the risk that the Group is unable to meet all of its financial obligations as and when they fall due. It is the risk of loss arising from a situation where there will not be enough cash to fund day-to-day operations.

The Group's liquidity risk management process includes:

- ▶ Management of day-to-day funding including the monitoring of future expected cash flows, e.g. future lending commitments, to ensure that requirements can be met as they fall due (see Note 16 for detail regarding the revolving credit facilities);
- ▶ Asset and liability management by monitoring the maturity profile within the Group's Statement of Financial Position to ensure that sufficient cash resources are available or funding established where mismatches are likely to occur, thereby minimising the impact of liquidity outflows;
- ▶ Managing its liquidity risk by aligning, to the greatest extent possible, the maturity profile of its assets and liabilities so eliminating refinancing risk where possible. The Group has sourced long-term funding from its funder, and where possible it structures the tenor and repayment schedule of its loans to reflect that funding maturity profile; and
- ▶ Maintaining a cash liquidity buffer to address any short-term liquidity needs that may arise.

The periods of the contractual amounts that commit the Group to make repayments on loans it has borrowed are summarised in Note 17. The amounts presented are undiscounted.

12.3 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. HBFI's market risk comprises interest rate risk. Market risks arise from open positions in interest rate products which are exposed to general and specific market movements, and changes in the level of volatility of interest rates.

Interest rate risk

The Group's Net Interest Income has limited exposure to interest rate fluctuations as its loan receivables and its funding are both subject to variable rates (Euribor base rate). Interest rate risk is identified, monitored and managed by the Group.

Notes to the Financial Statements (continued)

The carrying amounts exposed to interest rate risk at 31 December are detailed below:

	2025 €000	2024 €000
Financial Assets – variable rate		
Cash and cash equivalents	44,262	46,204
Loans and receivables	397,132	291,311
	441,394	337,515
Financial liabilities – floating rate		
Funding	403,823	305,269

All tranches within the ISIF and Danske funding facilities are carried at a floating rate of interest at 31 December 2025.

Interest rate risk sensitivity

Information provided by the sensitivity analysis below does not necessarily represent the actual change in fair value that the Group would incur under normal market conditions because, due to practical limitations, all variables other than the specific market risk factor are held constant.

The table below shows the sensitivity of the Group to an immediate +/- 100 basis point (“bp”) movement in interest rates, in terms of the impact on net interest income, on a forward-looking twelve-month basis, assuming no change in balance sheet.

Interest Rate Sensitivity Analysis - a 100bp movement

	+100bp €000	-100bp €000
Net Interest Income	67	(67)

The impact of movement in interest rates on net interest income is limited to the difference between loans and receivable and funding at year end, such impact is shown above. Differences in Euribor periods and timing of rate resets are considered immaterial for the purpose of this analysis.

Currency risk

The Group is not directly exposed to currency risk, as all of its funding and lending activities are denominated in euro.

12.4 Capital management

The Group is committed to ensuring it continues to hold sufficient capital (consisting of share capital and retained earnings) as there is a risk that failure to maintain adequate capital could result in it being unable to absorb any potential credit losses. The holding company's current paid-up share capital is €20m, which was provided by its sole shareholder, the Minister for Finance. Review of the Group's capital structure is carried out annually and decisions regarding dividend distribution are subject to consideration of capital maintenance in line with the Group's Capital and Dividend Policy. Pursuant to its capital allocation policy, the Board has approved the allocation of an additional amount of €2.5m (2024: €2.15m) of its Group Retained Earnings as at 31 December 2025 as non-distributable.

The Group is not subject to externally imposed capital requirements.

12.5 Concentration risk

Concentration risk is the risk that the Group is exposed to any single exposure or group of exposures that has the potential to produce losses large enough to threaten the ability of the Group to continue operating as a going concern.

The Group manages this risk by adhering to the limits set out in the Risk Appetite Statement which has been approved by the HBFI Board and which is subject to regular review by the Board. The Risk Appetite Statement defines the maximum amounts of credit facilities to be committed to borrowers. The measures are intended to ensure that the risk profile of the overall portfolio is not unduly exposed to excessive concentration of risk.

The Group's geographic concentration of risk assets is solely in Ireland, and the sole sectoral concentration of risk is to residential development, arising from its statutory mandate to make funding available for residential development in the State, as set out in the HBFI Act 2018.

13. Fair value of financial assets and liabilities

13.1 Comparison of carrying value to fair value

The table below summarises the carrying amounts and fair values of the financial assets and liabilities not presented on the Group's Statement of Financial Position at their fair value. None of the assets and liabilities in the Statement of Financial Position of the Group are measured at fair value.

The fair values of these financial instruments are measured according to the following fair value hierarchy:

Level 1 - financial assets and liabilities measured using quoted market prices (unadjusted);

Level 2 - financial assets and liabilities measured using valuation techniques which use observable market data; and

Level 3 - financial assets and liabilities measured using valuation techniques which use unobservable market data.

