



Annual Report & Financial Statements 2024





Air Navigation Services over Ireland and the North Atlantic

AirNav Ireland provides air traffic management services in 451,000 km² of Irish-controlled airspace and aeronautical communication services up to halfway across the North Atlantic. These services are crucial to the interface for air traffic between Europe and North America.

*Front Cover: Cliona Mimnagh, Unit Safety Manager, Terminal Services
This page: Rebecca Bickerdike, Air Traffic Controller*

Mission Statement

AirNav Ireland is committed to providing safe, efficient, sustainable and cost-effective air navigation services and air traffic management in Irish-controlled airspace. We aim to be a world leader and leading innovator collaborating with our stakeholders to achieve advancements in safety, service provision and environmental performance.

Our Purpose

Safety is our absolute priority and underlines everything we do. AirNav Ireland operates to the highest international safety standards set by:

- the International Civil Aviation Organisation (ICAO)
- the European Union Aviation Safety Agency (EASA)
- the European Civil Aviation Conference (ECAC)
- the Irish Aviation Authority (Competent Authority)
- the European Union (EU)
- EUROCONTROL

These guide AirNav Ireland in ensuring that Irish civil aviation operates to the most stringent safety standards.

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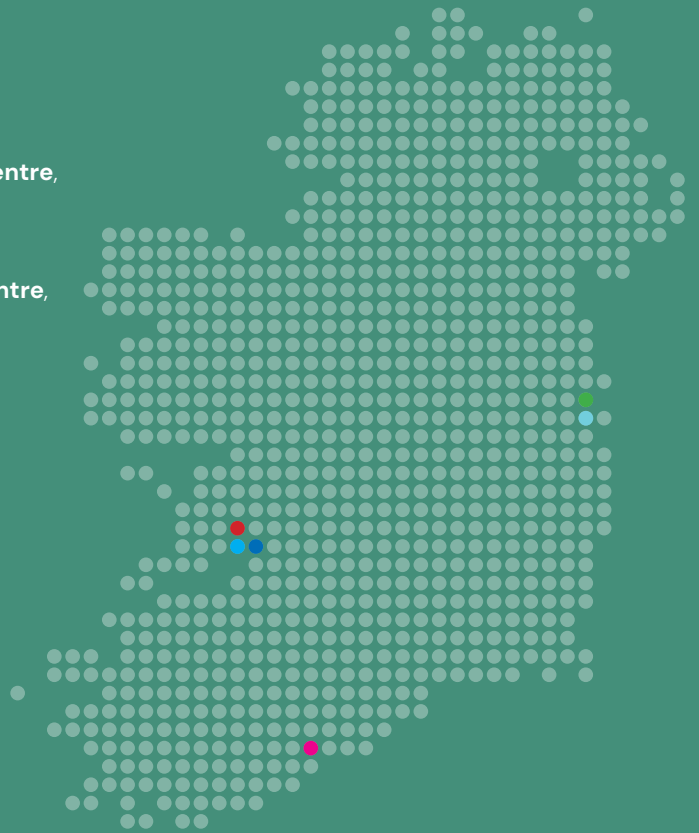
Visit us Online

Visit our website to find out more: www.airnav.ie or check our social channels @airnavireland

Our Locations

AirNav Ireland operates from the following locations:

- **Corporate Headquarters,** Dublin 2
- **Shannon En Route Centre,** Ballycasey, Co. Clare
- **Dublin Air Traffic Control Centre,** Dublin Airport
- **North Atlantic Communications Centre,** Ballygirreen, Co. Clare
- **Shannon Air Traffic Control Tower,** Shannon Airport
- **Cork Air Traffic Control Tower,** Cork Airport



Key Figures

679,000

Record number 679,000 IFR flights, an increase of 2.3% over 2023.

537,039

Flights in North Atlantic oceanic airspace, an increase of 3.5% over 2023 levels.

380,639

Overflights, an increase of 3.2% over 2023.

278,349

Commercial terminal movements at the three State airports, an increase of 1.3% over 2023.

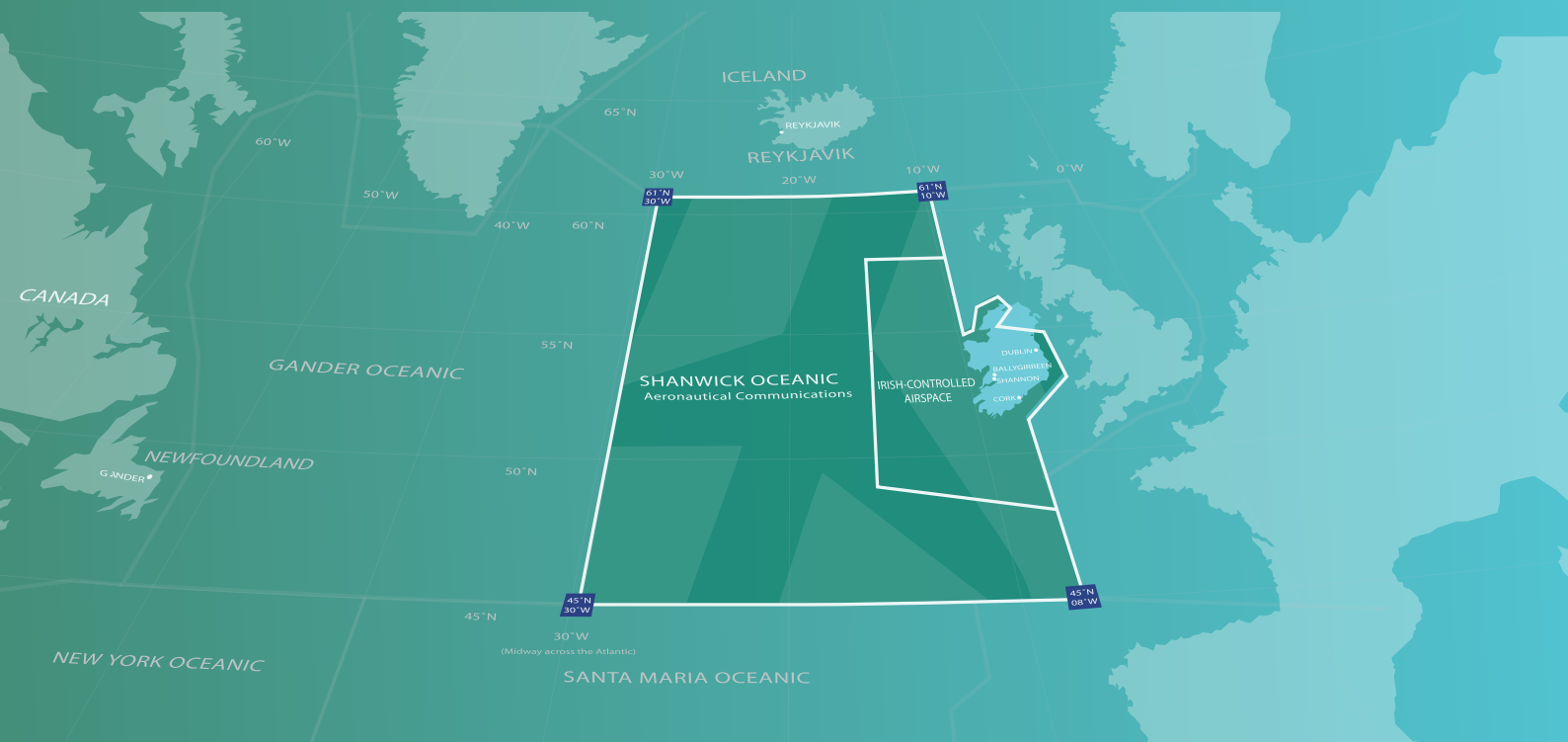
90%

In 2024, AirNav Ireland achieved a safety management systems maturity score of 90% (average ANSP maturity score 78%), placing AirNav Ireland amongst the top performing ANSPs.

642

An average of 642 employees, an increase of 2.6% over 2023.

Air Navigation Services in the North Atlantic



97.4%

AirNav Ireland ranks among Europe's top three performers for horizontal flight efficiency, with 97.4% of aircraft in Irish airspace achieving their most efficient route.

95%

Departure slot adherence rate of over 95% at the three State airports, exceeding the European target of 80%.

€196.8m

Total revenue, in 2024, increased by 1.2% to €196.8m.

€10.3m

Consolidated profit after tax of €10.3m for 2024.

€16.5m

In 2024, AirNav Ireland continued to invest in its air traffic management infrastructure, spending €16.5m, up from €13.4m in 2023.

€316.6m

Consolidated net assets were €316.6m at the end of the year.

Our Values



Safety

is our promise



Key

to our success
– our people



I

Integrity

in everything
we do



E

Environment

reducing climate
impact through
innovation



S

**Service
excellence**

delivering world-
leading service

At a Glance



Air Traffic Management

Operations: Irish-controlled airspace handled over 679,000 IFR flights, marking a 2.3% increase compared to 2023.



Safety Management System:

AirNav Ireland continued to implement and maintain a robust Safety Management System (SMS), focusing on continuous improvement and compliance with regulations.



Environmental Performance:

Ireland's airspace is ranked in the top three performers across Europe, with non-ATM factors such as adverse weather being the main cause of any inefficiency.



Innovation in Safety

Technologies: The integration of advanced tools such as Viewpoint and artificial intelligence (AI) into the Safety Management System has enhanced safety monitoring and reporting capabilities.



Operating Profit:

In 2024, the first full year of operations, the Group reported a positive financial result with an operating profit of €8.2 million on turnover of €196.8 million and a profit after tax of €10.3 million. AirNav Ireland does not receive any funding from the State.



RP4 Business Plan:

AirNav Ireland liaised with stakeholders in developing its plan for the period 2025–2029, which was a key consideration in the State Performance Plan designed to ensure the Company had sufficient resources to handle increasing traffic levels, deliver an ambitious investment plan and meet evolving regulatory requirements.



Diversity, Equality, and Inclusion:

The Company continues to promote progressive Diversity, Equality, and Inclusion initiatives, attracting many international colleagues and supporting various employee networks.



Collective Labour Agreement:

A comprehensive Collective Labour Agreement was concluded in 2024, covering the period 2025–2029, providing productivity and flexibility measures in return for general pay increases.



Commercial Development:

AirNav Ireland is pursuing commercial development opportunities to enhance service efficiencies and financial returns, with a new commercial strategy developed for the period 2024–2028.



Ongoing Recruitment:

In 2024, AirNav Ireland successfully recruited 84 new staff and students across various disciplines, enhancing our talent pool.



Sustainability Management Plan:

The AirNav Ireland Sustainability Management Plan 2024–2029 outlines ambitious plans to improve energy efficiency, reduce carbon footprint, and promote ethical governance. We also achieved CANSO GreenATM Level 3 accreditation; the highest level achieved by participating air navigation service providers to date.

Chairperson's Statement

Bryan Bourke | Chairperson

I am pleased to present the AirNav Ireland annual report and financial statements for the year ended 31 December 2024. This marks the Group's first full year of operations following the transfer of air navigation functions from the Irish Aviation Authority to AirNav Ireland in May 2023.

Safety

In 2024, AirNav Ireland successfully conducted its air traffic management functions with a steadfast commitment to safety. Safety remains our top priority, and significant time and resources were dedicated to delivering safe services and enhancing safe practices. In 2024, the Board undertook some key initiatives to foster a strong safety culture and will continue to do this in the year ahead. The Board endorses and supports a holistic approach to overseeing the Company's operational and safety performance, fostering a robust safety culture to ensure safety remains paramount and at the forefront of all operational services. The Board assesses and monitors the Company's safety performance against targets established under the European Performance Scheme.

Air Traffic Services

Air traffic activity continued to grow in 2024, exceeding the levels observed in 2023. Overflights managed within Irish-controlled airspace increased by 3.2% to over 380,600 flights. Commercial air traffic at Cork, Dublin, and Shannon airports rose by 1.3% to over 278,300 movements, while flights managed on the North Atlantic saw a 3.5% increase to over 537,000 flights. AirNav Ireland remains a leading performer in Europe in terms of environmental efficiency, delivering air traffic control services with minimal delays and facilitating the effective functioning of the European network.

We acknowledge and recognise the operational challenges posed by increased extreme weather events and will continue investing in AirNav Ireland's infrastructure nationwide. These ongoing investments in our organisation ensure the Company is positioned for

climate adaptation measures to ensure resilience and redundancy and the continuity of our operations.

Financial Performance

The Group has reported a positive financial outcome for the year, achieving an operating profit of €8.2 million and a profit after tax of €10.3 million. As a commercial semi-State enterprise, AirNav Ireland operates independently and does not receive State funding. In 2024, we invested €16.5 million in capital projects, underscoring our commitment to enhancing air traffic management infrastructure to support future growth in a safe, efficient, and sustainable manner. Furthermore, as a member of COOPANS, we have committed to upgrading our air traffic management system by the end of the decade, representing a significant project for the Company.

The majority of our activities are subject to economic regulation by the IAA. In October 2024, the IAA published its decision regarding the State's Performance Plan for Reference Period 4 (RP4), concerning air navigation services' charging and performance in Ireland. This decision allocates funding for investments in our personnel and capital projects, thereby ensuring the continued provision and delivery of safe and reliable air traffic services. The decision is presently under review at the European level.

People

AirNav Ireland is enhancing its workforce through a comprehensive recruitment programme focused on increasing personnel in operational areas, notably among air traffic controllers and engineers. Average headcount rose to 642 in 2024. The Board frequently



evaluates gender balance across all roles and commends management efforts to promote diversity. Additionally, we are pleased with the agreement reached between management and staff representatives on a five-year Collective Labour Agreement (CLA), ensuring cost stability and service continuity for the upcoming years.

Values

The Board is committed to fostering a culture that aligns with the Company's core values. AirNav Ireland's 'SKIES' are the bedrock on which the Company makes every decision, every action and every strategy. This value set defines AirNav Ireland and underscores the Company's unwavering commitment to the highest standards.

Sustainability

The Board is dedicated to achieving the sustainability targets delineated under the Climate Action Framework for the commercial semi-State sector. In 2024, AirNav Ireland embarked on several initiatives as part of the Company's comprehensive Sustainability Management Plan. These initiatives focused on energy-saving objectives, completing the nationwide study and approval of the Company's biodiversity action plan, and adopting green procurement principles. The Board is pleased with the Company's accomplishments in attaining environmental and ESG certifications and standards. Notably, the Company achieved the CANSO GreenATM Level 3 accreditation in 2024 and was recently awarded the Business Working Responsibly Mark in Q1 2025.

Corporate Governance and Board

The Board remains committed to maintaining the highest standards of corporate governance and has implemented measures to comply with the Code of Practice for the Governance of State Bodies.

I want to thank my Board colleagues for their commitment throughout 2024. It was a busy and challenging year, and I look forward to working with you all in 2025.

I would like to formally acknowledge and extend my gratitude to Minister Jack Chambers T.D. and Minister James Lawless T.D. for their support in meeting with AirNav Ireland and endorsing Company events during their tenure as Ministers of State in the Department of Transport in 2024. We also extend our thanks to the officials in the Department of Transport for their ongoing engagement throughout the year.

Chief Executive – Dr. Peter Kearney

As we reflect on the past year, I would like to express my gratitude to Peter Kearney, Chief Executive of AirNav Ireland, whose term in this role will conclude in June 2025. Over the past seven years, Peter was Chief Executive of the Irish Aviation Authority, before taking the same position at AirNav Ireland. On behalf of myself and the Board we would like to thank Peter for his leadership and dedication during this time and for steering the Company through its separation from the Irish Aviation Authority. Under Peter's guidance, AirNav Ireland has achieved remarkable milestones and navigated numerous challenges with resilience and vision. As Peter's tenure concludes shortly, we acknowledge the significant contributions he has made and the lasting impact of his work. We extend our heartfelt best wishes for Peter's future endeavours.

Conclusion

On behalf of the Board, I would like to extend our appreciation to the management and employees of AirNav Ireland for their unwavering commitment and professionalism throughout the year. Their dedication has been instrumental in ensuring the seamless provision of air traffic services and the successful implementation of various strategic initiatives in the past twelve months. The collaborative spirit of the entire team has contributed to the efficient operations of AirNav Ireland as well as its continued growth and innovation. We look forward to building on this foundation in the upcoming year.

Bryan Bourke
Chairperson

Chief Executive's Review

Dr. Peter Kearney | Chief Executive

It is with great pride that I present AirNav Ireland's Annual Report for 2024, reflecting on our Company's journey, achievements, and future direction. Throughout the year, we have navigated challenges, embraced opportunities, and reinforced our commitment to excellence to provide the best possible service on a 24-7 basis to our customers, the airspace users.

As we reflect on 2024, I also take this moment to highlight the milestones achieved over the past seven years of my tenure at the helm of Ireland's Air Navigation Service Provider.

Another Year of Exceptional Results

Our staff successfully managed a record-breaking 679,000 flights across en route and terminal services and provided voice communications to over 537,000 flights on the North Atlantic. Representing annual growth of 2.3% and 3.5% respectively, AirNav Ireland continued to play a central role in facilitating post pandemic growth in what is considered to be a zero-delay service – this has been possible due to the unwavering commitment of our operational staff across the country and I am also keen to acknowledge all of my colleagues, who go above and beyond to support our operations on a daily basis.

Safety is Our Absolute Priority

Every day we strive for continuous improvement in the overall service we provide to our customers and our performance throughout 2024 has ensured a continuation of very high levels of customer satisfaction. Our teams have dedicated themselves to learning from every single event, no matter how insignificant, and are focussed on prevention rather than reaction. Given our unwavering commitment to safety, I was pleased that we achieved a 90% maturity score in the Standard of Excellence in Safety Management Systems[1]. We also engaged with a range of stakeholders in preparing a five-year Business Plan that placed safe operations at its core – this was a key input into the State's Performance Plan and will see an important step change in operational staff to meet increasing levels of traffic over the next

decade, in addition to key projects such as an air traffic management system fit for the Digital European Sky, known as TopSky ATC One, and extending the Advanced Surface Movement Guidance & Control System from Dublin to Shannon and Cork Airports.

We had extensive engagement throughout the year with our primary oversight body, the Irish Aviation Authority, and we also contributed to the work of the European Union Aviation Safety Agency (EASA) which included direct participation in an air traffic controller fatigue study as part of wider efforts to advance the training and licensing of air traffic controllers.

Our People are Key to Our Continued Success

Our employees continue to be the foundation of our success and we have made a concerted effort to ensure colleagues have the best possible tools to efficiently fulfil their duties. In 2024, we welcomed 84 new staff members and students to our operations, training programme, and support services as part of our efforts to continue to provide an exceptional service that meets customer expectations, delivering capital investment and remaining compliant with all of the evolving regulatory requirements.

From an industrial relations perspective, we successfully negotiated a Collective Labour Agreement with our partners, which received a vote of 79.5% in favour, and provides welcome predictability for our staff over the medium term and significantly reduces the risk of industrial action. I wish to thank everyone who played a role in achieving this favourable outcome.



I extend my sincere gratitude to our Chair, Bryan Bourke, and the entire Board for their invaluable guidance and support to myself and the wider Executive Team throughout the year.

Seven Years of Progress by Our Air Navigation Service Provider

As I reflect on my seven-year tenure at the helm of Ireland's Air Navigation Service Provider, I take immense pride in the milestones we have reached together:

Operational Excellence: Customer satisfaction scores have remained consistently high throughout my tenure and in order to achieve this constant, we have had to continuously optimise our processes, technologies and personnel to ensure high levels of safety and efficiency. This was achieved at a time of having one of the lowest en route charges in Europe and being consistently one of the top performers in terms of the environmental efficiency of our airspace.

Financial Health: Two dominant features of my tenure included the pandemic and regulatory reform – both considered once in a lifetime events – with the latter establishing AirNav Ireland as a standalone entity. I am very pleased to have managed our resources effectively, ensuring robust cash flow management and liquidity, which are essential to long-term stability, growth and resilience.

Delivering a Sustainable Future: We have made considerable progress in our commitment to attain complete carbon neutrality by 2030 from an energy perspective, in addition to enhancing biodiversity conservation and adopting environmentally sustainable practices in public procurement. The Sustainability Management Plan, implemented from 2024, will reap significant benefits for decades to come, complementing our exceptional operational environment metrics.

