

eircom Holdings (Ireland) Limited

Unaudited results report for the three months to March 2025

22 May 2025



eircom Holdings (Ireland) Limited

Unaudited results for the three months to March 2025

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Trading highlights for the three months to March 2025

- Revenue of €313 million for the three months to March 2025 increased by 1% or €2 million year on year. Growth in postpay mobile and bundling, as well as an increase in NBP access revenue, was offset by revenue reductions in voice traffic.
- Group adjusted EBITDA of €138 million increased by 1% or €1 million year on year; €4 million relating to operating costs partly offset by a decrease in gross a margin of €3 million year on year.
- The group broadband customer base¹ at quarter end was 938,000, which decreased by 10,000 year on year. An increase of 9,000 retail customers was offset by a decrease of 19,000 wholesale customers. There were 884,000 customers availing of fibre based high speed broadband services, an increase of 1% or 11,000 year on year.
- Fixed line revenue of €232 million increased by 1% or €1 million year on year driven by growth in access revenue.
- Group fixed access paths decreased by 3% or 40,000 year on year, with a reduction in fixed lines access net losses of 52,000². Standalone broadband (SABB) lines increased by 12,000 year on year.
- Mobile revenue of €90 million increased by 1% or €1 million year on year driven by growth in service revenue from a 8% increase in the postpay base.
- Total mobile customers at quarter end were 1,523,000³, including 1,222,000 postpay customers and 301,000 prepay customers. The postpay customer base increased by 8% or 91,000 year on year, bringing the number of customers on postpay contracts to 80%, an increase of 2 percentage points year on year. The prepay base decreased by 19,000 customers year on year, primarily driven by migration of customers to postpay contracts.
- Group operating costs⁴ of €105 million decreased by 4% or €4 million year on year, due to €2 million decrease in pay costs and €2 million decrease in non-pay costs
- Full Time Equivalent (FTE) staff totalled 2,917 at quarter end, down 11% year on year.
- Cash on hand of €34 million at quarter end.

¹ Combined retail and wholesale excluding LLU and line share, including SABB.

² Combined retail and wholesale access line losses including LLU.

³ Mobile base is a combination of handset subscriptions, machine to machine and mobile broadband subscriptions.

⁴ Operating costs are cost of sales, pay costs, and non-pay costs, excluding non-cash pension charge, fair value lease credits, and management charge.

eircom Holdings (Ireland) Limited
KPIs as at 31 March 2025 (unaudited)

	As at and for the three months ended		
	31 Mar 2024 (unaudited)	31 Mar 2025 (unaudited)	% Change ^{N1}
Group Access Paths ('000)			
Retail Access Lines	567	563	(1%)
Retail SABB	14	8	(43%)
Wholesale Access Lines	224	176	(21%)
Wholesale SABB ⁵	357	375	5%
Wholesale LLU ⁶	1	1	-
Total Group Access Paths	1,163	1,123	(3%)
Retail Voice Traffic (millions of minutes)	95	83	(13%)
Broadband Line Base ('000)			
Retail Broadband Lines	463	472	2%
Wholesale Broadband Lines	485	466	(4%)
Total Broadband Lines	948	938	(1%)
- of which fibre broadband lines	873	884	1%
Mobile Customer Base ('000)			
Prepay Handset Customers	319	300	(6%)
Prepay MBB Customers	1	1	-
Total Prepay Customers	320	301	(6%)
Postpay Handsets (including M2M)	1,066	1,155	8%
Postpay MBB	65	67	3%
Total Postpay Customers	1,131	1,222	8%
Total Mobile Customers	1,451	1,523	5%
ARPU's (€) ^{N2 & N3}			
Consumer Blended ARPU	47.5	48.2	1%
WLR PSTN ARPU	16.9	16.7	(1%)
Bitstream ARPU (including SABB)	20.8	22.2	7%
Prepay ARPU (including MBB)	16.4	16.1	(2%)
Postpay ARPU (including MBB/M2M) ⁷	16.6	15.4	(5%)
Closing FTE Headcount	3,236	2,917	(10%)

⁵ SABB: Standalone Broadband.

⁶ LLU: Local Loop Unbundled.

⁷ Postpay ARPU (including MBB/M2M) restated from prior year

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This financial information has been prepared to make available certain unaudited condensed consolidated financial information to the holders of the group's Senior Secured Notes. Accordingly, the group has not prepared this financial information in accordance with IAS 34 – “Interim Financial Information” and has not carried out an impairment review of the carrying value of goodwill and other non-current assets as at 30 Sep 2024. In addition, the fair values of the assets and liabilities acquired on the acquisition of the Evros Technology Group have not been determined in accordance with IFRS 3, “Business Combinations” and the values included in the financial information for the Evros Technology Group are provisional for the period ended 31 March 2025.

This condensed interim financial information has been prepared on the going concern basis, which assumes that eircom Holdings (Ireland) Limited will continue in operational existence for the foreseeable future.