Notes to the Financial Statements (continued)

Group 2025	Carrying Value €000	Level 1 €000	Level 2 €000	Level 3 €000	Fair value €000
Financial Assets					
Cash and cash equivalents	44,262	44,262	–	–	44,262
Loan and receivables	397,132	–	–	397,132	397,132
Financial liabilities					
Funding	403,823	–	–	403,823	403,823
Other liabilities	1,815	–	–	1,815	1,815

Group 2024	Carrying Value €000	Level 1 €000	Level 2 €000	Level 3 €000	Fair value €000
Financial Assets					
Cash and cash equivalents	46,204	46,204	–	–	46,204
Loan and receivables	291,311	–	–	291,311	291,311
Financial liabilities					
Funding	305,269	–	–	305,269	305,269
Other liabilities	1,590	–	–	1,590	1,590

Company 2025	Carrying Value €000	Level 1 €000	Level 2 €000	Level 3 €000	Fair value €000
Financial Assets					
Cash and cash equivalents	917	917	–	–	917
Financial liabilities					
Other liabilities	509	–	–	509	509

Company 2024	Carrying Value €000	Level 1 €000	Level 2 €000	Level 3 €000	Fair value €000
Financial Assets					
Cash and cash equivalents	895	895	–	–	895
Financial liabilities					
Other liabilities	440	–	–	440	440

13.2 Fair value measurement principles

Cash and cash equivalents

The fair value of these financial instruments is equal to their carrying value due to these instruments being repayable on demand and short-term in nature.

Loans and receivables and Funding

The fair value of these financial instruments is equal to their carrying value due to the defined nature/purpose of these facilities.

14. Other receivables

	2025 €000	2024 €000
Non-current:		
Deferred expenditure	464	429
Other receivables	18	23
	482	452
Current:		
Deferred expenditure	1,246	842
Corporation tax prepayment	673	625
Other receivables	135	187
	2,054	1,654

Deferred expenditure relates to external expenses incurred and paid in carrying out due diligence reviews and finalising legal agreements on facilities which are recognised over the term of the relevant facility. Deferred expenditure also includes fees incurred in relation to Danske funding which are being amortised over the initial term of the facility. Other receivables consist of commitment fees receivable from borrowers, and interest earned on certain bank deposits.

Notes to the Financial Statements (continued)

15. Other liabilities

	Group 2025 €000	Group 2024 €000
Current:		
Amounts due to the NTMA (see note 23)	1,384	1,195
Revenue – Corporation Tax	625	577
Deferred income	4,107	2,937
Accrued expenses	404	328
Trade payables	27	67
	6,547	5,104
Non-current:		
Deferred income	2,284	2,207

Deferred income relates to the facility arrangement fees, commitment fees and other due diligence fees recovered from borrowers. Each fee is recognised in the Consolidated Statement of Comprehensive Income over the term of the relevant facility.

	Company 2025 €000	Company 2024 €000
Current		
Other liabilities	509	440

Other liabilities relate to board fees payable to HBFIL (see Note 9).

16. Funding

	2025 €000	2024 €000
Current:		
Interest Accrued	664	–
Non-current:		
Funding loans	403,159	305,269
	403,823	305,269

The Group had loans of €303m outstanding from the ISIF as at 31 December 2025 under a 10-year revolving credit facility with a maturity date of 24 May 2033. The facility is unsecured. There are no scheduled repayments under the facility prior to the maturity date, however, the Group applies all repayments from borrowers against its funding loans, either through recycling repayments to fund new loans or repaying the ISIF funding loans when repayments from borrowers cannot be recycled effectively. At the end of the period the Group had €427m in undrawn funding facilities with the ISIF. Under the terms of the facility, interest is capitalised.

On 30 October 2025, the Group agreed a new €200m Revolving Credit Facility with Danske, with an initial €100m commitment plus a €100m accordion. The initial term is two years, with a maturity date of 29 October 2027, with two one-year extension options available. The facility is unsecured. The Group had loans of €100m outstanding from Danske as at 31 December 2025; the accordion was undrawn and uncommitted. Interest and commitment fee, where relevant, are payable quarterly.

HBFI has provided a guarantee in support of HBFIL's loan facilities with the ISIF and Danske.

16.1 Reconciliation of movements in Funding during the year

	2025 €000	2024 €000
Opening balance	305,269	325,148
Drawdowns	387,500	257,410
Repayments	(305,750)	(292,823)
Interest payable	16,804	15,534
Closing balance	403,823	305,269

17. Maturity analysis of assets and liabilities

The below table presents the breakdown of those assets and liabilities which contain a non-current element. The asset analysis is based on when management expects to receive cash for the asset. Liabilities are analysed between current and non-current depending on whether or not the Group has an unconditional right at the balance sheet date to defer settlement for at least 12 months from that date.