Innovation and Digital Transformation: Digital Sky Demonstrators are key initiatives under the European

Digital Sky programme, and I am pleased that AirNav Ireland is actively participating in several of these initiatives aimed at accelerating the deployment of innovative air traffic management solutions across Europe. While our people are key to our success, they rely on our technology at all times. I am delighted to have signed a contract alongside our COOPANS partners in Austria, Croatia, Denmark, Portugal and Sweden for the development and deployment of TopSky ATC One from Thales, which is aligned with the new European Air Traffic Management Master Plan and is the technological foundation upon which we will see further improvements across safety, security and overall efficiency.

Shaping the Industry's Future: While AirNav Ireland has successfully navigated economic and industry challenges, demonstrating agility and strategic foresight, I have had the privilege of leading key industry bodies during a critical time including Chairing the COOPANS Alliance 2020–2022, Chairing the A6 Alliance in 2023, and Chairing the Air Navigation Services Board of EUROCONTROL in 2024. I have also been fortunate to chair a number of Steering Groups for the European Union Aviation Safety Agency (EASA) in addition to the SESAR Deployment Manager Annual Conference of Executives, and am very excited about seeing AirNav Ireland benefiting from the foundations laid during this time, as the strategies and advancements we pursued come to fruition.

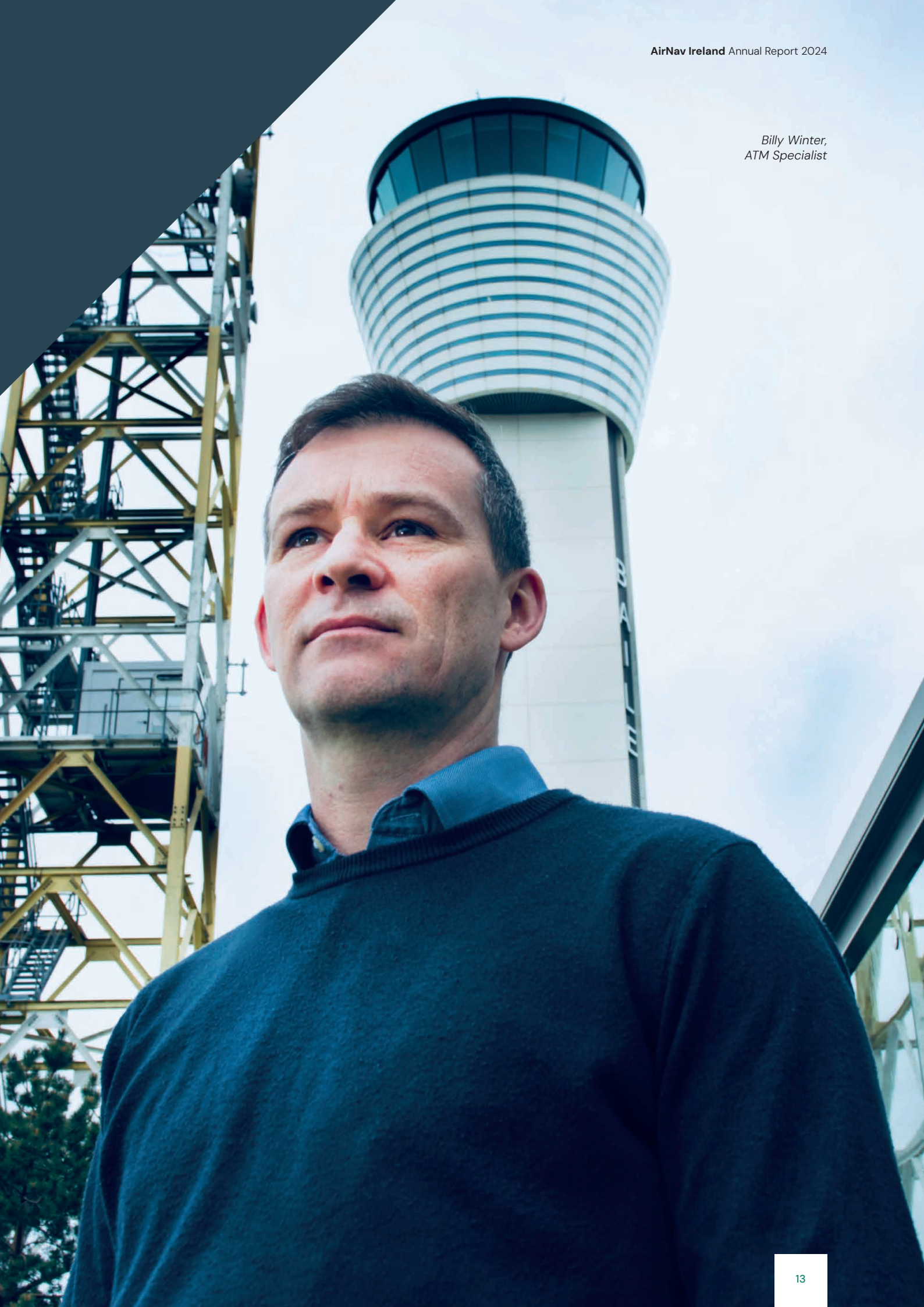
As I conclude this chapter of leadership, I am confident that the foundation we have built will support continued success. I extend my deepest gratitude to our shareholders, employees, partners, and stakeholders for their unwavering support and commitment. The future is bright, and I look forward to seeing AirNav Ireland reach even greater heights in the years ahead.

Dr. Peter Kearney
Chief Executive

[1] Developed by CANSO in collaboration with EUROCONTROL in accordance with international standards and regulations, including ICAO Annex 19

Operating and Financial Review

*Billy Winter,
ATM Specialist*



Air Traffic Management

Safety

At AirNav Ireland, safety is our absolute priority. Our commitment to safety is unwavering, and we continuously strive to enhance our safety measures to ensure the highest standards of air traffic management. Safety is at the forefront of our corporate values – at the heart of a safety culture lies a steadfast commitment to principles that guide our actions and decisions. Safety values shape the way employees interact with one another and with our customers. In 2024, the Company continued its multi-faceted approach to managing safety through our Safety Management System, our people, our processes and our technology.

Implementing and Maintaining our Safety Management System

Our Safety Management System is supported by 4 pillars

- a. Safety Policy
- b. Safety Risk Management
- c. Safety Assurance
- d. Safety Promotion

In 2024, AirNav Ireland continued to implement and maintain a robust and effective Safety Management System (SMS). We remain vigilant against complacency by engaging in continuous improvement efforts. Our system is benchmarked against the Effectiveness of Safety Management (EoSM) and the Standard of Excellence in safety management systems (SoE). The SMS is structured to proactively identify and mitigate risks, thereby ensuring operational safety. We monitor safety performance across five safety performance indicators (SPIs) related to separation minima infringements, runway incursions, and other critical areas, thereby providing accountability for our safety performance.

Compliance with Regulations

In 2024, the Company demonstrated its commitment to regulatory compliance through rigorous internal and external audits. These audits ensured that AirNav Ireland's operations met the highest safety standards set by national and international regulatory bodies. Our adherence to EU regulations provided a strong foundation for our safety practices, reinforcing our dedication to maintaining a safe air traffic environment.

Implementing a Just Culture

AirNav Ireland advocates, implements and demonstrates a Just Culture within the Company. When actions do not lead to expected outcomes, or when errors are made, they are reported. We understand and recognise that by doing so, improvements can be made, ultimately making the system stronger. We report, knowing we operate within a Just Culture, where we do not seek to apportion blame or sanction individuals for errors made which are commensurate with their experience and training. Each occurrence report is assessed and reviewed by subject matter experts to determine actions to strengthen safety.

Robust Risk and Change Management

Effective safety risk and change management are critical components of our safety strategy. In 2024, the Safety Management Unit conducted regular safety risk assessments to identify potential hazards and implemented measures to mitigate these risks. Our safety risk management processes were robust and comprehensive, ensuring that we addressed safety concerns proactively.

The Company also implemented a robust change management process to ensure that any changes to our operations were thoroughly evaluated for safety implications. This process involved conducting safety assessments, engaging with stakeholders, and implementing necessary measures to manage transitions smoothly. By maintaining a rigorous change management process, we ensured that our operations remained safe and efficient.

Commitment to Continuous Improvement

It is recognised that what worked in the past might not be applicable to the future. In this respect, AirNav Ireland is committed to continuous improvement in its safety practices. In 2024, feedback was actively sought from stakeholders through surveys, roadshows, and interviews, thereby identifying areas for improvement and implementing changes to enhance safety measures. Engaging with stakeholders ensures that safety practices evolve to meet the changing needs of the aviation industry.

Trends and numbers in safety performance indicators were closely monitored. This data provided valuable insights into safety performance and helped identify areas for improvement.

We also invested in our people by providing comprehensive training opportunities and delivering company-wide initiatives prioritising their mental health, wellbeing and menopause support. By supporting our people, we ensured that the work environment allows them to be motivated and well-equipped to uphold our safety standards.

Innovation in Safety Technologies

One of our major focuses in 2024 was the integration of innovative technologies into our Safety Management System (SMS). Advanced tools such as Viewpoint and artificial intelligence were implemented to enhance safety monitoring and reporting capabilities. These technologies facilitated analysis of vast amounts of data, in real-time, identification of potential safety issues, resulting in the implementation of proactive measures to mitigate risks. AI-powered dashboards provided comprehensive insights into the Company's safety performance, enabling tracking of key safety metrics, monitoring of trends, and making data-driven decisions. By leveraging these advanced technologies, we were able to enhance our situational awareness and respond swiftly to emerging safety concerns.

Strengthening Our Safety Culture

In 2024, AirNav Ireland continued to foster a culture of safety through various initiatives. The Company conducted regular safety training sessions for its people, ensuring that they were well-equipped with the knowledge and skills needed to maintain high safety standards.

AirNav Ireland also prioritised open communication and encouraged our people to report any safety concerns in line with just culture principles. This open reporting culture allowed us to identify and address potential safety issues promptly. In addition, we have planned a new safety culture survey for 2025 to gather insights from our people and further strengthen our safety culture.

Our Safety Achievements in 2024

1. **AirNav Ireland is Safe:** Our commitment to safety is reflected in our strong safety record. In 2024, AirNav Ireland maintained a high level of safety across all our operations, ensuring the safety of passengers, crew and aircraft.
2. **Holistic Approach to Safety:** AirNav Ireland adopted a holistic approach to managing safety through our Integrated Management System and our Safety Management System. This approach allowed us to integrate safety into every aspect of our operations, from planning to execution.
3. **Collaboration:** AirNav Ireland collaborated nationally and internationally in safety groups, sharing best practices and learning from other organisations. This collaboration helped us stay at the forefront of safety advancements and continuously improve our safety measures.
4. **Robust Safety Risk Management:** Our safety risk management processes were robust and effective in identifying and mitigating potential hazards. The Company conducted regular risk assessments and implemented measures to address identified risks promptly.
5. **Change Management:** AirNav Ireland implemented a robust change management process to ensure that any changes to our operations were thoroughly evaluated for safety implications throughout the change lifecycle. This process helped us manage transitions smoothly and maintain safety standards.
6. **Compliance with EU Regulations:** Our compliance with EU regulations provided a strong foundation for our safety practices, ensuring that our operations met the highest safety standards.
7. **Occurrence Reporting and Investigation:** AirNav Ireland maintained a rigorous process for occurrence reporting and investigation. This process allowed us to identify root causes of incidents and implement safety recommendations to prevent recurrence.
8. **Strong Safety Culture:** Our strong safety culture was a key factor in our safety achievements. In 2024, AirNav Ireland implemented actions from our previous safety culture survey and planned a new safety culture survey for 2025 to gather insights and further strengthen our safety culture.

Air Traffic Management (continued)

9.

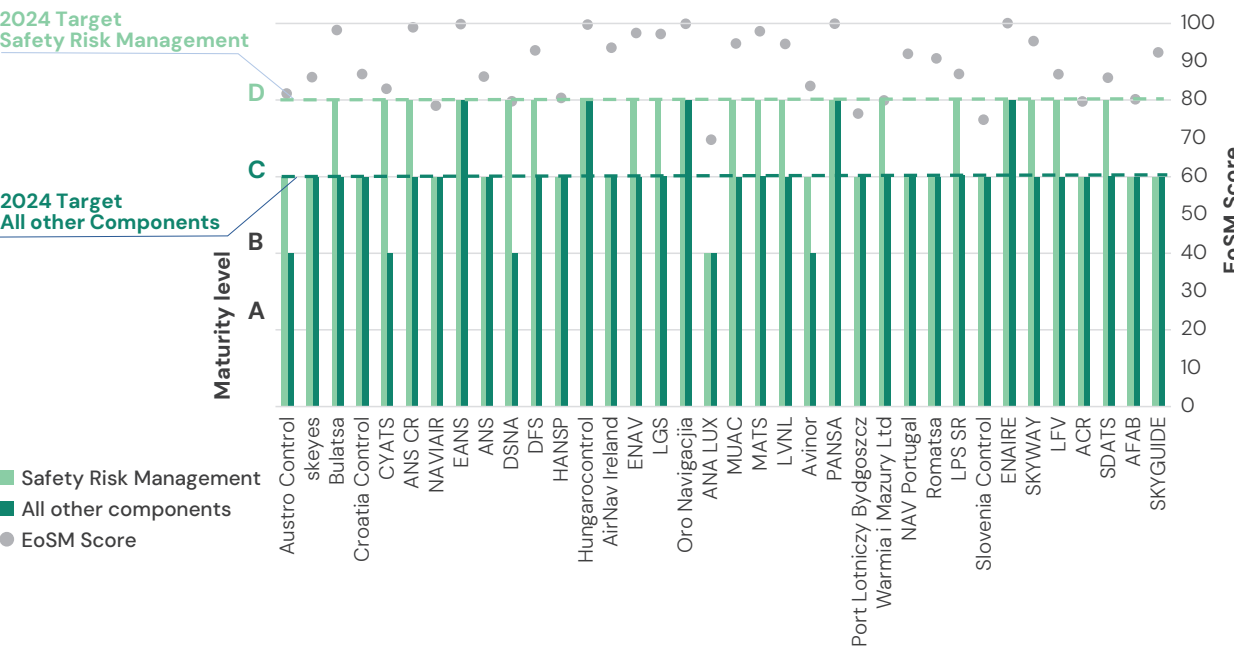
Standard of Excellence (SoE) in Safety Management Systems: The EUROCONTROL/ CANSO Standard of Excellence (SoE) in Safety Management Systems (SMS) Measurement, initiated in 2009, provides a comprehensive framework for air navigation service providers (ANSPs) to continuously enhance their safety management practices and assess the maturity of their SMS. The SoE in SMS outlines a clear pathway for service providers to develop an SMS that not only meets, but often exceeds, the international regulatory requirements specified in ICAO’s Annex 19. It also fosters improvement and knowledge sharing within and across the industry. In 2024, AirNav Ireland achieved a maturity score of 90% (average ANSP maturity score 78%), placing AirNav Ireland amongst the top performing ANSPs.
10.

Level E in SoE for RPM: Additionally, AirNav Ireland was awarded a ‘Level E’ (the highest possible ranking) in Safety Performance Monitoring, validated by the CANSO Best Practice Moderation Review Group.
11.

Effectiveness of Safety Management: Safety performance is assessed under the Single European Sky Performance and Charging Scheme, through the EASA Effectiveness of Safety Management (EoSM). The questionnaire, supported by robust evidence is completed by AirNav Ireland and is assessed and validated by the Irish Aviation Authority. In the latest report, published in 2024, AirNav Ireland built on the 91% maturity score from the 2023 report to achieve a score of 94% in 2024. AirNav Ireland achieved an overall maturity level of ‘C’ and continuously strives to achieve the target of Level ‘D’ in Safety Risk Management.
12.

Data on Trends and Numbers: AirNav Ireland closely monitored trends and numbers in Safety Performance Indicators (SPIs) such as Safety Management Information (SMI) and Runway Incursions (RI). This data provided valuable insights into our safety performance and helped us identify areas for improvement.
13.

Commitment to Continuous Improvement: Our commitment to continuous improvement was evident in our proactive approach to safety. Safety practices were regularly reviewed and changes implemented to enhance our safety measures.



Safety and Operational Excellence Taskforce

As part of AirNav Ireland's ongoing commitment to safety, a dedicated taskforce has been established to focus on promoting safety and operational excellence. The Safety and Operational Excellence Taskforce will concentrate on developing and refining AirNav Ireland's operational, compliance, communication, and safety procedures. The taskforce's work will include a comprehensive review of operational and technical procedures from both top-down and bottom-up perspectives to identify improvements that will enhance safety. Additionally, the taskforce will evaluate the current air traffic control competency scheme and refresher training models, introducing best-in-class improvements to support operational excellence.

Furthermore, the taskforce will assist the Company in enhancing AirNav Ireland's change management processes, aiming to ensure compliance and improve project delivery.

Future Considerations

As we look ahead to 2025, AirNav Ireland remains focused on maintaining high safety standards. The commitment to safety and the proactive approach to continuous improvement ensured the maintenance of high safety standards. Safety will continue to be a priority in all operations, through the use of new technologies, investment in personnel, and collaboration with stakeholders to provide safe and efficient air traffic management.

Operations

The commercial aviation sector in Europe experienced further growth in 2024, with EUROCONTROL reporting 10.6 million flights within the European network during this period. This reflects a 5% increase compared to the total number of flights in 2023, although it remains 4% below the total recorded on the European network in 2019.

In 2024, AirNav Ireland managed a record number of flights in Irish controlled airspace, with over 679,000 IFR flights, representing a 2.3% increase compared to 2023 and an almost 5% increase when compared to 2019. Additionally, AirNav Ireland provided high-frequency (HF) voice communication services to just over 537,000 flights in North Atlantic oceanic airspace, reflecting a 3.5% increase from 2023 figures. Commercial terminal traffic at the three State airports

rose to 278,349 flights in 2024, marking a 1.3% increase over 2023 and ending the year 2.1% above pre-pandemic levels.

AirNav Ireland has contributed positively to the overall performance of the European aviation network. In 2024, zero en route and minimal terminal air traffic control-related air traffic flow management (ATFM) delays were reported thereby maintaining AirNav Ireland's status as one of the leading performers in the European network. In terms of ATFM compliance, Ireland consistently exceeds European targets. AirNav Ireland effectively addresses ATFM compliance issues with stakeholders and achieved a departure slot adherence rate of over 95% at the three State airports, Cork, Dublin and Shannon, surpassing the European target of 80% and thereby enhancing air traffic capacity predictability.

AirNav Ireland consistently ranks among the top performers in Europe regarding environmental performance, as evaluated by EC horizontal flight-efficiency metrics. Horizontal flight efficiency measures how optimally an aircraft follows the shortest route. Ireland's airspace continues to be in the top three performers across Europe, with adverse weather driving the very low level of inefficiency.

At a European level, the number of flights in 2025 is projected to be 11.0 million, an increase of 3.7% from 2024. The traffic levels of 2019 are forecasted to be reached during the second quarter of 2025. In 2026, traffic is expected to grow by an additional 2.5%, reaching 11.3 million flights. Beyond 2026, traffic is anticipated to continue increasing, potentially surpassing 12 million flights by 2031. AirNav Ireland is investing in its people and its technology to manage air traffic growth into the future in a safe, efficient and sustainable way.

Technology

In 2024, AirNav Ireland's air traffic management systems delivered reliable and available services, ensuring safety and security for airline customers. Key achievements included implementing extended Arrival Manager (AMAN) at Dublin airport, introducing tools such as the Final Approach Spacing Tool (FAST), the Tactical Controller Tool (TCT), and enhancing decision-making support with blind spot monitoring. A backup ATM system replacement program is underway, providing effective contingency options.

Air Traffic Management (continued)

AirNav Ireland's IT team maintained reliable local and remote services, supported process improvement and business intelligence, and bolstered cyber security.

Work has commenced on integrating the new TopSky ATC One system. The upgraded system will offer greater capacity, enabling the handling of a higher volume of flights. As air travel demand increases, efficiently managing more flights is crucial for avoiding congestion and delays within the airspace. The TopSky ATC One system will enhance AirNav Ireland's air traffic management capabilities through planning, development, implementation, and management of the system to improve the efficiency and safety of air traffic control operations.

Customer Care

AirNav Ireland is recognised for its customer-centric approach and regularly engages in consultations with its airline customers. Our customer care programme facilitates direct communication with airlines to address their operational requirements and ensure compliance with European regulations.