The financial information, as at and for the period ended 31 March 2025, in respect of the group has been prepared using the same accounting policies as applied for the financial period ended 31 December 2024. For a more complete discussion of our significant accounting policies and other information, including our critical accounting judgements and estimates, this report should be read in conjunction with the financial statements of EHIL for the financial period ended 31 December 2024.

eircom Holdings (Ireland) Limited

Reconciliation of earnings before interest, taxation, amortisation, depreciation, non-cash lease fair value credits, non-cash pension charges, management charge and exceptional items to operating profit

	Three months ended March24 €m	Three months ended March25 €m
Operating profit	67	55
Profit on disposal of property, plant and equipment	-	(3)
Exceptional items	2	17
Management charge	2	2
Non-cash pension charge	-	-
Operating profit before non-cash pension charges, management charge and exceptional items	71	71
Depreciation of right of use assets	11	11
Depreciation of property, plant and equipment	56	57
Amortisation	12	12
EBITDA before non-cash pension charges, management charge and exceptional items	150	151
IFRS 3 unfavourable lease fair value adjustment	-	-
Reported EBITDA before non-cash lease fair value credits, non-cash pension charges, management charge and exceptional items	150	151
Reported EBITDA before non-cash lease fair value credits, non-cash pension charges, management charge and exceptional items is split as follows:		
Fixed line	108	105
Mobile	42	46
	150	151

eircom Holdings (Ireland) Limited

Consolidated Income Statement – unaudited *For the three-month period ended 31 March 2025*

	Notes	31 March 2024	31 March 2025
		€m	€m
Revenue	3	311	313
Operating costs excluding amortisation, depreciation and exceptional items		(163)	(164)
Amortisation	3	(12)	(12)
Depreciation of property, plant and equipment	3	(56)	(57)
Depreciation of right of use assets	3	(11)	(11)
Exceptional items	3, 4	(2)	(17)
Profit on disposal of property, plant and equipment	3	-	3
Operating profit	3	67	55
Finance costs – net	5	(47)	(23)
Profit before tax		20	32
Income tax charge	6	(4)	(3)
Profit for the period		16	29
Attributable to:			
Equity holders of the parent		14	25
Non-controlling interests		2	4
		16	29

The accompanying notes form an integral part of the condensed interim financial information.

eircom Holdings (Ireland) Limited

Group statement of comprehensive income – unaudited *For the three-month period ended 31 March 2025*

	<u>31 March 2024</u>	<u>31 March 2025</u>
	€m	€m
Profit for the financial period	16	29
Other comprehensive (expense)/income:		
<i>Items that will not be reclassified to profit or loss</i>		
Defined benefit pension scheme remeasurement (losses)/gains:		
- Remeasurement (loss)/gain in period	(22)	6
- Tax on defined benefit pension scheme remeasurement (losses)/gains	3	(1)
	(19)	5
<i>Items that may be reclassified subsequently to profit or loss</i>		
Net changes in cash flow hedge reserve:		
- Fair value gain/(loss) in period	2	-
	2	-
Other comprehensive (expense)/income, net of tax	(17)	5
Total comprehensive (expense)/income for the financial period	(1)	34
Attributable to:		
Equity holders of the parent	(4)	30
Non-controlling interests	3	4
	(1)	34

eircom Holdings (Ireland) Limited

Consolidated Balance Sheet – unaudited As at 31 March 2025

	Notes	31 Dec 2024	31 March 2025
		€m	€m
Assets			
Non-current assets			
Goodwill		235	235
Other intangible assets		211	208
Property, plant and equipment		1,291	1,296
Right of use assets		415	404
Retirement benefit asset	10	511	521
Derivative financial instruments		1	-
Deferred tax assets		1	1
Other assets		13	13
		2,678	2,678
Current assets			
Inventories		44	48
Trade and other receivables	7	212	240
Contract assets		27	26
Derivative financial instruments		3	3
Restricted cash		1	1
Cash and cash equivalents		151	34
		438	352
Total assets		3,116	3,030
Liabilities			
Non-current liabilities			
Borrowings	8	2,844	2,828
Lease liabilities	9	657	643
Derivative financial instruments		6	4
Trade and other payables		29	29
Deferred tax liabilities		62	61
Provisions for other liabilities and charges	11	87	86
		3,685	3,651
Current liabilities			
Borrowings	8	-	50
Lease liabilities	9	57	58
Derivative financial instruments		1	1
Trade and other payables		539	450
Current tax liabilities		3	8
Provisions for other liabilities and charges	11	38	37
		638	604
Total liabilities		4,323	4,255
Equity			
Equity share capital		-	-
Capital contribution		62	62
Cash flow hedging reserve		(1)	(1)
Retained loss		(1,764)	(1,779)
Equity attributable to equity holders of the parent		(1,703)	(1,718)
Non-controlling interests		496	493
Total equity		(1,207)	(1,225)
Total liabilities and equity		3,116	3,030

The accompanying notes form an integral part of the condensed interim financial information.

eircom Holdings (Ireland) Limited

Consolidated cash flow statement – unaudited *For the three-month period ended 31 March 2025*

	Notes	31 March 2024	31 March 2025
		€m	€m
Cash flows from operating activities			
Cash generated from operations	12	48	24
Interest received		1	-
Interest paid		(37)	(33)
Income tax paid		(1)	(1)
Net cash generated from operating activities		11	(10)
Cash flows from investing activities			
Purchase of property, plant and equipment (PPE)		(83)	(87)
Purchase of intangible assets		(7)	(8)
Proceeds from sale of PPE assets		-	3
Net cash used in investing activities		(90)	(92)
Cash flows from financing activities			
Dividends paid to equity shareholder		(50)	(52)
Payment of principal on lease liabilities		(14)	(13)
Proceeds from revolving credit facility		-	50
Proceeds from loan borrowings		313	76
Repayment on Facility B borrowings		(113)	(76)
Discount payment on Facility B3 borrowings		(3)	-
Repayment of 1.75% Senior Secured Notes		(1)	-
Debt fees paid in respect of new loan borrowings		(1)	-
Debt fees paid in respect of amendment and extension of borrowings		(2)	-
Net cash generated from/(used in) financing activities		129	(15)
Net increase/(decrease) in cash and cash equivalents		50	(117)
Cash and cash equivalents at beginning of period		182	151
Cash and cash equivalents at end of period		232	34

The accompanying notes form an integral part of the condensed interim financial information.