	No later than 1 year €000	1-5 years €000	Over 5 years €000	Total €000
2025				
Loans and receivables	121,126	276,006	–	397,132
2025				
Funding	664	100,000	303,159	403,823

Notes to the Financial Statements (continued)

18. Auditor's remuneration

	2025 €000	2024 €000
Audit of financial statements	42	40

There are no non-audit services included above.

19. Equity

The ultimate beneficial ownership of the Group is held by the Minister for Finance by means of 20,000,000 nominal shares of €1.00 each in the holding company, HBFI.

In accordance with section 10 (4) of the HBFI Act 2018, HBFI's authorised share capital may be increased to such other amount as may be determined by the Minister for Finance from time to time.

20. Lease commitments

In January 2019 HBFI entered into an agreement for office accommodation at 1 Treasury Dock, North Wall Quay, Dublin 1. The lease term runs from 1 January 2019 to 24 May 2033. HBFI may break the lease term only on foot of a Ministerial Direction that HBFI cease operations and subject to providing a minimum twelve-month notice period to the lessor to exercise this break. Lease expenditure of €0.26m was incurred in 2025 (2024: €0.26m). The nominal future minimum (non-cancellable) rentals payable to 24 May 2033 are as follows:

	2025 €000	2024 €000
Within one year	263	263
In two to five years	1,054	1,054
Over five years	633	896
	1,950	2,213

21. Contingent liabilities

The Group had no contingent liabilities at the reporting date which would require disclosure in the financial statements.

22. Investment in subsidiary

The subsidiary of the Company as at 31 December 2025, HBFIL, is incorporated and operating in Ireland, with registered office at Treasury Dock, North Wall Quay, Dublin 1, D01 A9T8.

	Proportion Held	Issued Share Capital	Activity
Home Building Finance Ireland (Lending) DAC	100%	1 Ordinary Share of €1	Lending

HBFIL is a 100% subsidiary of HBFI by means of 1 ordinary share (€1 nominal value) issued. The authorised share capital consists of 200,000,000 ordinary shares of €1.00.

HBFI made an initial capital contribution of €15m to HBFIL in 2019. An additional capital contribution of €4m was made in 2022 on the same terms. The capital contribution is non-refundable and gives no rights to HBFI to shares in the capital or assets of HBFIL.

	Company 2025 €000	Company 2024 €000
Investment in subsidiary	19,000	19,000

23. Related parties disclosures

23.1 Related parties

Home Building Finance Ireland (Lending) DAC

Home Building Finance Ireland (Lending) DAC is a 100% subsidiary of Home Building Finance Ireland DAC.

Minister for Finance

The issued share capital of HBFI is owned solely by the Minister for Finance. The authorised share capital may be determined by the Minister for Finance from time to time by virtue of section 10 (4) of the HBFI Act 2018.

NTMA

The NTMA provides staff and business support services to the Group. The costs incurred by the NTMA are charged to the Group, in accordance with the terms of the Service Level Agreement between HBFI and the NTMA.

Other Government controlled entities

The Ireland Strategic Investment Fund is a related party of the Group in accordance with FRS 102 Section 33 as the Fund is under the control of the Minister for Finance. Allied Irish Banks plc ("AIB") was previously classified as a related party of the Group; however, this ceased in July 2025 following the State's disposal of its remaining shareholding in AIB.

Key management personnel

Key management personnel in HBFI consists of the members of the Board, the Chief Executive Officer and the senior management team reporting directly to the Chief Executive Officer.

23.2 Transactions and balances with related parties

The following are the transactions that took place during the financial period with related parties:

NTMA recharge

The NTMA incurs costs for the running of the Group, which it recharges to the Group. The total of these costs for the financial period was €8.9m (2024: €7.7m). Further details in respect of these costs are disclosed in Note 8. There is an amount of €1.4m (2024: €1.2m) payable to the NTMA at the end of the financial period. In addition, the NTMA is the landlord for the lease payments set out in Note 20.

ISIF Loan Facility

The ISIF provided a loan facility of €730m to the Group, under direction from the Minister for Finance. The ISIF loan operates as a revolving loan facility with a facility maturity date of 24 May 2033. During the financial period, the following transactions with the ISIF occurred: €288m drawdowns, €306m repayments and €17m of interest expense.

Key management personnel

Remuneration paid to key management personnel (excluding board members) is disclosed in Note 8. Fees paid to board members are disclosed in Note 9.

24. Disclosures of interest

There are disclosure of interest requirements on Directors under the Companies Act 2014, the Company's Articles of Association and the Code of Practice for the Governance of State Bodies. HBFI has put in place procedures to assist Directors in meeting their disclosure of interest obligations during the period under review.

25. Events after the end of the reporting period

In February 2026, HBFI activated the €100m accordion from Danske Bank A/S increasing total committed funding lines to €930m.

26. Approval of the financial statements

The financial statements were approved by the Directors on 9 April 2026.

HBFI

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