In 2024, AirNav Ireland conducted meetings with 30 airlines from Europe, North America, and the Middle East, representing over 80% of its business by ATM revenues. These meetings are designed to convey safety and operational updates and solicit feedback. Such initiatives reflect AirNav Ireland's dedication to delivering exceptional air traffic management services and achieving high levels of customer satisfaction. The organisation has attained an overall customer satisfaction rating of 91.4% among respondents, based on an independent survey.

Unmanned Aerial System

AirNav Ireland has worked with Irish drone operators since 2015, approving around 5,000 Unmanned Aerial System (UAS) flights annually in controlled airspace areas like Dublin, Cork, and Shannon. The Company has implemented an Unmanned Aerial Vehicle (UAV) Traffic Management (UTM) Platform, Altitude Angel, in Dublin and Cork to streamline the approval process.

Continuing to develop this service, AirNav Ireland is aligned with (EU) Reg. 2021/664 and engages with the UAS community to support U-Space market growth.

AirNav Ireland participates in three SESAR JU funded projects: EALU-AER, ENSURE, and SPATIO, focusing on trial flights and separation near Shannon Airport to integrate UAS into manned aviation safely.

AirNav Ireland believes adopting new technologies will enhance both ATM and UTM services, strengthening the market in the future.



Financial Review

HIGHLIGHTS

Revenue €196.8m
(2023: €194.5m)

Operating profit €8.2m
(2023: €16.1m)

Profit after Tax €10.3m
(2023: €16.0m)

EBITDA €19.6m
(2023: €27.8m)

Cash/deposits €87.5m
(2023: €84.0m)

Capital spend €16.5m
(2023: €13.4m)

In 2024, the first full year of operations following the transfer, from the Irish Aviation Authority (the IAA) of the air navigation functions to AirNav Ireland, the Group reported a positive financial result with an operating profit of €8.2 million and a profit after tax of €10.3 million. The Group had sufficient liquidity reserves to carry on its business and invest in its capital investment programme and, at 31 December, had consolidated net assets of €316.6 million.

Revenue

Revenue for the Group increased by 1.2% to €196.8 million. The Group generates its income from charges to its airline customers for the provision of en route and terminal air traffic management services in 451,000 km² of Irish-controlled airspace and for North Atlantic HF (High Frequency) voice communications services, provided to aircraft up to halfway across the North Atlantic.

Almost 90% of the Group's turnover is independently regulated, by the IAA, through the EU Single European Sky Performance and Charging Scheme. The IAA oversees the level of costs that AirNav Ireland is permitted to recover from its customers, comprising operating costs, capital-related depreciation costs and a cost of capital. The regulatory cycle for 2024 is RP3 and covers the years 2020 to 2024. Regulated revenues in 2024 are reported having taken into account adjustments for traffic risk sharing, variations between actual and planned inflation and variations between actual and planned depreciation and cost of capital. These adjustments may result in receivables

from or payables to customers which will be recovered or reimbursed through unit rates in future years. AirNav Ireland currently has a large receivable from customers due to low traffic during the COVID-19 crisis (see note 11 in the notes to the financial statements for further details).

In 2024, en route revenue accounted for 71% of total revenue or €139.2 million. En route air traffic services are provided to aircraft that typically do not land in Ireland. Terminal services revenue, attributable to landing and take-off services provided at the State airports, Cork, Dublin and Shannon, accounted for 17% of total revenue or €32.7 million. North Atlantic voice communications services accounted for 9% of total revenue or €18.1 million. The remaining 3% of revenue or €6.8 million relates to exempt air traffic services and commercial/other revenue which principally relates to training services provided by the Company to Entry Point North Ireland DAC (see note 19 to the financial statements for further details).

The Group monitors, on an ongoing basis, actual air traffic activity, measured in service units for en route and terminal activities, against planned activity. Revenue is determined by reference to service units and customer charges. Service units are a function of aircraft weight and distance travelled in Irish-controlled airspace while customer charges are regulated by the IAA. In 2024, en route service units increased by 3.7% over 2023 and terminal service units increased by 0.8%. The volume of flights billed on the North Atlantic increased by 3.5%.

Financial Review (continued)

| Activity | 2024 | 2023 | % Change |
|---|-------|-------|----------|
| En route service units ('000s) | 4,988 | 4,812 | +3.7% |
| Terminal service units ('000s) | 195 | 193 | +0.8% |
| North Atlantic communications flights ('000s) | 537 | 519 | +3.5% |

| Customer Charges | 2024 | 2023 | % Change |
|-------------------------------|---------|---------|----------|
| En route | €28.78 | €26.37 | +9.1% |
| Terminal | €184.90 | €162.85 | +13.5% |
| North Atlantic communications | €34.10 | €40.50 | -15.8% |

Operating Expenses

Operating expenses of €188.6 million increased by €10.2 million or 5.7%. The most significant increase in the year was in relation to staff pay costs which increased by €5.6 million to €86.0 million. Average headcount increased from 626 employees in 2023 to 642 employees in 2024. In 2024, the Company agreed a general pay increase for employees for 2023 and 2024 while strong volumes of traffic activity in the year, coupled with the requirement for additional frontline operational staff, resulted in additional variable costs of overtime and standby allowances. The Company has an ongoing plan in place to recruit and train student controllers and direct entry controllers over the coming years.

Other movements in operating expenses include a higher cost of training of €1.0 million due to an increased volume of training weeks attributable to student and ongoing air traffic controller and engineering training, the effect of a once-off training cost refund in 2023 of €3.0 million, offset by a lower cost of consultancy of €0.5 million following the completion of the restructuring project in 2023 and a lower cost of pensions of €2.0 million following the outcome of the defined benefit triennial valuation as at 1 January 2024.

Operating Profit

Operating profit for the Group was €8.2 million, down from €16.1 million in 2023, principally explained by a once-off training cost refund in 2023 of €3.0 million and lower revenue in North Atlantic communications activities of €2.7 million due to a lower customer charge per flight.

Profit After Tax

In arriving at the Group's profit after tax of €10.3 million, the Group has recorded a charge of €3.0 million attributable to a revaluation of the Group's investment in its financial asset (see note 10 to the financial statements for further details). The Group also recorded a share of profit of €1.6 million relating to its equity accounted investment. The Group's tax charge of €2.5 million is €1.9 million lower than 2023 principally due to lower operating profits. A reconciliation of the total tax charge is included at note 8 to the financial statements.

Liquidity

In 2024, the Group generated net cash from operations of €21.8 million. Total cash and short term deposits and investments was €87.5 million at the end of the year, an increase of €3.5 million compared to the end of 2023. The Group has access to committed bank facilities of €60.0 million, expiring in July 2026, and a bank overdraft facility of €10.0 million renewable annually.

Capital Expenditure

The Group spent €16.5 million in 2024 on various capital projects, up from €13.4 million in 2023. Capital expenditure projects included radar upgrades, voice communication switch upgrades, ongoing enhancements to the air traffic management system, service resilience projects as well as security and plant upgrade works and various ICT projects. The Group has a significant capital investment plan to 2029 which includes a major upgrade of the Company's air traffic management system to the Thales TopSky ATC One system. AirNav Ireland, as a member of COOPANS, a leading international co-operation between six European air navigation service providers, will implement the system upgrade towards the end of the decade. The Group is committed to ongoing investment in its air traffic management infrastructure to manage increasing traffic in a safe, efficient and sustainable way into the future.

Balance Sheet

The Group had net assets of €316.6 million at the end of the year compared to €324.0 million at the end of 2023. The Group pension asset decreased by €13.2 million to €48.3 million principally due to an increase in pension liabilities attributable to a once-off discretionary increase to pensions in payment, the impact of the agreed general round pay increases and the expected implementation of agreed salary increases under the Collective Labour Agreement 2025–2029, and the increased employee service cost offset by the performance of the Schemes' assets during the year. The Group's defined benefit schemes are closed to new entrants. New employees since 1 May 2023 are members of the Company's defined contribution scheme.



Human Resources

HR Strategy 2024–2028

In 2024, the HR and Remuneration Committee of the Board approved an updated version of our HR Strategy. This strategy focuses on five key pillars, each with specific actions that are monitored by the Committee.

The Company undertook significant recruitment and brand awareness activity during 2024. We promoted career opportunities within AirNav Ireland by attending various recruitment fairs and school visits, including making an appearance at the National Ploughing Championships for the first time. Additionally, we collaborated with Dublin City University and the University of Limerick as part of an Internship Programme designed to attract interns and develop a talent pipeline. Furthermore, AirNav Ireland continued to facilitate transition year students at the Dublin and Shannon Centres.

For current employees, extensive training, development, and wellbeing initiatives were implemented. Comprehensive training and development programmes for management and staff included a module on Managing Intoxicants in the Workplace. The advanced Women in Leadership Programme continued its rollout, aimed at supporting and promoting aspiring and developing women leaders for senior management positions and exploring career options and ambitions. Additionally, an Employee Wellbeing App was launched to complement the Employee Wellbeing Programme, offering a range of wellbeing activities that staff can choose from based on their preferences. Mental health awareness training was included as a core module in the management training and development programme. The Company retained the IBEC KeepWell accreditation for the Wellbeing Programme and was acknowledged by Ibec and Business and Finance as one of the top 100 Companies leading in Wellbeing in 2024.

A Menopause Working Group was established to support females during this phase in their working lives, and several Menopause Champions were trained to provide peer support. Remote working was approved for 147 employees who have completed assessments and comply with the Remote Working Policy and health and safety obligations.

Manpower Planning

In 2024, over 80 new staff members and students were recruited into various roles, including air traffic

control, engineering, higher data assistants, safety management, compliance monitoring, cyber security, and general management. The global shortage of air traffic controllers has led to AirNav Ireland losing some qualified controllers to other EU and non-EU air navigation service providers.

On 26 January, eighteen students and their families attended a graduation ceremony in Limerick to celebrate the successful completion of their respective training programs. A total of eight air traffic controllers, five engineers, and five radio officers were awarded their graduation certificates. The event was a significant and very enjoyable occasion for our new colleagues and their families.

Diversity, Equality and Inclusion

The Company continues to implement Diversity, Equality, and Inclusion initiatives. The high level of recruitment activity in 2024 attracted many international colleagues to AirNav Ireland, contributing to a diverse workforce that often leads to the development of new ideas regarding work organisation and delivery.

The Company's Women's Network engages in initiatives aimed at recruiting females for front-line operational roles while also connecting with senior female managers in other organisations to exchange experiences and learning opportunities.

As at 31 December 2024, 5% of AirNav Ireland employees self-identified in an anonymised survey as having a disability, as defined under the Disability Act.

The Company supported LGBTQ+ Pride Month in June by using email banners and lighting the Dublin Tower in the eight Pride colours on 26 June.

Gender Pay Gap

The AirNav Ireland Gender Pay Gap report 2024 was published on 20 December 2024. The report notes that the Company had 472 males and 174 females in employment on 20 June 2024, a ratio 73% : 27%. The mean gender pay gap is reported to be 15% and the median gender pay gap 21%. When compared to 2023, there is no change in the mean pay gap and a reduction of 5% in the median pay gap.

The report also highlights a gender pay gap of between 0% and 1% when male and female staff are grouped into four earning quartiles, starting with Upper (0%), Upper Middle (0%), Lower Middle (1%) and

Lower (1%). Additionally, the report identifies initiatives underway to promote careers in AirNav Ireland and attract more females into front line operational roles.

Collective Labour Agreement 2025 – 2029

A comprehensive Collective Labour Agreement (CLA) was concluded in 2024 covering the period 2025 to 2029, which also aligns with our economic Reference Period (RP4). The Agreement provides a range of productivity and flexibility measures in return for general round pay increases, over the five-year period, of 17%. The Agreement should bring stability to employee turnover while offering competitive terms and conditions of employment for future new entrants.

Our Internal Dispute Resolution Board (IDRB), established in 2015, remains in place to deal with any workplace collective issues.

All staff, apart from the Chief Executive, received a general round pay increase of 4.25% in 2024.

Superannuation

The Company's Main Pension Plan (Defined Benefit) has been the subject of two Funding Proposals, the second of which ended on 31 December 2024. The Plan ended the year with a surplus of €91m over its statutory funding obligations. The Plan closed to new entrants in 2011.

A Hybrid Pension Plan was introduced in 2012 comprising a defined benefit and defined contribution arrangement. The defined benefit cap, in line with the Plan rules, was increased to €70,773 with effect from 1 January 2025. The Plan closed to new entrants from 1 May 2023. All new entrants to AirNav Ireland join a Defined Contribution Scheme.

The Company, with the approval of the Department of Transport, funded a once-off discretionary increase to pensions in payment of 3% with effect from 1 January 2024.

A Pensions in Payment policy (2025 – 2029) is being developed and, if approved, will set qualifying criteria to be met in advance of any decision to recommend a discretionary increase to pensions in payment in any one of the years 2025 to 2029.

Health and Safety

The Company received additional Health and Safety awards from the National Irish Safety Organisation (NISO) at the Annual Occupational Safety Awards in 2024 for the ninth consecutive year. The most recent accolades include the 'Public Service' and 'Consistent High Achiever' awards. This recognition underscores AirNav Ireland's dedication to occupational health and safety, as well as our commitment to continuous improvement.

International Activity and Developments

In 2024, AirNav Ireland engaged in various international activities related to air traffic services for en route and terminal flights, as well as North Atlantic communications. Operating under the Single European Sky Framework, AirNav Ireland collaborates with EUROCONTROL and the European Network Manager to provide optimal service across the network. It participates in groups like the A6 Alliance and CANSO on technology and policy matters.

Notably, AirNav Ireland hosted delegations from EASA and visits from the European Commission (DG MOVE). A major achievement was finalising the contract between the COOPANS Alliance and Thales for upgrading the air traffic management system.

COOPANS Alliance

In 2024, AirNav Ireland signed a contract alongside its five member partners to modernise its common air traffic control system with Thales TopSky ATC One, a product solution and its associated governance model in line with the European ATM Master Plan and the Digital European Sky initiatives to harmonise and improve air traffic management in Europe by using digital technologies.

The upgraded system will strengthen the integration of radar data and flight plans, enabling better surveillance and greater accuracy in detecting aircraft trajectories. The advanced real-time decision support capabilities will facilitate the management of complex situations, thereby improving the safety and productivity of air operations.

The major system upgrade is currently in the development phase and is planned to become operational in 2028, with deployment sequenced across the six COOPANS partners and Ireland planning for Q1 2029.

DG MOVE

AirNav Ireland hosted a key joint visit from DG MOVE and the SESAR Joint Undertaking ahead of the Transport Research Arena conference in April and at a key time as progress was being made on the Single European Sky reform file under the Belgian Presidency. AirNav Ireland highlighted the importance of EU cooperation in advancing air traffic safety and climate change efforts through the SESAR programme, noting Ireland's contributions to these innovations which have improved aircraft safety, travel times, fuel costs, and emissions.

Airservices Australia

In October, AirNav Ireland and Airservices Australia signed a Memorandum of Understanding (MoU) to collaborate and share expertise in air navigation services. With safety as the core remit of both companies, this partnership will enhance outcomes for the aviation sectors in both countries by leveraging shared knowledge and best practices. This will contribute to further enhancing the safety and efficiency of air traffic management. The MoU outlines several areas in which AirNav Ireland and Airservices Australia will work together to enhance safety, drive innovation and improve operational efficiency.

Borealis Alliance

The Borealis Alliance comprises ANSPs from northwest Europe. It has successfully implemented Free Route Airspace, benefiting Irish airspace by offering direct routing instead of predetermined routes. Ireland ranked third in environmental efficiency among Borealis members. Having achieved its goals, AirNav Ireland decided to leave the Alliance in 2024 to focus on other priorities. AirNav Ireland will continue to interact with Borealis members through other channels and wishes the Alliance well.

Civil Air Navigation Services Organisation (CANSO)

AirNav Ireland continued its participation in various CANSO forums, seeking to advance key European policies with one ANSP voice and to identify the best way forward on emerging topics.

A6 Alliance

In 2024, the A6 Alliance was active under the leadership of the Polish ANSP, PANSA, focusing on summer preparedness, the ongoing reform of the Single European Sky, and updates to the European Air Traffic Management (ATM) Master Plan. The ATM Master Plan was completed and approved by Member States, acknowledging that ATM is a vital safety- and security-critical infrastructure for Europe, ensuring all types of aircraft fly safely and efficiently, while aiming to make Europe's airspace the most efficient and environmentally friendly in the world. It noted that ATM is at a pivotal point and provided a roadmap for its modernisation.

Air Navigation Services Board of EUROCONTROL (ANSB)

AirNav Ireland's CEO chaired the ANSB in 2024 and advised European Member States on several occasions at the EUROCONTROL Provisional Council meetings. In 2024, the Board continued to be a sounding board for EUROCONTROL and there was collaboration on several key initiatives. The focus was on the Agency's cost base and business plan which included considerable increases over the relevant planning period, in addition to a focus on tax compensation on pensions.

Network Management Board (NMB)

Ireland continued its participation in the Network Management Board of EUROCONTROL, which is integral to the strategic and operational oversight of the European air traffic network. The Board comprises representatives from ANSPs, airlines, airports, military, and regulatory bodies. Through strategic guidance and collaborative efforts, the Board ensures that the European air traffic network remains robust and resilient amidst evolving challenges.

SESAR Joint Undertaking (S3JU) and SESAR Deployment Manager (SDM)

AirNav Ireland is involved in S3JU, SDM, and several Digital Sky Demonstrator (DSD) projects, focusing on compliance with the Common Projects One Regulation.

One DSD, EALU-AER, based at Future Mobility Campus Ireland's vertiport site in Shannon, aims to:

- Prove feasibility, reliability, and operational efficiency of eVTOL (electric vertical takeoff/landing) aircraft for various uses.

- Develop and optimise UAM (urban air mobility), rural air transport, freight delivery, and UTM (unmanned air traffic management) systems.

Another project, EXODUS, involves a virtual centre concept across all six COOPANS Alliance members. Launched in 2024 under the SESAR 3 Joint Undertaking and Digital European Sky programme, it partners with EUROCONTROL and Thales ATM. The goal is to demonstrate the viability of a federated COOPANS ATM system, separating Aeronautical Data Service Providers (ADSP) from ATS Providers geographically, moving towards Virtualised Air Traffic Control by 2035.

EASA: ATCO Training and Licencing

AirNav Ireland's CEO led the EASA Steering Group on Air Traffic Controller Training and Licensing in 2024, addressing key issues related to training, certification, and wellbeing of air traffic controllers in Europe. The Group aimed to uphold high standards of safety and efficiency.

The Group reviewed research on ATCO fatigue, revealing its impact on performance and recommending strategies like optimised shift schedules for sufficient rest periods.

In December 2024, AirNav Ireland hosted DG MOVE, showcasing best practices in dynamic sectorisation and related factors at its operational facilities.

Single European Sky (SES) Reform

In 2024, the EU finalised legislation under the Single European Sky (SES) initiative to boost air traffic management efficiency, safety, and environmental performance. The key aims are:

- **Operational Efficiency:** Optimise flight routes and reduce delays.
- **Safety:** Improve coordination among air traffic control centres.
- **Environmental Sustainability:** Reduce emissions and fuel consumption.
- **Cost Savings:** Streamline operations to lower costs for airlines and passengers.

Updates to regulations for AirNav Ireland are expected to begin in 2025.

International Activity and Developments (continued)

Partnership with ISAVIA

AirNav Ireland continued its excellent partnership with ISAVIA in relation to the provision of High Frequency radio in the North Atlantic region. Under the agreement, the AirNav Ireland North Atlantic Communications Centre and Gufunes, Iceland, operate as one, serving the combined Flight Information Regions of Reykjavik/Sondrestrom and Shanwick. This provides an enhanced service at lower combined operational costs.

Aireon

AirNav Ireland continued to hold a small shareholding in Aireon, which is a pioneering US company in the field of air traffic surveillance, providing real-time, space based global surveillance and tracking services for the aviation sector. Aireon also provides a suite of data services, including safety dashboards and other data intelligence to the aviation industry.

Established with the ambitious goal of enhancing aviation safety, efficiency, and environmental sustainability, Aireon has made significant strides in transforming the way air traffic is monitored and managed, including contributing significantly to enhanced safety and capacity on the North Atlantic.