eircom Holdings (Ireland) Limited

Consolidated statement of changes in shareholders' equity – unaudited *For the three-month period ended 31 March 2025*

	Attributable to the equity holders of the parent				Non-controlling interests €m	Total equity €m
	Equity share capital €m	Capital contribution €m	Cash flow hedging reserve €m	Retained loss €m		
Balance at 31 December 2023	-	62	4	(1,594)	511	(1,017)
Profit for the period	-	-	-	14	2	16
Defined benefit pension scheme remeasurement loss	-	-	-	(22)	-	(22)
Tax on defined benefit pension scheme remeasurement loss	-	-	-	3	-	3
Cash flow hedge fair value gain in period	-	-	1	-	1	2
Total comprehensive income/(expense)	-	-	1	(5)	3	(1)
Dividends relating to equity shareholder	-	-	-	(50)	-	(50)
Balance at 31 March 2024	-	62	5	(1,649)	514	(1,068)
Balance at 31 December 2024	-	62	(1)	(1,764)	496	(1,207)
Profit for the period	-	-	-	25	4	29
Defined benefit pension scheme remeasurement gain	-	-	-	6	-	6
Tax on defined benefit pension scheme remeasurement gain	-	-	-	(1)	-	(1)
Total comprehensive income	-	-	-	30	4	34
Dividends relating to equity shareholder	-	-	-	(45)	(7)	(52)
Balance at 31 March 2025	-	62	(1)	(1,779)	493	(1,225)

The accompanying notes form an integral part of the condensed interim financial information.

eircom Holdings (Ireland) Limited

Selected notes to the condensed interim financial information – unaudited

1. General information

eircom Holdings (Ireland) Limited ("the company" or "EHIL") and its subsidiaries together ("the group" or "eircom Holdings (Ireland) Limited group" or "EHIL Group"), provide fixed line and mobile telecommunications services in Ireland.

This condensed consolidated interim financial information was approved for issue on 22 May 2025.

2. Basis of preparation

This financial information has been prepared to make available certain unaudited condensed consolidated financial information to the holders of the group's Senior Secured Notes. Accordingly, the group has not prepared this financial information in accordance with IAS 34 – "Interim Financial Information" and has not carried out an impairment review of the carrying value of goodwill and other non-current assets as at 31 March 2025.

This condensed interim financial information has been prepared on the going concern basis, which assumes that eircom Holdings (Ireland) Limited will continue in operational existence for the foreseeable future.

The financial information, as at and for the period ended 31 March 2025, in respect of the group has been prepared using the same accounting policies as applied for the year ended 31 December 2024. For a more complete discussion of our significant accounting policies and other information, including our critical accounting judgements and estimates, this report should be read in conjunction with the financial statements of EHIL for the year ended 31 December 2024.

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Selected notes to the condensed interim financial information – unaudited (continued)

3. Segment information

The group provides communications services, principally in Ireland. The group is organised into two main operating segments: fixed line and mobile.

The segment results for the three-month period ended 31 March 2025 are as follows:

	Fixed line €m	Mobile €m	Inter-segment €m	Reported €m	Adjusted €m	Statutory €m
Revenue	232	90	(9)	313	-	313
EBITDA *	105	46	-	151	-	151
Management charge	(2)	-	-	(2)	-	(2)
Amortisation	(6)	(6)	-	(12)	-	(12)
Depreciation of PPE	(49)	(8)	-	(57)	-	(57)
Depreciation of right of use assets	(3)	(8)	-	(11)	-	(11)
Exceptional items	(16)	(1)	-	(17)	-	(17)
Profit on disposal of PPE	3	-	-	3	-	3
Operating profit	32	23	-	55	-	55

The segment results for the three-month period ended 31 March 2025 are as follows:

	Fixed line €m	Mobile €m	Inter-segment €m	Reported €m	Adjusted €m	Statutory €m
Revenue	231	89	(9)	311	-	311
EBITDA *	108	42	-	150	-	150
Management charge	(2)	-	-	(2)	-	(2)
Amortisation	(6)	(6)	-	(12)	-	(12)
Depreciation of PPE	(49)	(7)	-	(56)	-	(56)
Depreciation of right of use assets	(2)	(9)	-	(11)	-	(11)
Exceptional items	(2)	-	-	(2)	-	(2)
Operating profit	47	20	-	67	-	67

* EBITDA is earnings before interest, taxation, amortisation, depreciation of property, plant & equipment and right of use assets, non-cash pension charges, management charge and exceptional items.

eircom Holdings (Ireland) Limited

Selected notes to the condensed interim financial information – unaudited (continued)

4. Exceptional items

	31 March 2024 €m	31 March 2025 €m
Restructuring programme costs	1	3
Exceptional storm repair costs	-	4
Other exceptional items	1	10
	2	17

The group has adopted an income statement format which seeks to highlight significant items within group results for the period. The group believe that this presentation provides additional analysis as it highlights significant or one-off items. Judgement is used by the group in assessing the particular items, which by virtue of their scale and nature are disclosed in the group income statement and related notes as exceptional items.

Restructuring programme costs

The group included an exceptional charge of €3 million (31 March 2024: €1 million) for restructuring programme costs in respect of staff that had committed to exiting the business in the period ended 31 March 2025. No provision has been included in respect of future staff exits not committed at 31 March 2025, and any further costs will be charged to the income statement and impact cash flows in future periods.

The charge of €3 million at 31 March 2025 includes an IAS 19 (Revised) defined benefit pension charge in relation to past service costs of €1 million (31 March 2024: €Nil).

Exceptional storm repair costs

The group included an exceptional charge of €4 million for storm repair costs incurred as a result of significant damage to the telecom infrastructure in the period ended 31 March 2025.

Other exceptional items

During the period ended 31 March 2025, the group recognised an exceptional charge of €10 million (31 March 2024: €1 million) in respect of legal and other related matters.

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Selected notes to the condensed interim financial information – unaudited (continued)

5. Finance costs – net

	31 March 2024 €m	31 March 2025 €m
(a) Finance costs:		
Interest payable on bank loans and other debts	37	34
Net interest cost on net pension asset	(5)	(4)
Amortisation of debt issue costs and debt fees	1	1
Interest on lease liabilities	8	9
	41	40
Discount on amendment and extension of borrowings	3	-
Loss on modification of debt	4	-
Loss on extinguishment of debt	-	1
	48	41
(b) Finance income:		
Interest income	(1)	-
Gain on modification of debt	-	(18)
	(1)	(18)
Finance costs – net	47	23

In February 2025, the group completed a repricing of its €600 million Facility B3 borrowings. The Facility B3 borrowings of €600 million were subject to cash-pay interest at EURIBOR plus 3.5% margin. The Facility B5 borrowings of €600 million are subject to cash-pay interest at EURIBOR plus 2.75% margin.

The refinancing of Facility B3 borrowings included new money commitments of €76 million, as well as the exchange of Facility B3 borrowings of €524 million under the existing facilities at par. The repricing of the existing borrowings was accounted for as a modification of the existing financial liability for the Facility B borrowings under IFRS 9 resulting in an accounting gain of €18 million in the income statement.

See Note 8 for further information.

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Selected notes to the condensed interim financial information – unaudited (continued)

6. Income tax charge

The tax on the group's profit before tax differs from the amount that would arise using the tax rate applicable to the profit of the group as follows: -

	31 March 2024 €m	31 March 2025 €m
Profit before tax	20	32
Tax calculated at Irish standard tax rate of 12.5%	3	4
Effects of:-		
Non-deductible expenses	1	1
Income not subject to taxation	-	(2)
Income taxable at higher rate	-	-
Tax charge for the period	4	3

7. Trade and other receivables

During the period ended 31 March 2025, the group recognised a provision for impaired receivables of €2 million (31 March 2024: €2 million) and utilised provisions for impaired receivables of €Nil (31 March 2024: €Nil). The creation and reversal of provisions for impaired receivables have been included in "operating costs" in the income statement.

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Selected notes to the condensed interim financial information – unaudited (continued)

8. Borrowings

The maturity profile of the carrying amount of the group's borrowings is set out below.

	Within 1 Year €m	Between 1 & 2 Years €m	Between 2 & 5 Years €m	After 5 Years €m	Total €m
<u>As at 31 March 2025</u>					
Bank borrowings - Facility B	-	300	600	-	900
Debt fees	-	-	(18)	-	(18)
	-	300	582	-	882
Bank borrowings – FNI Facility B	-	-	765	-	765
Bank borrowings – FNI Facility C	-	-	62	-	62
Debt fees	-	-	(11)	-	(11)
	-	-	816	-	816
3.5% Senior Secured Notes due 2026	-	552	-	-	552
2.625% Senior Secured Notes due 2027	-	-	281	-	281
5.75% Senior Secured Notes due 2029	-	-	300	-	300
Debt issue costs	-	-	(3)	-	(3)
	-	552	578	-	1,130
Revolving credit facility	50	-	-	-	50
	50	852	1,976	-	2,878
<u>As at 31 December 2024</u>					
Bank borrowings - Facility B	-	300	600	-	900
Debt fees	-	-	(1)	-	(1)
	-	300	599	-	899
Bank borrowings – FNI Facility B	-	-	765	-	765
Bank borrowings – FNI Facility C	-	-	62	-	62
Debt fees	-	-	(12)	-	(12)
	-	-	815	-	815
3.5% Senior Secured Notes due 2026	-	552	-	-	552
2.625% Senior Secured Notes due 2027	-	-	281	-	281
5.75% Senior Secured Notes due 2029	-	-	300	-	300
Debt issue costs	-	-	(3)	-	(3)
	-	552	578	-	1,130
	-	852	1,992	-	2,844

At 31 March 2025, the group has Senior Bank borrowings of €900 million, which are subject to a Senior Facilities Agreement, comprised of Facility B4 borrowings of €300 million with a maturity date of 15 May 2026 and Facility B5 borrowings of €600 million with a maturity date of 15 May 2029. The group also has Senior Secured Notes of €552 million with a maturity date of 15 May 2026, €281 million with a maturity date of 15 February 2027 and €300 million with a maturity date of 15 December 2029.

In February 2025, the group completed a repricing of its €600 million Facility B3 borrowings. The refinancing included new money commitments of €76 million as well as the exchange of Facility B3 borrowings of €524 million. The Facility B5 borrowings of €600 million are subject to cash-pay interest at EURIBOR plus 2.75% margin.

At 31 March 2025, the group has a €50 million revolving credit facility, which was fully drawn down at 31 March 2025.

At 31 March 2025, Fibre Networks Ireland Limited ("FNI"), the group's subsidiary with InfraVia, has Facility B borrowings of €765 million, with a maturity date of 30 June 2029. FNI also has a Facility C commitment of €200 million, with €62 million drawn down at 31 March 2025, and a revolving credit facility of €35 million, which is undrawn at 31 March 2025.

Interest accrued on borrowings at 31 March 2025 is €21 million (31 December 2024: €11 million). This is included in trade and other payables.