Entry Point North

AirNav Ireland continued as one of three equal shareholders of Entry Point North (EPN), which is an expert training provider specialising in air traffic management. With a commitment to delivering high-quality training, EPN has established itself as a leader in the aviation industry, offering comprehensive education and development for air traffic controllers and other aviation professionals.



Commercial Development

AirNav Ireland recognises the benefits of diversification and innovation for the continued development of the business and for the wider aviation sector. Pursuing commercial development provides an opportunity to explore service enhancements and efficiencies, whilst improving financial stability through carefully considered investments. A number of leading ANSPs across Europe, and globally, have implemented commercial strategies, and while AirNav Ireland is at the early stage of its commercialisation process, it is considered that there will be long term benefits for the Company and its customers.

A new commercial strategy for the Company was developed, focused on identifying appropriate commercial initiatives over the five year period 2024 – 2028. The strategy aims to take a patient, balanced long-term approach to delivering commercial initiatives to complement AirNav Ireland's core business.

Work commenced in 2024 on the implementation of this commercial strategy. The initial focus was on the identification of areas of commercial development

that would align with AirNav Ireland's core functions, for example initiatives aligned to ATM safety, environment and efficiency. Positive discussions were held with the Department of Transport and with NewERA to gain the perspectives and guidance of these key stakeholders. Commercial initiatives must complement the core business and must have both a financial and strategic imperative. Following these engagements, discussions were held with a number of like-minded companies in the ATM/ANS sector with regard to potential future alliances, partnerships and other initiatives.

EGNOS V3

The European Geostationary Navigation Overlay Service (EGNOS) improves GNSS systems like GPS and Galileo for various users in Europe. Using measurements from 41 stations, EGNOS enhances navigation accuracy. AirNav Ireland is developing the next generation, EGNOS V3, at Cork airport under a contract with EUSPA. Progress included completing infrastructure work in 2024. Approved inspections pave the way for further developments in 2025.



Sustainability and Community

AirNav Ireland is strongly committed to a sustainable aviation industry and, in 2024, we made significant strides towards that goal.

Sustainability Management Plan 2024–2029

The AirNav Ireland Sustainability Management Plan 2024–2029 was officially launched by Minister Jack Chambers TD in April 2024. This comprehensive document outlines AirNav Ireland's ambitious objectives for the next five years to enhance energy efficiency and reduce our carbon footprint. It also emphasises our participation in various initiatives aimed at improving aviation efficiency. The Plan prioritises ethical governance, including the adoption of green procurement practices as a standard part of our business operations. Furthermore, it details our commitment to protecting and enhancing biodiversity across our installations. The Sustainability Management Plan reaffirms our dedication to promoting diversity, inclusion, and exemplary labour practices.

Operational Efficiency

EALU–AER

EALU–AER is a technology integration and demonstration project aimed at establishing Ireland's first Digital Sky Demonstrator at Future Mobility Campus Ireland's vertiport site in Shannon. The project seeks to prove the feasibility, reliability, and operational efficiency of eVTOL aircraft for various use cases, fostering the development of autonomous software solutions for monitoring and control. It also aims to deploy and optimise UAM, rural air transport, and UTM systems, refining operational systems for eVTOL services across different jurisdictions.

Additionally, EALU–AER plans to define possible separation standards for aircraft and UAVs in controlled airspace through collaboration with AirNav Ireland.

GEESE

AirNav Ireland remains actively involved in the SESAR-funded GEESE project. GEESE, which stands for Gain Environmental Efficiency by Saving Energy, is exploring the idea that aircraft flying in formation could deliver environmental advantages. This initiative works on the principle that, similar to migratory birds like geese, aircraft can save energy by utilising the updraft

created by the aircraft ahead when flying in a specific formation.

Environmental Arrival Trial

AirNav Ireland has implemented an environmental trial for aircraft arrivals at Cork Airport, building on prior initiatives such as Point Merge at Dublin Airport and Free Route Airspace in Shannon En Route Airspace. This trial, conducted in collaboration with Aer Lingus and Ryanair, provided arriving aircraft with shorter routing options, thereby reducing fuel consumption and CO₂ emissions. The trial was successful, achieving an average fuel savings of 100 kilograms per flight during the trial's operational hours. Efforts are currently underway to permanently implement this initiative.

Education

AirNav Ireland is developing education and training programs for air traffic controllers focused on aviation and the environment. A module on aircraft Continuous Climb Operations (CCO) and Continuous Descent Operations (CDO) has been created, and it is planned to be delivered to operational staff in 2025.

Airport Collaborative Decision Making

In collaboration with the daa, AirNav Ireland is working on procedures for the full implementation of Airport Collaborative Decision Making (A-CDM) at Dublin Airport. A-CDM aims to enhance airport operations by exchanging accurate and up-to-date information to reduce delays and fuel consumption.

International Workshops

AirNav Ireland staff participated in several virtual workshops and meetings with European organisations to stay at the forefront of environmental initiatives. These events explore new initiatives and allow ANSPs to share experiences and expertise to deliver environmental improvements.

Biodiversity

AirNav Ireland is strongly committed to the protection and enhancement of the flora and fauna at our various sites. To this end we commissioned an in-depth environmental study by subject matter experts across our various installations. This survey informed the development of a detailed Biodiversity Action Plan which was published in late 2024. This plan details the biodiversity areas of significance at AirNav Ireland installations and provides a road map to protect,

enhance and promote biodiversity throughout the Company. There are six specific action areas to be addressed which are detailed in the plan and will be implemented during its lifetime. These include setting of ecological baselines, protection and enhancement of ecological features, creation of new ecological features, ongoing management of biodiversity and review and promotion of biodiversity awareness. Implementation of the Plan has commenced.

CANSO GreenATM Accreditation

To benchmark its progress in sustainability, AirNav Ireland sought CANSO GreenATM accreditation in 2024. This environmental accreditation program provides ANSPs with independent, industry-endorsed accreditation of their environmental efforts, assessing direct environmental impact as well as efforts to facilitate the reduction of emissions by airspace users.

CANSO GreenATM accreditation required detailed submissions with supporting evidence and assessment across environmental, social, and governance aspects of the Company's business activities, with emphasis on aviation efficiency efforts. Marks were awarded based on Governance (12%), ATM Improvements (65%), Infrastructure and Utilities (14%), and Other (9%).

In August 2024, AirNav Ireland received the CANSO GreenATM accreditation at level 3, the highest level awarded to date. This level reflects the operational efficiencies achieved and the infrastructural improvements undertaken to ensure a sustainable future for the industry.

Business in the Community Ireland Business Working Responsibly Mark

As a further testament to AirNav Ireland's commitment to sustainability, the Company received the Business in the Community Ireland Business Working Responsibly Mark accreditation after a thorough evaluation of policies, practices, and initiatives within the environmental, social, and governance aspects of business operations. The accreditation process concluded with a successful independent audit conducted by NSAI, resulting in AirNav Ireland being awarded the Business Working Responsibly Mark in January 2025.

The independent assessment and successful accreditation by CANSO and Business in the Community Ireland highlight the Company's strong

dedication to sustainability across the environmental, social, and governance domains.

Energy Efficiency and Carbon Emission Initiatives

AirNav Ireland has continued to invest in upgrading its infrastructure in alignment with its ongoing commitment to meet and exceed the 2030 Government targets for improving energy efficiency by 50% and reducing carbon emissions by 51% by 2030. Sustainability projects undertaken in 2024 included the upgrading of lighting and installation of smart lighting at various locations, as well as major energy upgrade works at our Dublin Air Traffic Control Centre.

Community Engagement

In 2024, AirNav Ireland maintained its commitment to supporting employee-driven charitable initiatives. The Company sponsored various juvenile sports teams across its locations and made donations to several charitable organisations. Throughout the year, AirNav Ireland continued its Transition Year Schools programme, hosting over 80 children from across Ireland at its centres in Ballycasey and Dublin to provide an overview of air traffic operations.

In September, 20 secondary school students were invited to the Dublin Tower to celebrate Girls in Aviation Day, focusing on introducing young women to the field of air traffic control.

As part of its commitment to community engagement and social responsibility, AirNav Ireland supported the creation of outdoor spaces for clients of ADAPT Domestic Abuse Services and a Sonas service facility in Killester, Co. Dublin. ADAPT provides 24-hour refuge and support services for female survivors of domestic abuse and their children, while Sonas offers refuge, accommodation, and community-based services for women and children escaping domestic and gender-based violence.

The outdoor spaces include seating areas with large umbrellas, mural art, and planting, creating secure and welcoming environments for individuals availing of these essential services. These initiatives enhance residents' wellbeing by providing safe, accessible outdoor areas for relaxation and social interaction.

Directors' report and consolidated financial statements

*Louise Nugent,
Financial Controller*



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Directors and other information

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Paul McCann
Director ATM Operations and Strategy

Ewan Murtagh
Company Secretary

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Directors' report

The directors are pleased to present their annual report, together with the audited consolidated and company financial statements, of the Irish Air Navigation Service trading as AirNav Ireland.

The Group and its principal activities

The Group comprises the Irish Air Navigation Service trading as AirNav Ireland ("the Company") and its subsidiary undertaking, AirNav North Atlantic Inc, with the Company and the subsidiary being together "the Group".

The Company was incorporated on 2 February 2023 pursuant to the Air Navigation and Transport Act 2022. The air traffic management functions, along with the employees and assets required to provide an air traffic management service, were acquired by the Company on 30 April 2023 from the Irish Aviation Authority ("the IAA"). Further details are provided in note 2 to the financial statements.

The Group's principal activities are the provision of safe, efficient and cost-effective air traffic and communications services in Irish-controlled airspace and aeronautical communications on the eastern half of the North Atlantic. The Group operates to the highest international safety standards with safety being at the core of the Group's operations.

Risks and uncertainties

Identifying, assessing and managing risks and uncertainties is key to the Group's risk management processes. The directors continuously assess risks and uncertainties and review strategies to address these. Risk management is conducted across all aspects of the business, providing assurances at each level of management up to the Board. The corporate governance section of this report sets out AirNav Ireland's risk management objectives and processes.

The following are the principal risks identified as having the potential to significantly impact the Group's ability to achieve its objectives:

- risk of contributing to an aircraft accident
- risk of service disruption due to resource constraints, cyber-attacks or system failures
- risk of a substantial decline in air traffic due to external factors
- risk of insufficient progress on corporate sustainability.

The Group has implemented various strategies to effectively manage and monitor these risks.

Review of the business

2024 is the first complete year of the Group's operations. On 30 April 2023, the Company acquired the assets and liabilities of the ANSP (air navigation service provider) division from the IAA at their carrying value, including the IAA's 100% owned subsidiary undertaking, IAA North Atlantic Inc (renamed as AirNav North Atlantic Inc from 1 May 2023), and the IAA's investment in Entry Point North AB. In consideration for the transfer, the Company issued 96 ordinary shares in the Company to the Minister for Public Expenditure, National Development Plan Delivery and Reform, who is the beneficial owner of the entire issued share capital of AirNav Ireland except for one share which is held by the Minister for Transport. The basis of consolidation is set out in note 1 to the financial statements.

Details of the Group's financial results are set out in the consolidated profit and loss account on page 46 and in the related notes. Profit for the financial year after taxation was €10.3 million (2023: €16.0 million) on turnover of €196.8 million (2023: €194.5 million). During the year, a final dividend of €4.5 million (€45,465 per share) (2023: €5.3 million (€0.30 per share)) was declared and paid for fiscal 2023.

In monitoring performance, the directors and management have regard to a range of key performance indicators including air traffic activity and employee numbers:

| Key Performance Indicator | 2024 | 2023 |
|---------------------------------------|----------------|---------|
| En route overflights | 380,639 | 368,745 |
| Terminal commercial traffic | 278,349 | 274,851 |
| North Atlantic communications flights | 537,039 | 518,857 |
| Average headcount | 642 | 626 |

A detailed review of the business, including key performance indicators, is included in the Chairperson's statement and the Chief Executive's review.

Directors

The names of the directors who served at any time during the financial year are set out on page 33. They served for the entire year.

Interests of directors and secretary

The directors and secretary, who held office at 31 December 2024, had no interests in the shares of AirNav Ireland or any Group companies at the beginning of the year, or at the date of their appointment (if later), or at the end of the year.

Corporate governance

Code of Practice for the Governance of State Bodies (2016)

The directors are committed to the highest standards of corporate governance and complied, in all material respects, with the Code of Practice for the Governance of State Bodies 2016 ("the Code") for the year under review. The Company has put in place appropriate measures to comply with the Code. Policies and procedures are continually reviewed to ensure compliance.

Role of the Board

The Board is responsible for leading and directing the Group's activities. It takes the major strategic decisions and retains full and effective control while allowing the Chief Executive and the senior management sufficient flexibility to run the business efficiently and effectively within a structured reporting framework.

The Board has reserved a schedule of matters for its decision including safety oversight and safety compliance, the approval of the Group's strategy, annual rolling business and financial plan, annual operating and capital budgets, half-year and annual financial statements, significant contracts, significant acquisitions and disposals of assets and appointment of the Chief Executive. The Board satisfies itself that adequate controls are in place to ensure compliance with statutory and governance obligations.

The roles of Chairperson and Chief Executive are separate. The Chairperson is responsible for the leadership of the Board and ensuring its effectiveness. The Chairperson sets the agendas for board meetings and ensures that accurate, relevant and timely information is provided to ensure that the Board performs its duties to a high standard.

The Chairperson facilitates the effective contribution of all directors. The non-executive Board members bring an independent judgement to bear on issues of strategy, performance, resources, key appointments and standards of conduct. Through regular contact with the relevant government departments, the Chairperson keeps the Minister advised on matters arising. The Chairperson and the Chief Executive give feedback to the Board on matters raised by the shareholders.

Effectiveness of the Board

The Board acts in the best interests of the Company having due regard to its legal responsibilities and the objectives set by the shareholder. The directors have a blend of skills, expertise and experience which support their consideration of strategic and operational issues. The directors constructively challenge matters of strategic importance to the Group. The experience and knowledge of directors is taken into account in determining the requirements and membership of board committees.

The Board is provided with information in a timely manner to enable full and proper consideration of the issues. Standing items considered at each board meeting include key performance information across all aspects of the Group's business, reports of the Board committees and financial information which allows the Board to evaluate the financial performance of the Company by reference to the monthly and year-to-date actual outturn compared to planned results.

The Board has formal procedures in place whereby the Chairperson meets with the non-executive directors without the Chief Executive being present. In 2024, the Board held two such meetings.

The Board members have access to the advice and services of the Company Secretary who is responsible to the Board for ensuring that Board procedures are followed, and applicable rules and regulations are complied with. The Company's professional advisors are available for consultation by the directors as required. Individual directors may take independent professional advice, if necessary, at the Company's expense. The Board has a procedure in place for recording the concerns of Board members that cannot be resolved.

The Board has an approved policy on code of business conduct in place for both the Board and the Company's employees. A policy on conflicts of interest for directors is also in place with potential conflicts of interest considered at each board and committee meeting.

Directors' report (continued)

Membership of the Board

The Board comprises seven directors including the Chairperson, the Chief Executive, four non-executive directors and one director who is an employee. There are two Board vacancies at present. The directors are appointed to the Board by the Minister for Transport with the consent of the Minister for Public Expenditure, National Development Plan Delivery and Reform. The split of the Board is 29% female and 71% male.

| Board member | Date of appointment | Term |
|--------------------------------|---------------------|------------------|
| Bryan Bourke, Chairperson | 16 March 2023 | 5 years |
| Cian Blackwell | 13 April 2023 | 3 years 8 months |
| Peter Kearney, Chief Executive | 30 April 2023 | 2 years 1 month |
| Lourda Moloney | 18 April 2023 | 2 years |
| James O'Loughlin | 13 April 2023 | 5 years |
| Eimer O'Rourke | 13 April 2023 | 3 years 8 months |
| Aidan Skelly | 18 April 2023 | 3 years |

Schedule of attendance

The Board meets regularly to carry out its duties. A schedule of attendance at the Board and Committee meetings for 2024 is set out below. During the year, the Board held ten meetings.

Number of meetings attended/eligible to attend

| Director | Board | Audit, Finance and Risk Committee | HR and Remuneration Committee | Strategic Planning, Safety and Compliance Committee |
|--------------------------------|-----------|-----------------------------------|-------------------------------|---|
| No. of meetings in 2024 | 10 | 5 | 5 | 5 |
| Bryan Bourke | 10/10 | | 5/5 | 5/5 |
| Cian Blackwell | 10/10 | 5/5 | | |
| Peter Kearney | 10/10 | | | 5/5 |
| Lourda Moloney | 9/10 | | | 5/5 |
| James O'Loughlin | 10/10 | | | 5/5 |
| Eimer O'Rourke | 9/10 | 5/5 | 5/5 | |
| Aidan Skelly | 10/10 | 5/5 | 5/5 | |

Induction and ongoing training

All newly appointed directors attend induction training where they receive operational and financial information about the Group as well as information that the Board are required to be provided with under the Code. Directors are invited to identify specific training or briefing requirements. During 2024, training and briefings were provided on economic regulatory matters, the management of the European aviation network, legal risks relating to aviation, and the Group's strategic commercial and operational interest.

Board evaluation

The Board conducted an end of year review of its performance, measuring it against its strategic objectives for the year. The Board proposes to undertake an external evaluation, proportionate to the size and requirements of the Company, in 2026.

Board committees

The Board has established the following committees to assist its decision making:

- Audit, Finance and Risk Committee
- Human Resources and Remuneration Committee
- Strategic Planning, Safety and Compliance Committee

Audit, Finance and Risk Committee

The Audit, Finance and Risk committee operates under formal terms of reference which were approved during the year. Under its terms of reference, by reviewing the completeness, reliability and integrity of assurances, the committee supports the Board in its responsibilities relating to risk oversight of operational risk management impacting corporate/enterprise risks, the system of internal control and governance. The committee is also established to examine the financial aspects of the Company's business to support the Company's longer-term strategies.

The committee met five times in 2024. The committee is chaired by Cian Blackwell who was appointed as Chair on 8 May 2023. Eimer O'Rourke and Aidan Skelly are members of the committee and were also appointed to the committee on 8 May 2023. The committee reports to the Board after each committee meeting.

Audit, Finance and Risk committee members are appointed for a specific term with all three members having terms that run to 7 May 2025. Prior to their appointment, the Chairman of the Board took account of their experience, qualifications and interests when deciding to appoint them as members of the committee. The Board has ensured that, between them, the committee members have experience of governance, internal audit, the public sector environment and the aviation industry, recent and relevant financial experience, and experience in risk assessment and technical/specialist areas.

Meetings are usually attended by the Internal Auditor as well as representatives from other areas such as finance, risk, operations, technical services, human resources and information technology, by invitation. The Internal Auditor reports directly to the Audit, Finance and Risk committee.

The audit and risk duties of the committee include:

- provide assurance to the Board on the effectiveness of the Company's systems of internal control, risk management and internal audit
- review, challenge and monitor the integrity of the Group's statutory financial statements and advise on the effectiveness of the Group's accounting policies and practices
- monitor and review the independence and objectivity of the external auditor and make recommendations to the Board on the appointment of the external auditor
- monitor and consider the nature and scope of the external audit.

The external auditor meets with the committee to plan and subsequently review the outcome of the external audit of the Group consolidated financial statements. Procedures are in place to ensure an appropriate relationship with the external auditor. The committee considers the independence of the external auditor annually and has adopted a policy governing the provision of non-audit services by the external auditor. This policy considers the nature and extent of the service provided and the fees earned for audit and non-audit work. These fees are set out in note 7 to the financial statements. No issues arose in 2024. In 2024, the committee met with the external auditor without management present.

In 2024, following a formal procurement process, Deloitte Ireland LLP was reappointed as external auditor for the Group. The appointment is for the financial years ended 31 December 2024, 2025, and 2026 with options to extend for up to a further two years. In accordance with the Air Navigation and Transport Act 2022, appointment of the external auditor requires the approval of the Minister for Transport with the consent of the Minister for Public Expenditure, National Development Plan Delivery and Reform.

Under its finance remit, the committee considers and recommends to the Board, for approval, the annual operating budget, the treasury policy, and the Company's financing requirements and banking arrangements. The committee also receives the latest monthly management accounts.