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Selected notes to the condensed interim financial information – unaudited (continued)

9. Lease liabilities

The carrying amounts of lease liabilities and the movements during the period are set out below:

	31 Dec 2024 €m	31 March 2025 €m
At beginning of period 1 January	635	714
Additions	53	-
Modifications	81	-
Disposals	(1)	-
Interest	35	9
Payments	(89)	(22)
	714	701
Non-current	657	643
Current	57	58
	714	701

10. Pensions

The group's pension commitments are funded through separately administered Superannuation Schemes and are principally of a defined benefit nature. The group undertakes a full review of the retirement benefit liability at each quarter end in accordance with IAS 19 (Revised). The balance sheet presented as at 31 March 2025 reflects the IAS 19 (Revised) surplus of €521 million as at 31 March 2025.

Pension scheme obligation

The status of the principal scheme at 31 March 2025 is as follows:

	31 Dec 2024 €m	31 March 2025 €m
Present value of funded obligations	(3,109)	(2,950)
Fair value of scheme assets	3,620	3,471
Asset recognised in the Balance Sheet	511	521

Assumptions of actuarial calculations

The main financial assumptions used in the valuations were:

	At 31 Dec 2024	At 31 March 2025
Rate of increase in salaries	1.8%	1.8%
Rate of increase in pensions in payment	1.8%	1.8%
Discount rate	3.5%	3.9%
Inflation assumption	2.0%	2.0%
Mortality assumptions – Pensions in payment – Implied life expectancy for 65 year old male	87 years	87 years
Mortality assumptions – Pensions in payment – Implied life expectancy for 65 year old female	89 years	89 years
Mortality assumptions – Future retirements – Implied life expectancy for 65 year old male	90 years	90 years
Mortality assumptions – Future retirements – Implied life expectancy for 65 year old female	91 years	91 years

The above assumptions reflect the imposition of a cap on the increases in pensionable pay to the lower of CPI, salary inflation or agreed fixed annual rates.

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Selected notes to the condensed interim financial information – unaudited (continued)

11. Provisions for other liabilities and charges

	Onerous Contracts €m	TIS Annuity Scheme €m	Asset Retirement Obligations €m	Other €m	Total €m
At 31 December 2024	35	3	57	30	125
Charged to consolidated income statement:					
- Additional provisions	-	-	-	-	-
Utilised in the financial period	(1)	-	-	(1)	(2)
At 31 March 2025	34	3	57	29	123

Provisions have been analysed between non-current and current as follows:

	31 Dec 2024 €m	31 March 2025 €m
Non-current	87	86
Current	38	37
	125	123

12. Cash generated from operations

	31 March 2024 €m	31 March 2025 €m
Profit after tax	16	29
Add back:		
Income tax charge	4	3
Finance costs – net	47	23
Operating profit	67	55
Adjustments for:		
- Profit on disposal of property, plant and equipment	-	(3)
- Depreciation and amortisation	79	80
- Management charge	2	2
- Restructuring programme costs	1	3
- Other non-cash movements in provisions	1	-
Cash flows relating to restructuring and provisions	(13)	(5)
Changes in working capital		
Inventories	(4)	(4)
Trade and other receivables	(34)	(27)
Trade and other payables	(51)	(77)
Cash generated from operations	48	24

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Selected notes to the condensed interim financial information – unaudited (continued)

13. Post Balance Sheet Events

During May 2025, subsequent to the balance sheet date, the group issued €550 million in Senior Secured Notes with a maturity date of 30 April 2031. The Notes are subject to fixed rate cash-pay interest at 5% payable in semi-annual instalments in April and October each year. The group will use the proceeds to prepay existing Facility B4 borrowings, to prepay partial redemption of the 3.5% Senior Secured Notes due May 2026 and to repay the revolving credit facility.

There have been no other significant events affecting the group since the period ended 31 March 2025.

14. Contingent liabilities

There have been no material changes in our contingent liabilities since the publication of the financial statements of EHIL in the bondholder's report for the year ended 31 December 2024.

15. Guarantees

There have been no material changes in our credit guarantees since the publication of the financial statements of EHIL in the bondholder's report for the year ended 31 December 2024.

16. Seasonality

Fixed line

The group does not believe that seasonality has a material impact on our fixed line business.

Mobile

The group's mobile business tends to experience an increase in sales volumes in the weeks approaching Christmas due to the seasonal nature of its retail business. The group's mobile business experiences significant postpay and prepay subscriber growth and related costs of handset subsidies and commissions in November and December. Visitor roaming revenues are also seasonally significant because Ireland is a popular tourist destination during the summer months.

17. Commitments

The group's capital contractual obligations and commitment payments were €144 million at 31 March 2025 (31 December 2024: €120 million).

18. Related party transactions

There have been no material changes in our related party transactions since the publication of the financial statements of EHIL in the bondholder's report for the year ended 31 December 2024.

Management discussion and analysis on results of operations for the three months ended 31 March 2025

Revenue

The following table shows a segmental split of revenues for the period from our fixed line and mobile businesses:

	For the three months ended		% Change
	31 Mar 2024	31 Mar 2025	
	(unaudited)	(unaudited)	
	€m	€m	
Fixed line services and other revenue	231	232	1%
Mobile services revenue	89	90	1%
Total segmental revenue	320	321	1%
Intracompany eliminations	(9)	(9)	-
Total revenue	311	313	1%

Reported group revenue of €313 million for the three months to March 2025 increased by 1% or €2 million year on year. Fixed line revenue increased by €1 million while mobile revenue increased by 1% or €1 million.

Fixed line services and other revenue

The following table shows revenue from the fixed line segment, analysed by major products and services, and the percentage change for each category, for the periods indicated:

	For the three months ended		% Change
	31 Mar 2024	31 Mar 2025	
	(unaudited)	(unaudited)	
	€m	€m	
Access (Rental and Connections)	95	100	6%
Voice Traffic (including Foreign Inpayments)	36	31	(15%)
Data Services	31	30	(3%)
Subsidiaries and Other	69	71	2%
Total fixed line services and other revenue	231	232	-

Total fixed line services and other revenue for the three months to March 2025 (before intra company eliminations) increased by €1m year on year. Increases in access and subsidiaries and other revenue of 6% and 2% were offset against voice and data services decreases of 15% and 3% year on year.