In 2024, and up to the date of approval of the financial statements, the committee:

- reviewed, updated and recommended its terms of reference for approval to the Board
- reviewed and monitored the effectiveness of the Group's system of internal control
- reviewed and recommended to the Board the corporate risk register 2024–2025 having considered the system of risk identification, assessment and mitigation
- reviewed the resourcing of the risk function and the new process for the administration of the risk management function
- reviewed the Company's compliance with the Code of Practice for the Governance of State Bodies
- received various updates on the Company's management matters including cyber security, data protection, fraud and the corporate sustainability reporting directive (CSRD)

Directors' report (continued)

- considered the statutory financial statements for the year ended 31 December 2024 and recommended them to the Board for its approval
- reviewed the statement of going concern
- reviewed the unaudited accounts to 30 June 2024
- reviewed and recommended to the Board for approval the Company's regulated entity financial statements to 31 December 2023
- considered and agreed the scope of the 2024 statutory audit
- considered a report from the external auditor on its audit of the statutory financial statements for the year ended 31 December 2024
- considered the independence of the external auditor to provide non-audit services and reviewed the policy on the independence of the external auditor
- made recommendations to the Board on the reappointment of Deloitte Ireland LLP as external auditor, following a formal procurement process
- reviewed and considered reports by the Internal Auditor on the effectiveness of the financial, operational and compliance controls and risk management processes
- agreed the 2024 internal audit work plan
- agreed an internal audit work plan for 2025
- oversaw an external review of the internal audit function that provided a report with recommendations, the implementation of which is monitored by the committee
- evaluated the effectiveness of internal audit
- reviewed monthly management accounts
- reviewed and recommended for approval to the Board the Company's updated treasury policy
- received the 2025 operating budget and recommended it for approval to the Board
- considered its own effectiveness including completion of a self-assessment evaluation of its performance.

Human Resources and Remuneration Committee

The Human Resources and Remuneration committee operates under formal terms of reference which were approved during the year. Under its terms of reference, the role of the committee is to monitor and receive reports on human resources and remuneration matters including strategic resource planning and senior management appointments. The committee considers matters related to general remuneration within the Company and that of the Chief Executive and senior management. The Committee also reviews management performance and receives updates on organisational management structures, industrial relations and pension arrangements.

The committee met five times in 2024. The committee is chaired by Bryan Bourke who was appointed as Chair on 8 May 2023. Eimer O'Rourke and Aidan Skelly are members of the committee and were also appointed to the committee on 8 May 2023. The committee reports to the Board after each committee meeting.

During the year, the committee oversaw the recruitment process for the next Chief Executive of AirNav Ireland. The committee also reviewed the Company's human resources strategy and the terms of a five-year Collective Labour Agreement for the years 2025–2029.

Strategic Planning, Safety and Compliance Committee

The Strategic Planning, Safety and Compliance committee operates under formal terms of reference which were approved during the year. Under its terms of reference, the role of the committee is to support the Board's oversight of operational safety matters and safety performance. It examines and makes recommendations to the Board on the Company's strategies in relation to technology, resource allocation, the capital investment programme for air navigation and other technology and the capital budget. The committee receives reports on operational safety, security and compliance performance. The committee considers management's plans for commercial activities and investments as well as receiving updates on the Company's sustainability plans and performance.

The committee met five times in 2024. The committee is chaired by Bryan Bourke who was appointed as Chair on 8 May 2023. Peter Kearney, Lourda Moloney and James O'Loughlin are members of the committee and were also appointed to the committee on 8 May 2023. The committee reports to the Board after each committee meeting.

Statement on the system of internal control

The Board is ultimately responsible for the Group's system of internal control and for monitoring its effectiveness. The system of internal control comprises those controls established in order to provide reasonable assurance regarding the safeguarding of assets against loss, the maintenance of proper accounting records and reliable financial information for use within the business or for publication, and compliance with relevant laws and regulations.

The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and can provide only reasonable, and not absolute, assurance against material misstatement or loss. The Board, whether directly or through the Audit, Finance and Risk committee, has reviewed the effectiveness of the systems of internal control covering financial, operational and compliance controls and risk management systems. This review took place on 27 March 2025 and is effective up to the date of approval of the financial statements.

The Company has a strong internal control framework in place which includes the following:

- board committees with clearly defined terms of reference
- a schedule of matters that are reserved to the Board
- a code of conduct, approved by the Board, which provides practical guidance for all staff
- a clearly defined organisational structure with appropriate segregation of duties and limits of authority
- clearly defined responsibilities with appropriately qualified staff performing these duties
- an enterprise risk management framework
- clearly defined limits and procedures for financial expenditure including procurement and capital expenditure
- adherence, as appropriate, to the relevant aspects of the Infrastructure Guidelines
- a comprehensive system of financial reporting, accounting, treasury management and project appraisal
- comprehensive budgeting systems with annual budgets approved by the Board
- a comprehensive planning process that delivers a five-year corporate plan, reviewed by the shareholder and approved by the Board

- monitoring of actual performance against budgets and reporting on variances to the Board on a monthly and annual basis
- an internal audit function which reviews key financial systems and controls and general operations and makes recommendations, where appropriate
- an Audit, Finance and Risk committee which approves audit plans and deals with significant control issues raised by internal or external audit and which reviews and recommends the annual statutory financial statements for approval by the Board
- a policy to cover oversight of AirNav Ireland's wholly owned subsidiary
- policies and procedures for the reporting and resolution of suspected fraudulent activities.

These controls were reviewed by internal audit in 2024 as part of its work programme and reported directly to the Audit, Finance and Risk committee. Recommendations for improvements, if appropriate, were also reported to the committee and subsequently monitored for timely implementation.

The Board confirms that, for 2024 and up to the date of approval of the financial statements, there is a process for identifying and managing risks and that an appropriate system of internal control is in place and that these systems operated effectively in the period. Where weaknesses in the internal control system are identified, plans for addressing them are put in place and action plans are regularly monitored until they are completed. No material weaknesses or frauds were identified in the course of the review of the effectiveness of the system of internal control.

Risk management

Risk management is the systematic process of identifying, assessing and mitigating threats and uncertainties that can affect the Group. The objective of risk management processes is to provide insight into the risks facing the Group and support decision making in terms of how those risks can be best managed. The Group seeks to achieve this objective through a series of well-defined steps to support ongoing identification, assessment, mitigation and reporting of risks together with ensuring risk management is built into the Group's processes such as business planning and management meetings. The Group's risk management aims to:

- continuously improve safety standards
- support strategic and business planning

Directors' report (continued)

- ensure operational resilience
- benefit from technological advancements
- guarantee financial adequacy.

Risk management is led by the Board and is based on clearly defined structures and responsibilities. It is embedded in the Group's activities and, as a safety critical organisation, all staff are aware of the relevance of risk management and mitigation procedures to achieve their objectives. Risk management is monitored by the Board through the Audit, Finance and Risk Committee and the Strategic Planning, Safety and Compliance committee. The role of the Audit, Finance and Risk committee is to oversee and monitor the effectiveness of the risk management processes. It reports to the Board on the effectiveness of risk management. It oversees the Enterprise Risk Register. Internal audit provides objective assurance to the Audit, Finance and Risk Committee and the Board on the effectiveness of risk management.

The Group has recently introduced a separate risk management function and reassessed its enterprise risk management framework and policy, further enhancing risk management and reporting. Developed in conjunction with the Code of Practice for the Governance of State Bodies, this initiative ensures even greater transparency and accountability for the Board and its committees. The risk management processes are reviewed periodically to ensure alignment with relevant guidance and best practices.

The enterprise risk management framework has identified the key risks that are likely to have the most significant potential impact on the business, financial position, results, and reputation based on the severity and likelihood of risk exposure and a robust assessment has been undertaken to address those risks. These risks are assessed on a continual basis and are reported on to the Board.

The risk categories in the Enterprise Risk Register are:

Risk categories Definitions

| | |
|---|--|
| Safety, security, compliance and governance | Risks that may arise from a failure in the processes and structures implemented to inform, direct, manage and monitor safety, security and compliance activities. |
| Strategic | Risks that may arise from suboptimal strategic planning, stakeholder engagement or responsiveness to external environment changes. |
| Service delivery | Risk of service disruption due to resource constraints, cyber-attacks or system failures. |
| Technology and IT | Risks that may arise from the use of IT systems that are poorly designed, implemented or operated. It also includes risks associated with strategic initiatives such as the introduction of artificial intelligence or innovative technologies that can enhance effectiveness. |
| Financial | Risks that may arise to earnings, viability and sustainability of the Group from failure to maintain effective financial management and accountability arrangements or a significant reduction in air traffic. |

The directors are committed to the highest standards of safety, operational integrity and regulatory compliance. The Company maintains a risk averse appetite regarding safety, security and service delivery risk, prioritising the highest standards of operational safety and regulatory compliance to ensure the protection of passengers, crew and aircraft. The directors are committed to actively managing and mitigating risks linked to the Company's air navigation services. Conversely, appetite for innovation and commercial risk is receptive, allowing for opportunities that enhance efficiency and effectiveness and capitalise on commercial opportunities. This balanced approach enables growth opportunities to be pursued while safeguarding the integrity of the operational framework.

Directors' remuneration

Fees for directors are determined by the Minister for Public Expenditure, National Development Plan Delivery and Reform and are set out in writing in their letter of appointment. The remuneration of the Chief Executive, who has a service contract, was approved by the Minister for Transport and communicated to the Board of Directors. The disclosures made in these financial statements relating to directors' fees and the remuneration of the Chief Executive are set out in note 7 and are those required under the Companies Act 2014 and the 2016 Code of Practice for the Governance of State Bodies.

Disclosures required under the 2016 Code of Practice for the Governance of State Bodies

The Board is responsible for the preparation of the annual report and financial statements and for ensuring that the financial statements give a true and fair view of the Group's financial performance and financial position at the year end. The Chairman reports regularly to the Minister for Transport on all developments, operational, financial and commercial, affecting AirNav Ireland.

The following information relates to the Company and is provided for the year under review, consistent with the specific financial information requirements of the Code of Practice for the Governance of State Bodies. The information is reasonably stated in all material respects.

Travel and subsistence

Travel and subsistence costs charged to the profit and loss account amounted to €1.4 million, shared between domestic travel and subsistence costs of €0.9 million and international travel and subsistence costs of €0.5 million.

Staff welfare and hospitality costs

Staff welfare and hospitality costs charged to the Company's profit and loss account in 2024 amounted to €0.4 million.

Consultancy costs

Consultancy costs include the cost of external advice to management that contributes to decision making or policymaking and excludes outsourced 'business as usual' functions. In 2024, consultancy costs charged to the profit and loss account amounted to €1.1 million analysed as follows: €0.2 million related to economic regulation, €0.4 million related to the assessment of commercial opportunities, €0.3 million related to actuarial and other pensions advices and €0.2 million

related to various smaller technical, property and financial consultancies.

Consultancy costs incurred and capitalised within tangible fixed assets amounted to €0.5 million and comprised mechanical and electrical, planning and design, cyber security and other technical assessments.

Legal costs

Costs incurred in respect of general legal advice and charged to the profit and loss account amounted to €0.1 million. Legal costs incurred in relation to legal cases amounted to €Nil. There were no legal settlements during the year.

Going concern

The directors believe that the Group and the Company have adequate resources to continue in operation for the foreseeable future and to meet its ongoing liabilities as they fall due for a period of at least 12 months from the date of the approval of these financial statements and therefore, it is appropriate to continue to adopt the going concern basis in preparing the financial statements. The assessment of going concern is considered further in note 1 to the financial statements.

Accounting records

The directors believe that they have complied with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to maintaining adequate accounting records by employing accounting personnel with appropriate expertise and by providing adequate resources to the finance function. The accounting records of the Group are maintained at The Times Building, 11-12 D'Olier Street, Dublin 2.

Directors' compliance statement

In accordance with section 225(2) of the Companies Act 2014, the directors acknowledge that they are responsible for securing the Company's compliance with its relevant obligations. In addition, the directors confirm that a compliance policy statement has been drawn up setting out the Company's policies with regard to such compliance, that appropriate arrangements and structures have been put in place that, in their opinion, are designed to secure material compliance with the Company's relevant obligations and that a review of the arrangements and structures has been carried out during the financial year.

Directors' report (continued)

Relevant audit information

The directors believe that they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the Group's statutory auditor is aware of that information. In so far as they are aware, there is no relevant audit information of which the Group's statutory auditor is unaware.

Prompt payment of accounts

It is the policy of the Company to comply with the requirements of relevant prompt payment legislation. The Company's standard terms of credit taken, unless otherwise specified in contractual arrangements, are 30 days from receipt of invoice, or confirmation of acceptance of the goods or services, which are the subject of payment. In 2024, substantially all payments were made within the appropriate credit period. The Company continually reviews its administrative procedures in order to assist in minimising the time taken for invoice query and resolution. These procedures provide reasonable but not absolute assurance against material non-compliance with the regulations.

Post balance sheet events

There were no significant events affecting the Company since 31 December 2024 which require adjustment to, or disclosure in, the financial statements.

Political donations

The Group did not make any political donations during the year which would require disclosure under the Electoral Act, 1997.

Auditor

In accordance with Section 383(2) of the Companies Act 2014, the auditor, Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm, will continue in office.

On behalf of the board:

Bryan Bourke
Chairperson

Peter Kearney
Chief Executive

27 March 2025

Statement of directors' responsibilities

in respect of the directors' report and the financial statements

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the Group and Company financial statements in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland as applied in accordance with the provisions of the Companies Act 2014.

Under company law the directors must not approve the Group and Company financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Group and Company and of the Group's profit or loss for that year. In preparing each of the Group and Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and which enable them to ensure that the financial statements of the Group comply with the Companies Act 2014. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the board:

Bryan Bourke
Chairperson

Peter Kearney
Chief Executive

Independent auditor's report

to the members of the Irish Air Navigation Service trading as AirNav Ireland

Report on the audit of the financial statements

Opinion on the financial statements of the Irish Air Navigation Service trading as AirNav Ireland (the 'company')

In our opinion, the group and parent company financial statements:

- give a true and fair view of the assets, liabilities and financial position of the group and parent company as at 31 December 2024 and of the profit of the group for the year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

the group financial statements:

- the Consolidated Profit and Loss Account;
- the Consolidated Statement of Comprehensive Income;
- the Consolidated Balance Sheet;
- the Consolidated Statement of Changes in Equity;
- the Consolidated Cash Flow Statement; and
- the related notes 1 to 25, including a summary of significant accounting policies as set out in note 1.

the parent company financial statements:

- the Balance Sheet;
- the Statement of Changes in Equity; and
- the related notes 1 to 25, including a summary of significant accounting policies as set out in note 1.

The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council ("the relevant financial reporting framework").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial

statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Directors' report and consolidated financial statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Directors' report and consolidated financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group and parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on IAASA's website at: <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements>. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the parent company were sufficient to permit the financial statements to be readily and properly audited.

- The parent company balance sheet is in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements.
- In our opinion, those parts of the directors' report specified for our review, which does not include sustainability reporting when required by Part 28 of the Companies Act 2014 have been prepared in accordance with the Companies Act 2014.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

Under the Code of Practice for the Governance of State Bodies (August 2016) (the "Code of Practice"), we are required to report to you if the statement regarding the system of internal control required under the Code of Practice as included in the Directors' Report does not reflect the Company's compliance with paragraph 1.9(iv) of the Code of Practice or if it is not consistent with the information of which we are aware from our audit work on the financial statements. We have nothing to report in this respect.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Daniel Murray

for and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte and Touche House, 29 Earlsfort Terrace,
Dublin 2

27 March 2025

Consolidated profit and loss account

for the year ended 31 December 2024

| | Note | 2024 €'000 | 2023 €'000 |
|--|------|------------------|---------------|
| Turnover – continuing activities | 3 | 196,797 | 194,494 |
| Operating expenses | | (188,573) | (178,358) |
| Operating profit – continuing activities | | 8,224 | 16,136 |
| Interest receivable and similar income | 5 | 24,579 | 23,497 |
| Interest payable and similar charges | 6 | (21,559) | (20,076) |
| Share of profit of associate | 10 | 1,595 | 888 |
| Profit on ordinary activities before taxation | 7 | 12,839 | 20,445 |
| Tax on profit on ordinary activities | 8 | (2,532) | (4,465) |
| Profit for the financial year | | 10,307 | 15,980 |

Consolidated statement of other comprehensive income

for the year ended 31 December 2024

| | Note | 2024 €'000 | 2023 €'000 |
|---|------|-----------------|---------------|
| Profit for the financial year | | 10,307 | 15,980 |
| Other comprehensive (loss)/gain | | | |
| Re-measurement of the net defined benefit asset | 21 | (17,529) | 2,196 |
| Related deferred tax asset/(liability) | 16 | 2,191 | (275) |
| Cash in excess of pension service costs | 21 | 1,694 | 5,756 |
| Foreign exchange differences on translation of foreign operations | | 457 | (353) |
| Other comprehensive (loss)/gain for the year | | (13,187) | 7,324 |
| Total comprehensive (loss)/gain for the year | | (2,880) | 23,304 |

Consolidated balance sheet

at 31 December 2024

| | Note | 2024 €'000 | 2023 €'000 |
|--|------|-----------------|---------------|
| Fixed assets | | | |
| Tangible assets | 9 | 108,284 | 103,669 |
| Financial assets | 10 | 25,943 | 26,982 |
| Pension asset | 21 | 48,269 | 61,518 |
| | | 182,496 | 192,169 |
| Current assets | | | |
| Debtors | | | |
| – due within one year | 11 | 72,565 | 64,669 |
| – due after more than one year | 11 | 66,358 | 80,015 |
| Short term deposits and investments | 12 | 53,814 | 44,862 |
| Cash and cash equivalents | 12 | 33,642 | 39,146 |
| | | 226,379 | 228,692 |
| Creditors: amounts falling due within one year | 13 | (47,347) | (45,168) |
| Net current assets | | 179,032 | 183,524 |
| Total assets less current liabilities | | 361,528 | 375,693 |
| Creditors: amounts falling due after more than one year | 15 | (41,493) | (48,491) |
| Provisions for liabilities | | | |
| Retirement benefit obligations | 21 | (3,426) | (3,166) |
| Net assets | | 316,609 | 324,036 |
| Capital and reserves | | | |
| Called up share capital | 17 | – | – |
| Share premium account | 17 | 314,829 | 314,829 |
| Other reserves | 17 | (1,366) | (1,366) |
| Profit and loss account | | 2,740 | 10,624 |
| Currency reserve | | 406 | (51) |
| Shareholders' funds – equity | | 316,609 | 324,036 |

On behalf of the board:

Bryan Bourke
Chairperson

Peter Kearney
Chief Executive

Company balance sheet

at 31 December 2024

| | Note | 2024 €'000 | 2023 €'000 |
|--|------|-----------------|---------------|
| Fixed assets | | | |
| Tangible assets | 9 | 108,284 | 103,669 |
| Financial assets | 10 | 7,707 | 11,995 |
| Pension asset | 21 | 48,269 | 61,518 |
| | | 164,260 | 177,182 |
| Current assets | | | |
| Debtors | | | |
| – due within one year | 11 | 86,564 | 76,986 |
| – due after more than one year | 11 | 66,118 | 80,015 |
| Short term deposits and investments | | 53,814 | 44,862 |
| Cash and cash equivalents | | 33,314 | 38,949 |
| | | 239,810 | 240,812 |
| Creditors: amounts falling due within one year | 13 | (47,290) | (45,117) |
| Net current assets | | 192,520 | 195,695 |
| Total assets less current liabilities | | 356,780 | 372,877 |
| Creditors: amounts falling due after more than one year | 15 | (41,493) | (48,491) |
| Provisions for liabilities | | | |
| Retirement benefit obligations | 21 | (3,426) | (3,166) |
| Net assets | | 311,861 | 321,220 |
| Capital and reserves | | | |
| Called up share capital | 17 | – | – |
| Share premium account | 17 | 314,829 | 314,829 |
| Other reserves | 17 | (4,474) | (4,474) |
| Profit and loss account | | 1,506 | 10,865 |
| Shareholders' funds – equity | | 311,861 | 321,220 |

On behalf of the board:

Bryan Bourke
Chairperson

Peter Kearney
Chief Executive

Consolidated statement of changes in equity

for the year ended 31 December 2024

| | Called up share capital €'000 | Share premium €'000 | Other reserves €'000 | Profit and loss account €'000 | Currency reserve €'000 | Total equity €'000 |
|---|--|---------------------------|----------------------------|--|------------------------------|--------------------------|
| Balance at 1 January 2023 | - | - | 305,997 | - | - | 305,997 |
| Comprehensive income | | | | | | |
| Profit for the financial year | - | - | 1,066 | 14,914 | - | 15,980 |
| Other comprehensive income/ (loss) | - | - | 11,665 | (4,290) | (51) | 7,324 |
| Total comprehensive income/ (loss) for the year | - | - | 12,731 | 10,624 | (51) | 23,304 |
| Transactions with shareholders recognised directly in equity | | | | | | |
| Issue of shares (note 17) | - | 314,829 | (314,829) | - | - | - |
| Dividends (note 18) | - | - | (5,265) | - | - | (5,265) |
| Balance at 31 December 2023 | - | 314,829 | (1,366) | 10,624 | (51) | 324,036 |
| Balance at 1 January 2024 | - | 314,829 | (1,366) | 10,624 | (51) | 324,036 |
| Comprehensive income | | | | | | |
| Profit for the financial year | - | - | - | 10,307 | - | 10,307 |
| Other comprehensive (loss)/ income | - | - | - | (13,644) | 457 | (13,187) |
| Total comprehensive (loss)/ income for the year | - | - | - | (3,337) | 457 | (2,880) |
| Transactions with shareholders recognised directly in equity | | | | | | |
| Dividends (note 18) | - | - | - | (4,547) | - | (4,547) |
| Balance at 31 December 2024 | - | 314,829 | (1,366) | 2,740 | 406 | 316,609 |

Company statement of changes in equity

for the year ended 31 December 2024

| | Called up share capital €'000 | Share premium €'000 | Other reserves €'000 | Profit and loss account €'000 | Total equity €'000 |
|---|--|---------------------------|----------------------------|--|--------------------------|
| Balance at 2 February 2023 (date of incorporation) | - | - | - | - | - |
| Comprehensive income | | | | | |
| Profit for the financial period | - | - | - | 15,155 | 15,155 |
| Other comprehensive loss | - | - | - | (4,290) | (4,290) |
| Total comprehensive income for the period | - | - | - | 10,865 | 10,865 |
| Transactions with shareholders recognised directly in equity | | | | | |
| Issue of shares (note 17) | - | 314,829 | - | - | 314,829 |
| Movement on other reserves (note 17) | - | - | (4,474) | - | (4,474) |
| Balance at 31 December 2023 | - | 314,829 | (4,474) | 10,865 | 321,220 |
| Balance at 1 January 2024 | - | 314,829 | (4,474) | 10,865 | 321,220 |
| Comprehensive income | | | | | |
| Profit for the financial year | - | - | - | 8,832 | 8,832 |
| Other comprehensive loss | - | - | - | (13,644) | (13,644) |
| Total comprehensive loss for the year | - | - | - | (4,812) | (4,812) |
| Transactions with shareholders recognised directly in equity | | | | | |
| Dividends (note 18) | - | - | - | (4,547) | (4,547) |
| Balance at 31 December 2024 | - | 314,829 | (4,474) | 1,506 | 311,861 |

Consolidated cash flow statement

for the year ended 31 December 2024

| | Note | 2024 €'000 | 2023 €'000 |
|---|------|---------------|---------------|
| Cash flow from operating activities | | | |
| Profit for the financial year | | 10,307 | 15,980 |
| <i>Adjustment for:</i> | | | |
| Depreciation of tangible fixed assets | 9 | 11,370 | 11,638 |
| Interest receivable and similar income | 5 | (24,579) | (23,497) |
| Interest payable and similar charges | 6 | 21,559 | 20,076 |
| Share of profit of associate | 10 | (1,595) | (888) |
| Taxation | 8 | 2,532 | 4,465 |
| | | 19,594 | 27,774 |
| Decrease/(increase) in debtors | | 8,520 | (7,966) |
| (Decrease)/increase in creditors | | (2,290) | 10,117 |
| | | 25,824 | 29,925 |
| Tax paid | | (4,004) | (3,107) |
| Net cash generated from operating activities | | 21,820 | 26,818 |
| Cash flow from investing activities | | | |
| Acquisition of tangible fixed assets | | (16,528) | (13,447) |
| Dividends received from financial assets | 10 | 851 | 622 |
| Short term deposits and investments | | (8,952) | (25,865) |
| Interest received | | 2,125 | 727 |
| Net cash used in investing activities | | (22,504) | (37,963) |
| Cash flow from financing activities | | | |
| Interest paid | | (278) | (253) |
| Dividends paid | 18 | (4,547) | (5,265) |
| Net cash used in financing activities | | (4,825) | (5,518) |
| Net decrease in cash and cash equivalents | | (5,509) | (16,663) |
| Cash and cash equivalents at 1 January | | 39,146 | 55,815 |
| Effect of exchange rate fluctuations on cash held | | 5 | (6) |
| Cash and cash equivalents at 31 December | 12 | 33,642 | 39,146 |

Notes forming part of the financial statements

1 Accounting policies

General information and basis of preparation

The Irish Air Navigation Service trading as AirNav Ireland ("AirNav Ireland", "the Company") is a designated activity company (DAC) limited by shares, formed on 2 February 2023 under the Air Navigation and Transport Act 2022 ("the Act"), and registered under the Companies Act 2014.

Pursuant to the Air Navigation and Transport Act 2022, the Company entered into a transfer agreement ("the Memorandum for the transfer of the ANSP Undertaking") with The Irish Aviation Authority ("the IAA") to transfer the air navigation service provider (ANSP) functions of the IAA, including those assets and liabilities associated with the performance of the ANSP functions, the shares in the IAA's subsidiary undertaking, IAA North Atlantic Inc, and the investment in Entry Point North AB and associated activities, together the ANSP Undertaking, held by the IAA, to the Company. The effective date of the transfer was 30 April 2023.

The financial statements are prepared under the historical cost convention, except that investments in associates are accounted for using the equity method in the consolidated financial statements (and at cost less impairment in the Company financial statements) and other financial assets are stated at fair value. The financial statements comply with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102"). The presentation currency of these financial statements is Euro. All amounts in the financial statements have been rounded to the nearest €1,000.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements and have, unless otherwise stated, been applied consistently to all periods presented in the financial statements. Judgements made by the directors, in the application of these accounting policies that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 22.

Going concern

The consolidated financial statements have been prepared on a going concern basis. This assumes that the Group and the Company will have adequate resources to continue in operation for the foreseeable future and can meet their ongoing liabilities as they fall due for a period of at least 12 months from the date of approval of the financial statements.

At 31 December 2024, the Group had cash and cash equivalents and short term deposits and investments of €87.5 million (2023: €84.0 million) and access to an overdraft facility of €10.0 million. The Company also has access to committed bank loan facilities of €60.0 million with maturity dates in July 2026. These facilities were undrawn at 31 December 2024.

Traffic forecasts for 2025 and beyond are predicting further growth. Almost 90% of the Group's business is economically regulated under the EU performance and charging scheme (Commission Implementing Regulation (EU) 2019/317). The IAA, as National Supervisory Authority, published its regulatory decision in late 2024 setting out Ireland's Performance Plan for Reference Period 4 (RP4) of the Single European Sky performance and charging framework which runs from 2025 to 2029.

This decision is being reviewed by the EU, consistent with the approvals process, with final approval expected in Q1/early Q2 2025. This decision provides the Group with economic certainty for the coming years.

However, there are challenges to the short-term outlook including macro-economic headwinds in the form of high inflation and high cost of living, higher fuel prices, geopolitical risks and environmental concerns. The Group's cash flow forecasts show that the Group and the Company should be able to operate within the level of their available liquidity for the foreseeable future. Management will continue to monitor the cash position of the Group alongside the traffic profile.

Notes forming part of the financial statements

1 Accounting policies (continued)

Going concern (continued)

Accordingly, having considered the future cash requirements of the Group's and the Company's business, the economic environment over the next 12 months, the principal risks and uncertainties facing the Group and the Company and the Group and the Company's operating budget, the directors believe that the Group and Company have adequate resources to continue in operation for a period of at least 12 months from the date of approval of the financial statements and that it is appropriate to adopt the going concern basis in the preparation of the financial statements.

True and fair view override

Ireland is a party to a multilateral agreement (EUROCONTROL) relating to the collection of en route navigation service charges. A bilateral agreement is in place with EUROCONTROL for the collection of terminal service charges. Under the Air Navigation and Transport Act 2022, AirNav Ireland performs en route and terminal functions on behalf of the State. Differences in income earned and eligible regulated costs arising from traffic volume risk and cost risk sharing are recovered from, or returned to, users of en route and terminal navigation services, consistent with the underlying EU regulations, by amendment of charges in later years.

The costs to be taken into account for the purpose of the EUROCONTROL agreement are defined in the EUROCONTROL charging principles and in the EC Charging Regulations in a manner that includes all cash payments to pension funds. Consequently, the directors have determined that it is appropriate to incorporate all cash contributions made to AirNav Ireland's pension fund in operating expenses to the extent they exceed the pensions charge determined in accordance with FRS 102 'Employee Benefits', and to record an offsetting credit in the statement of other comprehensive income ("OCI"), in order to present a true and fair view of its comprehensive income and its assets, liabilities and financial position. Further details of the impact of this accounting treatment are shown in the employee benefits accounting policy on pages 56 and 57.

Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and its 100% owned subsidiary, AirNav North Atlantic Inc., up to 31 December 2024. The consolidated profit and loss account comparatives for 2023 includes the results of the Company for the period from incorporation, 2 February 2023, to 31 December 2023 plus the transactions attributable to the ANSP Undertaking transferred for the period 1 January 2023 to 30 April 2023 (the date on which the business was transferred to AirNav Ireland).

In presenting prior year comparative information in the consolidated profit and loss account and the consolidated statement of other comprehensive income, the following is noted in respect of the result for the four months from January to April 2023:

- interest income on defined benefit assets is assumed to relate 100% to the ANSP;
- interest expense on defined benefit liabilities is assumed to relate 98.6% to the ANSP;
- bank interest receivable and bank interest payable is allocated 48% to the ANSP;
- other comprehensive gains are assumed to relate 100% to the ANSP.

A subsidiary is an entity that is controlled by the holding undertaking. The results of the subsidiary undertaking are included in the consolidated profit and loss account from the date that control commences until the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

1 Accounting policies (continued)

Basis of consolidation (continued)

An associate is an entity in which the Group has significant influence, but not control, over the operating and financial policies of the entity. Significant influence is presumed to exist when the investor holds between 20% and 50% of the equity voting rights. The Group's share of the profits or losses of associates is included in the consolidated profit and loss account and its interest in its net assets is recorded on the balance sheet using the equity method.

In the Company financial statements, investments in subsidiaries and associates are carried at cost less impairment.

Turnover

Turnover represents the amounts received, and receivable, in respect of services provided to customers.

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for services provided. Where the consideration receivable in cash or cash equivalents is deferred, and the arrangement constitutes a financing transaction, the fair value of the consideration is measured as the present value of all future receipts using the imputed rate of interest.

En route and terminal revenues

The provision of en route and terminal services are economically regulated activities underpinned by Commission Implementing Regulation (EU) 2019/317 of 11 February 2019 laying down a performance and charging scheme in the single European sky and Commission Implementing Regulation (EU) 2020/1627 of 3 November 2020 on exceptional measures for the third reference period (2020–2024) of the single European sky performance and charging scheme due to the COVID-19 pandemic. As described above, AirNav Ireland is entitled to recover its regulatory approved eligible costs through charges to the en route and terminal airspace users. For the period 2020–2024, these eligible costs are set out in the State's Performance Plan for the Reference Period 3 (RP3) 2020–2024, approved in May 2022. Differences arising between actual revenues and expected revenues, as defined in the underlying regulations, are provided for in an accrued/deferred income account and are adjusted against income arising from en route and terminal activities. Accrued/deferred income is recovered/reimbursed by way of an adjustment to customer charges in future years, typically on an 'n+2' basis. In response to COVID-19, accrued/deferred income for 2020 and 2021 only will be recovered from the airspace users through an adjustment to customer charges, spread equally, over seven years, 2023–2029.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, less accumulated depreciation and accumulated impairment losses. Depreciation is calculated to write off the cost of each fixed asset, including equipment purchased as part of an installation, on a straight-line basis over its expected useful life as follows:

| | |
|---|-------------|
| Buildings* | 20–30 years |
| Completed installations and other works | 8–12 years |
| Office equipment | 3–5 years |

Assets are depreciated from the date they are commissioned for use. Assets under construction/ installations in progress are carried at historical cost and are not depreciated until they are brought into use. The carrying amounts of tangible fixed assets are reviewed at each reporting date to determine whether there is any indication of impairment.

*Included in 'Buildings' is the Dublin tower building held under leasehold; the cost of the building was €36.5 million and it was brought into operational use in 2021. The net book value included in the financial statements as at 31 December 2024 relating to this asset is €32.2 million (2023: €33.6 million).

Notes forming part of the financial statements

1 Accounting policies (continued)

Financial assets

Associates are those entities in which the Group has significant influence but not control of the financial and operating policies. In the consolidated financial statements, investments in associates are accounted for using the equity method of accounting. Under the equity method of accounting, the Group's share of the post-acquisition profits or losses of its associates are recognised in the Group profit and loss account. The Group's interest in the net assets of associates is included as investments in associates in the Group's balance sheet at an amount representing the Group's share of the fair value of the identifiable net assets at acquisition plus the Group's share of post-acquisition retained profits or losses arising on the Group's investment.

In the Company financial statements, investments in associates are carried at cost less allowance for any impairment in value of individual investments.

Other financial assets are recognised initially at the transaction price. At the end of each reporting period the investment is measured at fair value with changes in fair value recognised in profit or loss, unless the fair value cannot be reliably measured, in which case cost is used.

Leased assets

Operating lease rentals are expensed as they accrue over the periods of the leases.

Foreign currencies

Transactions arising in foreign currencies are translated into the functional currency at the rate of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the year-end rate of exchange. The resulting profits and losses are dealt with in the profit and loss account for the year.

The results of foreign operations are translated into Euro at the average exchange rates for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. The assets and liabilities of foreign operations are translated into Euro at the exchange rates ruling at the year-end date. Foreign exchange differences arising on retranslation are recognised in other comprehensive income.

Taxation

Corporation tax is provided for on the profit for the year at the current rates. Deferred tax is recognised in respect of all timing differences that have originated, but not reversed, at the reporting date. Provision is made at the rates expected to apply when the timing differences reverse. Timing differences are differences between the Group's taxable profits and its results, as stated in the financial statements, which arise from the inclusion of gains and losses in taxable profits in periods different from those in which they are recognised in the financial statements.

A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Employee benefits

AirNav Ireland provides pensions to its employees under four superannuation schemes. Three of these schemes are defined benefit schemes: "The AirNav Ireland Staff Superannuation Scheme 1996", for staff whose employment commenced prior to 1 April 2008; "The AirNav Ireland Staff Superannuation Scheme 2008", for staff whose employment commenced from 1 April 2008 to 31 December 2011; "The AirNav Ireland Hybrid Pension Plan 2012", for staff whose employment commenced from 1 January 2012. From 1 May 2023, The AirNav Ireland Hybrid Pension Plan 2012 was closed to new entrants with new employees of AirNav Ireland joining a defined contribution scheme, "The AirNav Ireland Defined Contribution Plan 2023".

1 Accounting policies (continued)

Employee benefits (continued)

For the defined benefit schemes, the difference between the market value of the schemes' assets and the actuarially assessed present value of the schemes' liabilities, calculated using the projected unit credit method, is reported as an asset/liability on the balance sheet.

The amount charged to the profit and loss account is the total of:

- (a) the actuarially determined cost of pension benefits promised to employees for service during the year plus any benefit improvements granted to members during the year (current/past service cost), and
- (b) an additional charge to operating expenses reflecting the difference between the actuarially determined pension charge (current/past service cost) included above and total cash payments to the pension fund in the year, and
- (c) the net interest on the net defined benefit liability comprising interest cost on the defined benefit obligation and interest income on plan assets.

The difference between the interest income on assets and the return actually achieved, and any changes in the liabilities due to changes in assumptions, or because actual experience during the year was different to that assumed, are recognised as re-measurement gains and losses in the statement of other comprehensive income ("OCI"). The OCI includes an offset amounting to the additional pension charge, described in paragraph (b), expected to be recovered under the provisions of the EUROCONTROL agreement as described on page 54.

The Group and Company thus departs from the requirements of FRS 102 in order that the results comply with the requirements of the agreements under which its operations are governed and, in the context of these agreements, that the financial statements give a true and fair view. The impact of the departure is to increase the pension cost by €1,694,000 (2023: €5,756,000) above the actuarially determined service costs, for recovery under the charging mechanism in the year ended 31 December 2024, and to record an offsetting credit in the OCI, thereby maintaining the profit and loss reserves and assets, liabilities and financial position of the Group and Company in line with the requirements of FRS 102.

Where a scheme's assets exceed its obligation, an asset is recognised to the extent that it does not exceed the present value of future contribution holidays or refunds of contributions (the asset ceiling). In the case of the Group schemes, the asset ceiling is not applied as, in certain specified circumstances, such as wind-up at the end of the life of the scheme, the Group expects to be able to recover any surplus. Similarly, a liability in respect of future minimum funding requirements is not recognised. The trustees do not have a substantive right to augment benefits, nor do they have the right to wind up the plan except in the event of the dissolution of the entity or the termination of contributions by the Group.

Basic financial instruments

Basic financial assets, including trade receivables, accrued income, other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest and recognised against revenue. Such assets are subsequently carried at amortised cost using the effective interest method and recognised as interest income.

Notes forming part of the financial statements

1 Accounting policies (continued)

Trade and other debtors and creditors

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost, using the effective interest method, less any impairment losses in the case of trade debtors.

Cash, cash equivalents and short-term deposits and investments

Cash represents cash held at banks and available on demand. Cash equivalents are highly liquid investments (other than cash) that are readily convertible into known amounts of cash, typically cash deposits ranging from one day to three months. Short-term deposits and investments represent cash deposits ranging from three months to one year. Cash and cash equivalents and short-term deposits and investments are recorded initially at fair value and then subsequently stated at amortised cost and are categorised as loans and receivables.

2 Transfer of ANSP Undertaking from the IAA to AirNav Ireland

The transaction took place on 30 April 2023 whereby the Company acquired the assets and liabilities of the ANSP division from the IAA at their carrying value, including the IAA's 100% owned subsidiary undertaking, IAA North Atlantic Inc (renamed as AirNav North Atlantic Inc from 1 May 2023), and the IAA's investment in Entry Point North AB. The cash at bank and in hand balance of €63.8 million is the net cash balance following the application of section 55 of the Air Navigation and Transport Act 2022, the 'Transitional financial provisions', which addresses the settlement of certain assets and liabilities as at 30 April 2023.

In consideration for the transfer, the Company issued 96 ordinary shares in the Company to the Minister for Public Expenditure, National Development Plan Delivery and Reform, who is the beneficial owner of the entire issued share capital of AirNav Ireland except for one share which is held by the Minister for Transport. Further details are provided at note 17. The calculation of the fair value of the shares issued of €314.8 million has been determined by reference to the air traffic management business transferred, the fair value of the investment in Aireon Holdings LLC and the equity value of the associate investment in Entry Point North AB. The enterprise value of the air traffic management business has been determined using a discounted cash flow (DCF) approach. The critical assumptions and estimates used when determining the fair value are a discount rate of 5.64% and a growth rate of 2.5%. The difference of €4.5 million between the fair value of the shares issued as consideration and the carrying value of the net assets acquired is recorded in 'Other Reserves'.

2 Transfer of ANSP Undertaking from the IAA to AirNav Ireland (continued)

The table below discloses the carrying value of the assets and liabilities acquired by AirNav Ireland.

| | Assets and liabilities acquired at their carrying value after section 55 settlement €'000 |
|--|---|
| Fixed assets | 178,935 |
| Debtors < 1 year | 54,920 |
| Cash at bank and in hand | 63,840 |
| Creditors < 1 year | (32,224) |
| Debtors > 1 year | 96,200 |
| Creditors > 1 year | (48,126) |
| Provisions for other liabilities | (3,190) |
| Net assets | 310,355 |
| Consideration | |
| 96 ordinary shares issued | – |
| Share premium arising on the transaction | 314,829 |
| Other reserves | (4,474) |
| | 310,355 |

3 Turnover

| | 2024 €'000 | 2023 €'000 |
|-------------------------------|----------------|---------------|
| <i>Activity</i> | | |
| En route | 139,185 | 135,140 |
| Terminal | 32,695 | 32,041 |
| North Atlantic communications | 18,097 | 20,809 |
| Exempt air traffic | 1,395 | 1,442 |
| Commercial and other | 5,425 | 5,062 |
| | 196,797 | 194,494 |

AirNav Ireland's turnover is derived from aviation-related services provided in the Republic of Ireland.