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Access (rental and connections)

The following table shows rental, connection and other charges and the percentage changes for the periods indicated:

	For the three months ended		% Change
	31 Mar 2024	31 Mar 2025	
	(unaudited)	(unaudited)	
	€m	€m	
Access revenue			
Retail PSTN/ISDN rental and connection	34	22	(36%)
Wholesale PSTN/ISDN/LLU rental and connection	13	10	(21%)
Broadband rental and connection	48	68	43%
Total access revenue	95	100	6%
Access paths	‘000	‘000	
Retail Access Lines	567	563	(1%)
Wholesale Access Lines	224	176	(21%)
Wholesale LLU	1	1	-
SABB	371	383	3%
Total PSTN/ISDN/LLU/SABB	1,163	1,123	(3%)
Broadband and Bitstream	‘000	‘000	
Retail Broadband	463	472	2%
Wholesale Broadband	485	466	(4%)
Total Broadband (including SABB)	948	938	(1%)

Access revenue of €100 million for the three months to March 2025 increased by 6% or €5 million year on year.

Retail access revenue decreased by 36% or €12 million year on year. Retail access lines of 563,000 decreased by 1% or 4,000.

Wholesale access revenue declined by 21%, primarily due to a decline in wholesale access lines. Wholesale access lines of 176,000 declined by 21% year on year.

Broadband revenue increased by 43%. The Group broadband base of 938,000 as at the end of March 2025 decreased by 1% or 10,000. Retail broadband customers of 472,000 increased by 2%, while the wholesale broadband base of 466,000 declined by 4%.

eir are committed to growing its broadband reach and have invested in a multi-year programme to rollout Fibre to the Home (FTTH) to 1.4 million premises giving customers reliable and uncongested speeds of up to 1000mbps. 2.2m premises are passed at the end of March 2025 with eir fibre. The Group fibre base increased by 11,000 customers or 1% year on year to 884,000 at the end of March 2025, with FTTH connections driving growth.

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Voice Traffic

The following table shows total traffic revenue and volumes and the percentage changes for the periods indicated:

	For the three months ended		
	31 Mar 2024	31 Mar 2025	% Change
	(unaudited)	(unaudited)	
	€m	€m	
Voice traffic revenue			
Retail	32	27	(15%)
Wholesale (including Foreign Inpayments)	4	3	(11%)
Total voice traffic revenue	36	31	(15%)
Voice traffic minutes (in millions of minutes, except percentages)			
Retail	95	83	(13%)
Wholesale (including Foreign Traffic Minutes)	425	376	(12%)
Total voice traffic minutes	520	459	(12%)

Group voice traffic revenue for the three months to March 2025 decreased by 15% or €5 million year on year. Retail voice traffic revenue decreased by 15%, as a result of a 13% decline in retail traffic minutes, wholesale voice traffic revenue decreased by 11% and minutes decreased by 12% year on year.

Data communications

The following table shows information relating to revenue from data communications products and services and the percentage change for the periods indicated:

	For the three months ended		
	31 Mar 2024	31 Mar 2025	% Change
	(unaudited)	(unaudited)	
	€m	€m	
Data communications revenue			
Leased lines	16	15	(6%)
Switched data services	2	2	-
Next generation data services	13	13	-
Total data communications revenue	31	30	(3%)

Data communications revenue for the three months to March 2025 decreased by 3% or €1 million year on year due to a 6% decrease in leased lines revenue and switched data services revenue remaining stable year on year.

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Subsidiaries and Other

The following table shows information relating to revenue from other products and services, and the percentage change for the periods indicated:

	For the three months ended		% Change
	31 Mar 2024	31 Mar 2025	
	(unaudited)	(unaudited)	
	€ m	€ m	
Subsidiaries and Other			
eir Evo	33	32	(3%)
eir UK	3	6	100%
Managed services and solutions	9	10	11%
National Broadband Access	8	8	-
TV and content	4	4	-
Data centre	5	2	(60%)
Other revenue	7	9	29%
Subsidiaries and Other Revenue	69	71	3%

Other products and services revenue for the three months to March 2025 increased by €2 million year on year. eir UK increased by €3 million and Managed Services and Solutions increased by €1 million or 11% year on year. Access rental revenues in supply to the National Broadband Plan (NBP) remained stable year on year. Data centre revenue decreased by 60% or €3 million while other revenue increased by €2 million year on year.

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Mobile services revenue

The following table shows revenue from Mobile services, analysed by major products and services:

	For the three months ended		% Change
	31 Mar 2024 (unaudited) €m	31 Mar 2025 (unaudited) €m	
Mobile revenue			
Prepay handset	16	15	(8%)
Postpay handset (incl. M2M)	51	52	1%
Mobile broadband	4	4	-
Roaming	4	6	43%
Other	14	13	(4%)
Total mobile revenue	89	90	1%
Mobile subscribers			
Prepay handset customers	319	300	(6%)
Postpay handset customers (incl. M2M)	1,066	1,115	8%
Mobile broadband customers	66	68	4%
<i>Of which are prepay customers</i>	<i>1</i>	<i>1</i>	-
<i>Of which are postpay customers</i>	<i>65</i>	<i>67</i>	<i>4%</i>
Total mobile subscribers	1,451	1,523	5%

Total mobile revenue for the three months to March 2025 of €90 million increased by 1% or €1 million year on year.

Prepay handset revenue decreased by €1 million year on year due to a decrease in prepay handset customers of 19,000.

Postpay handset revenue increased by 1% or €1 million year on year, primarily driven by an increase in postpay handset (including M2M) subscribers of 8% or 49,000 year on year. GoMo, the Group's SIM only postpay offering, has been the principal driver of the changing subscriber base mix.

Mobile broadband revenue remained stable year on year while the mobile broadband base increased 4% or 2,000 subscribers. Roaming revenue increased by 43% or €2 million.

There were a total of 1,523,000 mobile subscribers as at March 2025, an increase of 5% year on year. The mix of customers continues to improve, with the proportion of postpay customers (including mobile broadband and M2M) of 80% increasing by 2 percentage points year on year, representing an increase of 91,000 net additional postpay subscribers (including mobile broadband and M2M subscribers).

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Operating costs before amortisation, depreciation and exceptional items

The following table shows information relating to our operating costs before amortisation, depreciation, and exceptional items, and the percentage change for the periods indicated.

	For the three months ended		
	31 Mar 2024	31 Mar 2025	
	(unaudited)	(unaudited)	% Change
	€m	€m	
Cost of sales			
Foreign outpayments	1	0	100%
Interconnect	7	9	(29%)
Equipment cost of sales	13	9	27%
Subsidiaries (eir Evo & EUK)	25	28	(7%)
Other including TV,NBP, ICT & managed services	19	24	(26%)
Total cost of sales	65	70	(8%)
Pay costs			
Wages and salaries and other staff costs	50	47	5%
Social welfare costs	4	4	-
Pension cash costs—defined contribution plans	1	2	100%
Pension cash costs—defined benefit plans	1	1	-
Pay costs before non-cash pension charge and capitalisation	56	54	(4%)
Capitalised labour	(10)	(10)	-
Total pay costs before non-cash pension charge	46	44	(4%)
Non pay costs			
Materials and services	4	3	21%
Other network costs	4	4	-
Accommodation	20	22	(11%)
Sales and marketing	4	4	(6%)
Provision for credit losses	2	2	21%
Transport and travel	2	2	(11%)
Customer services	1	2	(128%)
Insurance and compensation	1	1	11%
Professional and regulatory fees	1	2	(100%)
IT costs	4	5	(5%)
Other non-pay costs	7	1	86%
Total non-pay costs	50	48	4%
Operating costs before non-cash pension charge, non-cash fair value lease credits, management charge, amortisation, depreciation of PPE, and exceptional items	161	162	-
Non cash pension charge/(credit)	-	-	-
Non cash fair value lease credits	-	-	-
Management charge	2	2	-
Operating costs before amortisation, depreciation of PPE, and exceptional items	163	164	-

Total operating costs before non-cash pension charge, amortisation, depreciation of PPE, and exceptional items of €164 million for the three months to March 2025 was stable year on year.

Cost of Sales

Cost of sales for the three months to March 2025 of €70 million increased by 8% or €5 million year on year.

- Interconnect costs increased by €2 million year on year.
- Equipment costs of sales decreased by 27% or €4 million for the period year on year.
- Subsidiaries increased by 7% driven by eir Evo costs relating to large one off sales.
- Other cost of sales increased by €5 million year on year.

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Pay costs

Total pay costs before non-cash pension charge of €44 million for the three months to March 2025 decreased by €2 million year on year. FTE headcount was 2,917 at 31 March, representing a net decrease 319 FTE year on year.

Total non-pay costs

Total non-pay costs of €48 million for the three months to March 2025 decreased by 4% or €2 million year on year.

- Accommodation costs increased by 11% or €2 million, due to an increase in rent and facility costs.
- Professional and regulatory fees and IT costs both increased by €1million
- Other non pay costs decreased by €6m.

Non-cash pension charge/ (credit)

The non-cash pension charge represents the difference between the amount of cash contributions that the company has agreed to make to the fund during the period, on an accruals basis, and the accounting charges recognised in operating profit in accordance with IAS 19 (Revised). The IAS 19 (Revised) accounting charge is not aligned with the principles that the company applies in measuring its EBITDA. Therefore the non-cash pension charge is included as an adjustment in the reconciliation of EBITDA to operating profit.

Non-cash lease fair value credits

The non-cash lease fair value credit included in the income statement during the period is in respect of the unfavourable lease fair value adjustment which arose on acquisition of eircom Limited following Examinership. At the date of acquisition, we were required to recognise a liability for the difference between the amount of future rental payments that had been contractually committed to and the market rent that would have been payable if those contracts had been entered into at that date. The liability is released as a credit to the income statement over the period of the relevant leases. The IFRS accounting treatment is not aligned with the principles we apply in measuring our EBITDA. As a result, non-cash lease fair value credit is included as an adjustment to our EBITDA.

Amortisation

Amortisation charges for the three-month period ended 31 March 2025 were €6 million, which is in line with the €6 million charge for the corresponding three-month period ended 31 March 2024.

Depreciation of property, plant and equipment

The depreciation charge on property, plant and equipment for the three-month period ended 31 March 2025 was €57 million, which is more or less in line with the corresponding three-month period ended 31 March 2024 of €56 million.

Depreciation of right of use assets

The depreciation charge on right of use assets for the three-month period ended 31 March 2025 was €11 million, which is in line with the €11 million charge for the corresponding three-month period ended 31 March 2024.

Exceptional costs

The exceptional charge of €17 million in the three-month period ended 31 March 2025 included €3 million for restructuring programme costs, €4 million for exceptional storm repair costs incurred as a result of significant damage to the telecom infrastructure in the period and €10 million for legal and other related matters.