Notes forming part of the financial statements

4 Staff numbers and costs

The average number of persons employed during the year, including the executive directors, analysed by category, was as follows:

| | 2024 Number | 2023 Number |
|---------------------------------|----------------|----------------|
| Air traffic controllers | 303 | 297 |
| Engineers | 99 | 94 |
| Radio officers | 52 | 51 |
| Other operational | 121 | 118 |
| Corporate services | 67 | 66 |
| Total employees | 642 | 626 |
| Student air traffic controllers | 26 | 19 |

The aggregate payroll costs of these persons, included in the profit and loss account, were as follows:

| | 2024 €'000 | 2023 €'000 |
|--|----------------|----------------|
| Wages and salaries † | 78,448 | 73,690 |
| Social welfare costs | 7,560 | 6,703 |
| Pension costs – current service cost (note 21) | 6,764 | 6,680 |
| Pension costs – past service cost (note 21) * | 8,731 | 5,609 |
| Pension costs – defined contribution (note 21) | 914 | 395 |
| Pension costs – additional cash cost (note 21) | 1,694 | 5,756 |
| Pension costs – settlement of prior year cost | (550) | 550 |
| Other post-employment costs | 285 | 810 |
| | 103,846 | 100,193 |

† Included in wages and salaries in 2023 is a once-off payment to employees of €4.1 million. In May 2023, the IAA's Industrial Disputes Resolution Board (IDRB) recommended that a payment should be made to staff who were the subject of a pay reduction, implemented as a cost containment measure in 2021 in response to COVID-19. The recommendation was in response to a dispute referred by the IAA Staff Panel to the IAA's IDRB prior to the transaction on 30 April 2023. The recommendation was a matter for both AirNav Ireland and the IAA. The Board of AirNav Ireland approved the recommendation in respect of employees in AirNav Ireland and payment was made in October 2023. When employer's PRSI is included, the cost of the payment was €4.5 million.

* Past service cost of €8.7 million (2023: €5.6 million) is attributable to the cost of a 3% discretionary pension increase (2023: 2% discretionary pension increase) applied to pensions in payment and deferred pensions. The increase was approved by the Minister and was effective from 1 January 2024 (2023: 1 January 2023).

4 Staff numbers and costs (continued)

Wages and salaries can be further analysed as follows:

| | 2024 €'000 | 2023 €'000 |
|-------------------------------|---------------|---------------|
| Basic pay | 58,568 | 52,650 |
| Overtime | 4,404 | 3,398 |
| Allowances and other payments | 15,476 | 17,642 |
| | 78,448 | 73,690 |

The number of employees paid in excess of €50,000 are categorised into the following bands:

| | 2024 Number | 1 May – 31 Dec 2023* Number |
|---------------------|----------------|-----------------------------------|
| €50,000 – €75,000 | 84 | 118 |
| €75,001 – €100,000 | 89 | 195 |
| €100,001 – €125,000 | 95 | 126 |
| €125,001 – €150,000 | 150 | 34 |
| €150,001 – €175,000 | 82 | 8 |
| €175,001 – €200,000 | 63 | 2 |
| €200,001 – €225,000 | 19 | – |
| €225,001 – €250,000 | 9 | – |

* In 2023, the number of employees in the bands is not annualised, representing amounts paid to employees for the eight months May to December 2023. In contrast, the information for 2024 represents amounts paid to employees for the full year January to December 2024.

The current year analysis excludes the payment, in 2024, of arrears of pay relating to 2023. The prior year comparatives covering the eight months from 1 May to 31 December 2023 have been restated to reflect the 2023 pay arrears paid in 2024.

5 Interest receivable and similar income

| | 2024 €'000 | 2023 €'000 |
|---|---------------|---------------|
| Interest income on defined benefit assets | 20,884 | 22,070 |
| Bank interest | 2,113 | 1,042 |
| Other interest | 780 | 385 |
| Foreign exchange gain | 802 | – |
| | 24,579 | 23,497 |

Notes forming part of the financial statements

6 Interest payable and similar charges

| | 2024 | 2023 |
|---|---------------|--------------|
| | €'000 | €'000 |
| Interest expense on defined benefit liabilities | 18,298 | 19,389 |
| Financial assets revaluation (note 10) | 3,037 | - |
| Bank interest | - | 75 |
| Bank loan facility fees | 224 | 179 |
| Foreign exchange loss | - | 433 |
| | 21,559 | 20,076 |

7 Statutory and other information

The profit for the financial year is stated after charging/(crediting) the following:

| | 2024 | 2023 |
|--|---------------|--------------|
| | €'000 | €'000 |
| Depreciation (note 9) | 11,370 | 11,638 |
| Met Éireann charge | 8,671 | 8,613 |
| Irish Aviation Authority regulatory charges | 7,050 | 6,582 |
| Training cost refund | - | (3,018) |
| Financial assets revaluation (note 10) | 3,037 | - |
| Rentals payable under operating leases – buildings | 2,605 | 2,567 |
| Rentals payable under operating leases – other | 130 | 114 |
| Auditor's remuneration – group | | |
| – audit | 100 | 149 |
| – other assurance | 77 | 244 |
| – tax services | | |
| – compliance | 90 | 57 |
| – advisory | 7 | - |
| Total auditor's remuneration – group | 274 | 450 |
| Auditor's remuneration – company (included above) | | |
| – audit | 100 | 112 |
| – other assurance | 77 | 143 |
| – tax services | | |
| – compliance | 46 | 11 |
| – advisory | 7 | - |
| Total auditor's remuneration – company | 230 | 266 |

7 Statutory and other information (continued)

| | 2024 € | Company 2023 € |
|--|---------------|----------------------|
| Directors' remuneration | | |
| <i>Fees payable to directors</i> | | |
| Bryan Bourke (<i>Chairman</i>) (appointed 16 March 2023) | 21,600 | 16,617 |
| Cian Blackwell (appointed 13 April 2023) | 12,600 | 8,693 |
| Peter Kearney (<i>Chief Executive</i>) (appointed 30 April 2023) | – | – |
| Lourda Moloney (appointed 18 April 2023) | 12,600 | 8,555 |
| James O'Loughlin (appointed 13 April 2023) † | – | – |
| Eimer O'Rourke (appointed 13 April 2023) | 12,600 | 8,693 |
| Aidan Skelly (appointed 18 April 2023) | 12,600 | 8,555 |
| | 72,000 | 51,113 |

† James O'Loughlin was paid as an employee of AirNav Ireland and did not receive a director's fee.

In aggregate, travel and subsistence expenses payable to, or payable on behalf of, directors in respect of services as director were €10,517 in total in 2024 (2023: €5,750).

| | 2024 €'000 | Company 2023 1 May–31 Dec €'000 |
|--|---------------|--|
| Emoluments and pension contributions relating to the Chief Executive's contract of employment | | |
| Basic salary | 225 | 147 |
| Other taxable benefits | 3 | 1 |
| IDRB-related payment | – | 19 |
| Pension contribution | 38 | 54 |
| | 266 | 221 |

On 30 April 2023, Dr Peter Kearney was appointed as Chief Executive of AirNav Ireland. Pursuant to his contract, his salary is €225,000 per annum. Other taxable benefits comprise a company car. The value of the taxable benefit is reported as the actual taxable benefit in the period which takes account of Revenue approved exemption thresholds for electric vehicles. In 2023, Dr Kearney was paid a once-off payment of €19,340 following the approval, by the AirNav Ireland Board, of an IAA Industrial Disputes Resolution Board (IDRB) recommendation to make a payment to all AirNav Ireland employees who were the subject of a pay reduction in 2021 (see note 4). The pay reduction was a cost containment measure in response to COVID-19. Dr Kearney is a member of the defined benefit superannuation scheme "The AirNav Ireland Staff Superannuation Scheme 1996" in common with other staff members. He was appointed to the Board on 30 April 2023. He did not receive a director's fee.

Notes forming part of the financial statements

8 Tax on profit on ordinary activities

| | 2024 €'000 | 2023 €'000 |
|---|---------------|---------------|
| Analysis of tax charge in the year | | |
| <i>Current tax</i> | | |
| Corporation tax | 1,950 | 3,306 |
| Adjustments in respect of prior periods | (118) | 151 |
| | 1,832 | 3,457 |
| <i>Deferred tax</i> | | |
| Origination and reversal of timing differences | 700 | 1,159 |
| Adjustments in respect of prior periods | - | (151) |
| | 700 | 1,008 |
| Tax on profit on ordinary activities | 2,532 | 4,465 |
| | | |
| | 2024 €'000 | 2023 €'000 |
| Profit and loss total tax reconciliation | | |
| Profit on ordinary activities before tax | 12,839 | 20,445 |
| Expected current tax at 12.5% (2023: 12.5%) | 1,605 | 2,556 |
| <i>Effects of:</i> | | |
| Permanent differences | 332 | 802 |
| Expenses not deductible for tax purposes | 775 | 1,001 |
| Income not taxable at the standard rate | 395 | 265 |
| Corporation tax in respect of prior years | (118) | 151 |
| Deferred tax in respect of prior years | - | (151) |
| Foreign tax | (457) | (159) |
| Tax on profit on ordinary activities | 2,532 | 4,465 |

9 Tangible fixed assets

| | Buildings €'000 | Completed installations and other works €'000 | Installations in progress €'000 | Office equipment €'000 | Total €'000 |
|---------------------------------|--------------------|---|---------------------------------------|------------------------------|----------------|
| Group | | | | | |
| Cost | | | | | |
| At 1 January 2023 | 71,731 | 184,023 | 19,705 | 10,416 | 285,875 |
| Additions in year | - | - | 12,054 | 3,428 | 15,482 |
| Brought into use in year | - | 6,616 | (6,616) | - | - |
| Disposals in year | - | - | - | (158) | (158) |
| At 31 December 2023 | 71,731 | 190,639 | 25,143 | 13,686 | 301,199 |
| Additions in year | - | - | 15,200 | 785 | 15,985 |
| Brought into use in year | - | 8,530 | (8,530) | - | - |
| Disposals in year | - | (2) | - | (660) | (662) |
| At 31 December 2024 | 71,731 | 199,167 | 31,813 | 13,811 | 316,522 |
| Accumulated depreciation | | | | | |
| At 1 January 2023 | 29,548 | 146,591 | - | 9,875 | 186,014 |
| Charge in year | 2,629 | 8,169 | - | 840 | 11,638 |
| Disposals in year | - | - | - | (122) | (122) |
| At 31 December 2023 | 32,177 | 154,760 | - | 10,593 | 197,530 |
| Charge in year | 1,953 | 8,257 | - | 1,160 | 11,370 |
| Disposals in year | - | (2) | - | (660) | (662) |
| At 31 December 2024 | 34,130 | 163,015 | - | 11,093 | 208,238 |
| Net book value | | | | | |
| At 31 December 2024 | 37,601 | 36,152 | 31,813 | 2,718 | 108,284 |
| At 31 December 2023 | 39,554 | 35,879 | 25,143 | 3,093 | 103,669 |

Notes forming part of the financial statements

9 Tangible fixed assets (continued)

| | Buildings €'000 | Completed installations and other works €'000 | Installations in progress €'000 | Office equipment €'000 | Total €'000 |
|-----------------------------------|--------------------|---|---------------------------------------|------------------------------|----------------|
| Company | | | | | |
| Cost | | | | | |
| At transaction date 30 April 2023 | 71,731 | 185,286 | 23,986 | 10,818 | 291,821 |
| Additions in period | - | - | 6,510 | 2,904 | 9,414 |
| Brought into use in period | - | 5,353 | (5,353) | - | - |
| Disposals in period | - | - | - | (36) | (36) |
| At 31 December 2023 | 71,731 | 190,639 | 25,143 | 13,686 | 301,199 |
| Additions in year | - | - | 15,200 | 785 | 15,985 |
| Brought into use in year | - | 8,530 | (8,530) | - | - |
| Disposals in year | - | (2) | - | (660) | (662) |
| At 31 December 2024 | 71,731 | 199,167 | 31,813 | 13,811 | 316,522 |
| Accumulated depreciation | | | | | |
| At transaction date 30 April 2023 | 30,445 | 149,499 | - | 9,974 | 189,918 |
| Charge in period | 1,732 | 5,261 | - | 655 | 7,648 |
| Disposals in period | - | - | - | (36) | (36) |
| At 31 December 2023 | 32,177 | 154,760 | - | 10,593 | 197,530 |
| Charge in year | 1,953 | 8,257 | - | 1,160 | 11,370 |
| Disposals in year | - | (2) | - | (660) | (662) |
| At 31 December 2024 | 34,130 | 163,015 | - | 11,093 | 208,238 |
| Net book value | | | | | |
| At 31 December 2024 | 37,601 | 36,152 | 31,813 | 2,718 | 108,284 |
| At 31 December 2023 | 39,554 | 35,879 | 25,143 | 3,093 | 103,669 |

10 Financial assets

| | Interest in associate €'000 | Other financial assets €'000 | Total €'000 |
|------------------------------------|-----------------------------------|---------------------------------------|----------------|
| Group | | | |
| At 1 January 2023 | 5,015 | 22,482 | 27,497 |
| Dividends received | (622) | - | (622) |
| Share of profit of associate | 888 | - | 888 |
| Foreign exchange movements | - | (781) | (781) |
| At 31 December 2023 | 5,281 | 21,701 | 26,982 |
| Dividends received | (851) | - | (851) |
| Share of profit of associate | 1,595 | - | 1,595 |
| Foreign exchange movements | - | 1,254 | 1,254 |
| Change in value of financial asset | - | (3,037) | (3,037) |
| At 31 December 2024 | 6,025 | 19,918 | 25,943 |

| | Interest in associate €'000 | Other financial assets €'000 | Total €'000 |
|-------------------------------|-----------------------------------|---------------------------------------|----------------|
| Company | | | |
| At 1 January 2023 | 1,384 | 10,611 | 11,995 |
| Impairment of financial asset | - | - | - |
| At 31 December 2023 | 1,384 | 10,611 | 11,995 |
| Impairment of financial asset | - | (4,288) | (4,288) |
| At 31 December 2024 | 1,384 | 6,323 | 7,707 |

AirNav Ireland has a 33⅓% interest in Entry Point North AB, Hyllie Vattenparksgata 11A, 215 32 Malmö, Sweden, a provider of air traffic management training solutions.

The Group has a 4.130% preferred interest in Aireon Holdings LLC. Aireon provides a global satellite-based surveillance capability for air navigation service providers through Automatic Dependent Surveillance-Broadcast (ADS-B) receivers on the Iridium NEXT satellite constellation. There are five other investors in Aireon, namely Iridium, NAVCanada (Canada), ENAV (Italy), NATS (UK) and Naviar (Denmark). The preferred interest provides for a 5% annual cumulative dividend calculated from the date of the initial capital contributions. Consistent with the agreements governing the investment, it is intended that the Group's preferred interest will be converted to a 4.968% common interest by January 2027 or otherwise redeemable for cash in three annual instalments beginning in January 2027. The cash payments will include any outstanding preference dividends.

The Group's investment is reported at fair value as at 31 December 2024. A discounted cashflow model that takes account of the present value of the expected future dividend payments from Aireon, discounted using a risk-adjusted discount rate, has been used to determine the fair value of the investment. The Group has recognised a reduction in the fair value of the investment down to US\$20.7 million (2023: US\$24.0 million) as a result of uncertainties arising from the timing and amount of cashflows and expected future dividends payments. The fair value adjustment of US\$3.3 million (€3.0 million) (2023: US\$Nil) has been recognised in the consolidated profit and loss account.

Notes forming part of the financial statements

10 Financial assets (continued)

The investment in Aireon is held by AirNav North Atlantic Inc, 108 West 13th Street, Wilmington, New Castle County, 19801, Delaware, USA, a 100% owned subsidiary undertaking of AirNav Ireland. None of the shares of the subsidiary undertaking are listed. Management has concluded that, having regard to the revaluation of the Group's investment in Aireon, the value of the Company's investment in its subsidiary undertaking is impaired by €4.3 million (2023: €Nil) to €6.3 million (2023: €10.6 million). In the opinion of the directors, the shares in, and loans to, the Company's subsidiary are worth at least the amounts at which they are stated in the balance sheet.

11 Debtors

| | Group | | Company | |
|---------------------------------|---------------|---------------|---------------|---------------|
| | 2024 €'000 | 2023 €'000 | 2024 €'000 | 2023 €'000 |
| Trade debtors, net | 31,544 | 27,516 | 31,544 | 27,516 |
| Prepayments | 5,369 | 3,176 | 5,369 | 3,176 |
| Accrued income | 93,705 | 101,867 | 93,705 | 101,867 |
| Other debtors | 1,602 | 6,137 | 1,602 | 6,137 |
| Corporation tax | 2,439 | 243 | 2,331 | 441 |
| Value added tax | 637 | 1,936 | 637 | 1,936 |
| Deferred tax asset (note 16) | 3,627 | 3,809 | 3,627 | 3,809 |
| Due from subsidiary undertaking | - | - | 13,867 | 12,119 |
| | 138,923 | 144,684 | 152,682 | 157,001 |
| | | | | |
| Due within one year | 72,565 | 64,669 | 86,564 | 76,986 |
| Due after more than one year | 66,358 | 80,015 | 66,118 | 80,015 |
| | 138,923 | 144,684 | 152,682 | 157,001 |

Included in trade debtors are amounts past due of €18,018,000 (2023: €16,321,000) of which €2,741,000 (2023: €2,998,000) is provided for within bad debt provisions.

Included in debtors is accrued income of €65,873,000 (2023: €78,897,000) in the Group and in the Company relating to the balance of eligible costs owing in respect of the years 2020 and 2021, being recovered over 7 years 2023 to 2029. This balance is measured at the present value of the future receipts discounted at a market rate of interest.

Included in other debtors is €681,860 (2023: €787,549) due in relation to the ATM Voluntary Temporary Solidarity Fund. In November 2022, the Member States of EUROCONTROL, including Ireland, approved the creation of a temporary special solidarity fund to provide support to States whose air traffic management systems have been affected by the Russia-Ukraine war. Ireland's commitment to this fund is €787,549. In 2024, €105,689 was reimbursed. The balance of €681,860 (2023: €787,549) is included in other debtors and will be repaid by the beneficiary States in 2025.

Amounts owed by subsidiary undertaking are subject to interest, are unsecured and are repayable by mutual agreement of both parties.

12 Cash and cash equivalents and short term deposits and investments

| Group | At 1 January €'000 | Cash flows €'000 | Effect of foreign exchange €'000 | Utilisation of deposits €'000 | At 31 December €'000 |
|--------------------------------------|--------------------------|---------------------|---|-------------------------------------|----------------------------|
| Cash and cash equivalents† | 39,146 | 3,443 | 5 | (8,952) | 33,642 |
| Short term deposits and investments* | 44,862 | - | - | 8,952 | 53,814 |
| | 84,008 | 3,443 | 5 | - | 87,456 |

AirNav Ireland has access to committed bank loan facilities totalling €60 million. The facilities are unsecured with terms up to July 2026. The facilities were undrawn at 31 December 2024. The Company also has access to an overdraft facility of €10.0 million, undrawn at 31 December 2024.

† Included in cash and cash equivalents is €4.6 million (2023: €4.3 million) in the Group and in the Company relating to the Income Continuation Fund (see note 13).

*Included in short term deposits and investments is €3.9 million (2023: €3.7 million) held in a Euro cash fund invested in cash deposits and short-dated money market securities and is redeemable on demand. The opening balance in cash and cash equivalents of €39.1 million in the Group and €38.9 million in the Company and short term deposits and investments of €44.9 million in the Group and in the Company have been reclassified to move the Euro cash fund balance from cash and cash equivalents into short term deposits and investments.