The exceptional charge of €2 million in the corresponding three-month period ended 31 March 2024 included €1 million for restructuring programme costs and €1 million for certain legal matters arising in the period.

Finance costs (net)

The group's net finance costs for the three-month period ended 31 March 2025 were €23 million compared to €47 million for the corresponding three-month period ended 31 March 2024. The decrease of €24 million was mainly due to the gain on modification of debt of €18 million (€600 million repriced with lower margin 2.75%). The prior year net finance costs of €47 million also included a loss on modification of debt of €4 million and discount payment of €3 million paid to Facility B3 lenders on the amendment and extension of debt.

Taxation

The tax charge for the three-month period ended 31 March 2025 was €3 million compared to the corresponding three-month period ended 31 March 2024 of €4 million.

Liquidity

Net cash generated from operating activities

Our primary source of liquidity is cash generated from operations, which represents operating profit adjusted for non-cash items which are principally depreciation, amortisation, impairment, non-cash pension charge, non-cash lease fair value credits and certain non-cash exceptional items. Cash flows from operating activities are also impacted by working capital movements and restructuring and other provision payments.

During the three-month period ended 31 March 2025, net cash used in operating activities was €10 million compared with net cash generated from operating activities of €11 million in the corresponding three-month period ended 31 March 2024, a decrease in net cash from operating activities of €21 million. The decrease is primarily related to higher working capital payments in the period.

Cash flows from investing activities

Total cash used in investing activities was €92 million for the three-month period ended 31 March 2025, compared with €90 million for the corresponding three-month period ended 31 March 2024, an increase of €2 million.

During the three-month period ended 31 March 2025, payments for capital expenditure (cash) were €95 million, compared with €90 million for the corresponding three-month period ended 31 March 2024. The high capital expenditure payments over many years show the continued commitment by the group to invest in major programme of works.

Also, during the three-month period ended 31 March 2025, the group sold property, and after allowance for certain costs relating to the disposal, received net proceeds of €3 million.

Cash flows from financing activities

During the period ended 31 March 2025, dividend distributions of €45 million were paid to our equity shareholder, Wexford Limited, and dividend distributions of €7 million were paid to InfraVia. In the corresponding period ended 31 March 2024, dividend distributions of €50 million were paid to our equity shareholder, Wexford Limited.

The group's principal payments on lease liabilities were €13 million for the three-month period ended 31 March 2025 compared to €14 million for the corresponding three-month period ended 31 March 2024.

In January 2025, the group drew down its revolving credit facility of €50 million. In February 2025, the group completed a repricing of its €600 million Facility B3 borrowings. The refinancing included new money commitments of €76 million as well as the exchange of Facility B3 borrowings of €524 million. The Facility B5 borrowings of €600 million are subject to cash-pay interest at EURIBOR plus 2.75% margin.

In January 2024, the group made cash payments of €1 million on the 1.75% Senior Secured Notes. In February 2024, the group entered into new Facility B borrowings, the €200 million was structured as a loan tap on the existing Facility B borrowings with a maturity date of 15 May 2026. Debt fees of €1 million in relation to the borrowings were paid in the period ended 31 March 2024.

In March 2024, we amended and extended €600 million of our Facility B borrowings, which had an original maturity date of 15 May 2026. Under the terms of the amendment, €600 million was redesignated as Facility B3 borrowings with the maturity date extended by three years to 15 May 2029. The refinancing was made up of €487 million with lenders under the existing Facility B borrowings and new money commitments of €113 million. The Facility B3 borrowings were issued at a discount price of 99.5% and lenders were paid a discount payment of €3 million in the period. Debt modification fees of €2 million on the borrowings were also paid in the period ended 31 March 2024.

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Other Data

Certain numerical figures set out in this document, including financial data presented in millions or thousands, certain operating data, and percentages describing movements in quarters, have been subject to rounding adjustments and, as a result, the totals of the data in this document may vary slightly from the information presented in this document or the actual arithmetic totals of such information.

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Notes:

1. Percentage changes have been calculated based on unrounded data rather than on the rounded data presented in these tables. Certain comparative figures have been re-grouped and re-stated where necessary on the same basis as those for the current financial quarter.
 2. Fixed ARPU Calculations:
 - A. We define “Blended consumer fixed ARPU” as the average of the total consumer subscriber revenue divided by the average number of access subscribers (including SABB) in each month. Subscriber revenue is equal to total fixed line consumer revenue excluding revenue from eir Sport and Operator Services.
 - B. We define “WLR PSTN ARPU” as the average of Wholesale PSTN line rental revenue divided by the average number of PSTN WLR access subscribers in each month.
 - C. We define “Bitstream ARPU” as the average of bitstream rental revenue including SABB (recurring revenue) divided by the average number of Wholesale bitstream (including SABB) subscribers in each month.
 - D. We define “the average number of subscribers in the month” as the average of the total number of subscribers at the beginning of the month and the total number of subscribers at the end of the month.
 - E. All Fixed ARPUs are adjusted to reflect the average number of days in a month.
 3. Mobile ARPU Calculations:
 - A. We define “Prepay ARPU” as the measure of the sum of the total prepay mobile subscriber revenue including revenue from incoming traffic in the period divided by the average number of prepay mobile subscribers in the period divided by the number of months in the period.
 - B. We define “Postpay ARPU” as the measure of the sum of the total postpay mobile subscriber revenue including revenue from incoming traffic and handset recovery in a period divided by the average number of postpay mobile subscribers in the period divided by the number of months in the period.
 - C. We define “the average number of mobile subscribers in the period” as the average of the total number of mobile subscribers at the beginning of the year and the total number of mobile subscribers at the end of the year.
 4. N/M - percentage movement is not meaningful.
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