13 Creditors: amounts falling due within one year

| | Group | | Company | |
|--|---------------|---------------|---------------|---------------|
| | 2024 €'000 | 2023 €'000 | 2024 €'000 | 2023 €'000 |
| Trade creditors | 2,921 | 3,866 | 2,921 | 3,866 |
| Other creditors including tax and social welfare (note 14) | 4,089 | 2,501 | 4,089 | 2,501 |
| Accruals † | 22,554 | 26,507 | 22,497 | 26,456 |
| Deferred income | 17,783 | 12,294 | 17,783 | 12,294 |
| | 47,347 | 45,168 | 47,290 | 45,117 |

† Included in accruals is €4.6 million (2023: €4.3 million) in the Group and in the Company relating to an Income Continuation Fund which provides income protection to air traffic controllers who are unable to control aircraft because of medical or other reasons.

14 Taxation and social welfare included in other creditors

| | Group | | Company | |
|---------------------------------------|---------------|---------------|---------------|---------------|
| | 2024 €'000 | 2023 €'000 | 2024 €'000 | 2023 €'000 |
| PAYE | 3,639 | 2,263 | 3,639 | 2,263 |
| Relevant contracts tax | 68 | 5 | 68 | 5 |
| Professional services withholding tax | 90 | 106 | 90 | 106 |
| Deferred tax liability (note 16) | 292 | 127 | 292 | 127 |
| | 4,089 | 2,501 | 4,089 | 2,501 |

Notes forming part of the financial statements

15 Creditors: amounts falling due after more than one year

| | Group | | Company | |
|----------------------------------|---------------|---------------|---------------|---------------|
| | 2024 €'000 | 2023 €'000 | 2024 €'000 | 2023 €'000 |
| Deferred income | 31,832 | 36,992 | 31,832 | 36,992 |
| Deferred tax liability (note 16) | 9,661 | 11,499 | 9,661 | 11,499 |
| | 41,493 | 48,491 | 41,493 | 48,491 |

16 Deferred tax liability

| | | Group | | Company | |
|--|------|----------------|----------------|----------------|----------------|
| | Ref | 2024 €'000 | 2023 €'000 | 2024 €'000 | 2023 €'000 |
| Deferred tax liability – excluding employee benefits-related | (i) | (292) | (127) | (292) | (127) |
| Deferred tax liability – employee benefits-related (non-current) | (ii) | (6,034) | (7,690) | (6,034) | (7,690) |
| Deferred tax asset – buildings – (non-current) | | 3,627 | 3,809 | 3,627 | 3,809 |
| Deferred tax liability – buildings – (non-current) | | (3,627) | (3,809) | (3,627) | (3,809) |
| Deferred tax liability, net | | (6,326) | (7,817) | (6,326) | (7,817) |

(i) Deferred taxation – excluding employee benefits-related

| | Group | | Company | |
|--|---------------|---------------|---------------|---------------|
| | 2024 €'000 | 2023 €'000 | 2024 €'000 | 2023 €'000 |
| At beginning of year | (127) | (173) | (127) | (29) |
| (Charged)/credited to profit and loss account (note 8) | (165) | 46 | (165) | (98) |
| At end of year | (292) | (127) | (292) | (127) |

The deferred tax liability at the end of the year represents the full potential liability arising on timing differences.

(ii) Deferred taxation – employee benefits-related

| | Group | | Company | |
|--|----------------|----------------|----------------|----------------|
| | 2024 €'000 | 2023 €'000 | 2024 €'000 | 2023 €'000 |
| At beginning of year | (7,690) | (6,361) | (7,690) | (8,130) |
| Changes in actuarial assumptions recognised in OCI | 2,191 | (275) | 2,191 | 1,175 |
| Charged to profit and loss account (note 8) | (535) | (1,054) | (535) | (735) |
| At end of year | (6,034) | (7,690) | (6,034) | (7,690) |

17 Called up share capital – equity

| | 2024 € | 2023 € |
|---|-----------|-----------|
| Group and Company | | |
| Authorised, allotted, called up and fully paid | | |
| 100 ordinary shares of €1.00 each | 100 | 100 |

Of the total authorised, allotted, called up and fully paid shares in the Company, 99 shares are held by the Minister for Public Expenditure, National Development Plan Delivery and Reform and one share is held by the Minister for Transport.

| | 2024 €'000 | 2023 €'000 |
|--------------------------|---------------|---------------|
| Group and Company | | |
| Share Premium | 314,829 | 314,829 |

On 30 April 2023, in consideration for the ANSP Undertaking transferred from the IAA, the Company issued 96 ordinary shares to the Minister for Public Expenditure, National Development Plan Delivery and Reform. The fair value of the 96 shares issued as consideration was €314.8 million. The difference between the nominal value of the ordinary share capital of €96 and the fair value of the ANSP Undertaking transferred of €314.8 million has been recorded as share premium of €314.8 million.

| | Group | | Company | |
|----------------|---------------|---------------|---------------|---------------|
| | 2024 €'000 | 2023 €'000 | 2024 €'000 | 2023 €'000 |
| Other reserves | (1,366) | (1,366) | (4,474) | (4,474) |

The difference between the fair value of the ANSP Undertaking and the carrying value of the assets and liabilities transferred to the Company on 30 April 2023 of €4.5 million (minus) has been recorded in Other Reserves. In the Group, other reserves are adjusted for the consolidation of the net assets of the subsidiary undertaking and the valuation of the associate using the equity method of accounting.

18 Equity dividends paid

| | Group | | Company | |
|---|---------------|---------------|---------------|---------------|
| | 2024 €'000 | 2023 €'000 | 2024 €'000 | 2023 €'000 |
| Declared and paid during the year | | | | |
| Final dividend paid: €45,465 per share (2023: €0.30 per share) | 4,547 | 5,265 | 4,547 | – |

Dividends declared in 2023 for the Group reflect dividends declared and paid prior to the transfer of the ANSP Undertaking from the IAA on 30 April 2023. The dividend was paid on 28 April 2023.

Notes forming part of the financial statements

19 Related parties

Group and Company

The Group deals in the normal course of business with government departments and other State bodies such as daa, Shannon Airport Authority DAC, ESB, the Irish Aviation Authority (IAA) and Met Éireann. In addition, in the normal course of business, AirNav Ireland transacts with certain Irish banks which have become wholly or partially owned by the Irish State. All of AirNav Ireland's transactions with such banks are on normal commercial terms.

AirNav Ireland is party to a commercial arrangement to provide air traffic management training services to Entry Point North Ireland DAC, a 100% owned subsidiary of Entry Point North AB (EPN), an associate of AirNav Ireland (note 10). Entry Point North Ireland DAC also provides air traffic management training services to AirNav Ireland on an arm's-length basis. Included in the Group is revenue of €3.7 million (2023: €3.5 million) and costs of €9.0 million (2023: €8.2 million) and included in the Company is revenue of €3.7 million (2023: €2.2 million) and costs incurred of €9.0 million (2023: €3.5 million) relating to transactions with Entry Point North Ireland DAC. As at 31 December, there were no balances outstanding between AirNav Ireland and Entry Point North Ireland DAC (2023: *net payable owing to Entry Point North Ireland DAC €0.2 million*).

Total compensation of key management personnel in the year amounted to €2.5 million (2023: €1.7 million in the Company (1 May 2023 to 31 December 2023)) comprising salaries and other short-term employee benefits of €2.3 million (2023: €1.5 million (1 May 2023 to 31 December 2023)), post-employment benefits of €0.2 million (2023: €0.2 million (1 May 2023 to 31 December 2023)) and termination benefits of €Nil (2023: €Nil). Key management compensation represents compensation to those people having the authority and responsibility for planning, directing and controlling the activities of the Group. These include the board members and senior executives.

20 Commitments

| | 2024 €'000 | 2023 €'000 |
|---|----------------|---------------|
| Group and Company | | |
| <i>(i) Capital commitments</i> | | |
| Future capital expenditure approved by the directors: | | |
| Not contracted for | 73,966 | 70,760 |
| Contracted for | 38,498 | 12,434 |
| | 112,464 | 83,194 |

(ii) Operating lease commitments

The total of future minimum lease payments under non-cancellable operating leases are as follows:

| | 2024 Buildings €'000 | 2024 Motor Vehicles €'000 | 2023 Buildings €'000 | 2023 Motor Vehicles €'000 |
|----------------------------|----------------------------|------------------------------------|----------------------------|------------------------------------|
| <i>Payable:</i> | | | | |
| Within one year | 2,658 | 114 | 2,515 | 94 |
| Between one and five years | 4,308 | 191 | 4,519 | 168 |
| More than five years | 5,744 | - | 6,821 | - |
| | 12,710 | 305 | 13,855 | 262 |

21 Employee benefits

| | 2024 €'000 | 2023 €'000 |
|---|----------------|---------------|
| Group and Company | | |
| Defined benefit pension asset (see A below) | 48,269 | 61,518 |
| Supplementary ex-gratia pension liability (see B below) | (3,426) | (3,166) |
| Total retirement benefit obligations | 44,843 | 58,352 |

The pension entitlements of employees arise under a number of defined benefit schemes ("the Schemes"), the assets of which are vested in independent trustees.

AirNav Ireland undertakes actuarial valuations of the defined benefit pension schemes at least every three years. The date of the latest actuarial valuations is 1 January 2024 and covers all accrued benefits. These valuations were conducted by qualified independent actuaries.

The valuations employed for FRS 102 purposes have been based on the most recent funding valuations for the schemes adjusted by the independent actuaries to allow for the accrual of liabilities up to 31 December 2024 and to take account of financial conditions at this date. The valuations used for FRS 102 purposes have been completed using the projected unit method, and assets for this purpose have been valued at market value.

The actuarial reports, which are available to members of the schemes, are not available for public inspection.

AirNav Ireland has no unfunded schemes with the exception of the supplementary ex-gratia liability. There are no outstanding or prepaid contributions at year-end.

A. The AirNav Ireland Defined Benefit Schemes

(i) Amounts recognised in the balance sheet

| | 2024 €'000 | 2023 €'000 |
|--|------------------|---------------|
| Fair value of plan assets | 593,455 | 580,243 |
| Present value of wholly or partly funded obligations | (545,186) | (518,725) |
| Net asset | 48,269 | 61,518 |

In recent years the Group has seen an improvement in the financial condition of the Schemes and, as at 31 December 2024, the Schemes are in a net asset position. The Scheme's gross liabilities have increased from €518.7 million in 2023 to €545.2 million in 2024 due to the additional liabilities associated with the award of a 3% pension increase, the expected implementation of agreed salary increases under the Collective Labour Agreement 2025-2029 and the increased cost of service for employees, the interest on the opening liability and the payment of benefits to members, all offset slightly by a reduction in inflation expectations. The Schemes' gross assets have increased from €580.2 million in 2023 to €593.5 million in 2024. These movements reflect the payment of contributions to, and benefits from, the funds as well as the performance of the Schemes' investments over the course of the year.

The discount rate remained unchanged from 2023. Given the duration of the pension schemes and the volatility in the yields underlying bond markets generally, it is foreseen that material changes to the discount rate may occur, affecting the net asset or liability position of the Schemes.

The Group has recognised the net asset as at 31 December 2024 as it meets the accounting recognition criteria based on the rules of the trust deeds in place.

Notes forming part of the financial statements

21 Employee benefits (continued)

(ii) Actuarial assumptions

| | 2024 Projected unit | 2023 Projected Unit |
|--|---------------------------|---------------------------|
| <i>Weighted average assumptions to determine benefit obligations</i> | | |
| Discount rate | 3.60% | 3.60% |
| Rate of general salary increase † | 2.50% | 2.65% |
| Rate of price inflation | 2.00% | 2.15% |
| Rate of pension increase † | 0.00% | 0.00% |

† This is the long-term assumption in respect of general salary increases. In addition, the 2024 disclosure takes account of pay increases above the long-term general rate which the Company expects will be paid under a five-year Collective Labour Agreement covering the period from 1 January 2025 to 31 December 2029. Prior to 1 May 2023, the principal employer of the Schemes was the IAA. The board of the IAA decided, given the deficit position of the Schemes at the time, and communicated to all staff and pension trustees, that there would be no further increases granted on pensions payable under the Schemes with effect from 1 January 2015.

As part of the outcome of an independent binding arbitration process, concluded in February 2023, on a number of pension issues, and following Ministerial approval, the Company agreed to make a special contribution of €7.7 million (2023: €3.8 million) to the main pension fund to facilitate an increase of 3% (2023: 2%) to pensions in payment and deferred pensions. The Company agreed to review its current position relating to the payment of pension increases. Furthermore, arising from recent high inflation rates and the improvement in the financial condition of the Scheme, the Company intends to develop a policy which will outline the conditions necessary to support a discretionary increase in pensions in payment. Any proposal by the Company to provide a discretionary pensions increase will be subject to relevant Ministerial approval.

The assumptions relating to longevity underlying the pension liabilities at the balance sheet date are based on the standard actuarial mortality tables and include an allowance for future improvements in longevity. The assumptions are equivalent to expecting a 65-year-old to live for a number of years as follows:

| | 2024 | 2023 |
|--|-------------|------|
| <i>Life expectancy for a male member from age 65 on post-retirement mortality table used to determine benefit obligations for:</i> | | |
| Current active and deferred members | 24.3 | 24.3 |
| Current pensioner members | 22.6 | 22.6 |
| <i>Life expectancy for a female member from age 65 on post-retirement mortality table used to determine benefit obligations for:</i> | | |
| Current active and deferred members | 26.2 | 26.1 |
| Current pensioner members | 24.4 | 24.3 |

The assumptions used by the actuary are chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice.

21 Employee benefits (continued)

(iii) Movements in fair value of plan assets

| | Group | | Company | |
|---|----------------|----------------|----------------|----------------|
| | 2024 €'000 | 2023 €'000 | 2024 €'000 | 2023 €'000 |
| Fair value of plan assets at beginning of year | 580,243 | 528,072 | 580,243 | 544,596 |
| Re-measurement: return on plan assets excluding interest income | (6,554) | 30,508 | (6,554) | 19,570 |
| Interest income | 20,884 | 22,070 | 20,884 | 14,860 |
| Employer contributions | 17,189 | 18,045 | 17,189 | 13,681 |
| Member contributions | 3,373 | 2,815 | 3,373 | 1,890 |
| Benefits paid from plan | (21,680) | (21,267) | (21,680) | (14,354) |
| Fair value of plan assets at end of year | 593,455 | 580,243 | 593,455 | 580,243 |

(iv) Movements in present value of defined benefit obligations

| | Group | | Company | |
|--|------------------|------------------|------------------|------------------|
| | 2024 €'000 | 2023 €'000 | 2024 €'000 | 2023 €'000 |
| Benefit obligation at beginning of year | (518,725) | (477,187) | (518,725) | (479,559) |
| Current service cost | (6,764) | (6,680) | (6,764) | (4,135) |
| Past service cost | (8,731) | (5,609) | (8,731) | (5,609) |
| Interest expense | (18,298) | (19,389) | (18,298) | (12,913) |
| Member contributions | (3,373) | (2,815) | (3,373) | (1,890) |
| Re-measurement: actuarial losses | (10,975) | (28,312) | (10,975) | (28,973) |
| Benefits paid from plan | 21,680 | 21,267 | 21,680 | 14,354 |
| Benefit obligation at end of year | (545,186) | (518,725) | (545,186) | (518,725) |

Notes forming part of the financial statements

21 Employee benefits (continued)

(v) Components of pension cost

| | Group | | Company | |
|---|-----------------|-----------------|-----------------|-----------------|
| | 2024 €'000 | 2023 €'000 | 2024 €'000 | 2023 €'000 |
| <i>Expense recognised in the profit and loss account</i> | | | | |
| Current service cost (note 4) | (6,764) | (6,680) | (6,764) | (4,135) |
| Past service cost (note 4) | (8,731) | (5,609) | (8,731) | (5,609) |
| Additional cash cost (note 4) | (1,694) | (5,756) | (1,694) | (3,937) |
| Interest income on defined benefit assets (note 5) | 20,884 | 22,070 | 20,884 | 14,860 |
| Interest expense on defined benefit liabilities (note 6) | (18,298) | (19,389) | (18,298) | (12,913) |
| Total pension cost recognised in the profit and loss | (14,603) | (15,364) | (14,603) | (11,734) |
| Amounts recognised in other comprehensive income | | | | |
| Actuarial (losses)/gains immediately recognised | (17,529) | 2,196 | (17,529) | (9,403) |
| Additional cash cost | 1,694 | 5,756 | 1,694 | 3,937 |
| | (15,835) | 7,952 | (15,835) | (5,466) |
| Total for the year | (30,438) | (7,412) | (30,438) | (17,200) |

| | Group | | Company | |
|--|---------------|---------------|---------------|---------------|
| | 2024 €'000 | 2023 €'000 | 2024 €'000 | 2023 €'000 |
| Cumulative amount of actuarial losses recognised in other comprehensive income | (154,722) | (137,193) | (26,932) | (9,403) |

(vi) Plan assets

| Group and Company | 2024 Amount of plan assets €'000 | 2023 Amount of plan assets €'000 |
|---|---|---|
| <i>The asset allocations as at 31 December:</i> | | |
| Equity securities | 119,054 | 134,175 |
| Bond securities | 397,182 | 382,214 |
| Other | 77,219 | 63,854 |
| | 593,455 | 580,243 |

Interest income on plan assets will be charged at 3.6% (2023: 3.6%).

21 Employee benefits (continued)

| | Group | | Company | |
|------------------------------|---------------|---------------|---------------|---------------|
| | 2024 €'000 | 2023 €'000 | 2024 €'000 | 2023 €'000 |
| Actual return on assets | | | | |
| Actual return on plan assets | 14,330 | 52,578 | 14,330 | 34,430 |

(vii) Other required disclosure amounts

| | €'000 |
|--|-------|
| Contributions expected to be paid by the Company in 2025 | 9,200 |

B. Supplementary ex-gratia pension liability

| | Group | | Company | |
|--|---------------|---------------|---------------|---------------|
| | 2024 €'000 | 2023 €'000 | 2024 €'000 | 2023 €'000 |
| At beginning of year/from date of transfer of ANSP business by the IAA | 3,166 | 3,101 | 3,166 | 3,190 |
| Amounts provided for supplementary ex-gratia pension liability | 285 | 265 | 285 | 176 |
| Payments made during the year | (25) | (200) | (25) | (200) |
| Amounts falling due after more than one year | 3,426 | 3,166 | 3,426 | 3,166 |

This is a provision for supplementary ex-gratia pension payments, up to age 65, outside of the AirNav Ireland pension schemes, to bridge the gap for certain employees who are eligible to retire between the ages of 60 and 65, however are not eligible for the state pension until they reach the state retirement age.

C. The AirNav Ireland Defined Contribution Pension Schemes

During the year, AirNav Ireland operated two defined contribution schemes – “The AirNav Ireland Defined Contribution Pension Plan 2012” and “The AirNav Ireland Defined Contribution Plan 2023”. Employees who joined from 1 January 2012 to 30 April 2023 are members of the 2012 Scheme. The Scheme was closed to new entrants on 30 April 2023. Employees who joined the Company from 1 May 2023 are members of the 2023 Scheme. The pension charge represents the total contributions payable to the schemes and amounted to €914,459 (2023: €395,150) in the Group and €914,459 (2023: €298,217) in the Company.

22 Accounting estimates and judgements

Key sources of estimation uncertainty

The preparation of consolidated financial statements requires management to make estimates and judgements that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period.

Estimates and judgements are based on historical experience and on other factors that are reasonable under current circumstances. Actual results may differ from these estimates if these assumptions prove to be incorrect or if conditions develop other than as assumed for the purposes of such estimates. The following are the critical areas requiring estimates and judgements by management.

Notes forming part of the financial statements

22 Accounting estimates and judgements (continued)

Fair value of shares issued in the Company

On 30 April 2023, the Company issued 96 shares to the Minister for Public Expenditure, National Development Plan Delivery and Reform in consideration for the ANSP Undertaking that transferred from the IAA. The fair value of the shares issued is a significant estimate in the Company's financial statements. Further details are given in note 17.

Pension assumptions

The valuation of the defined benefit pension schemes is a significant estimate in AirNav Ireland's financial statements. Further details are given in note 21. The assumption which contains the most estimation uncertainty is the discount rate. The directors have reviewed and assessed as reasonable the assumptions made by independent professional actuaries in assessing the fair value of the defined benefit pension schemes. Some of the assumptions used in determining the fair value of these pension assumptions are based on unobservable inputs (Level 3), which are inputs that are not based on market data and require management's judgement.

Fair value investment in Aireon

The Group's investment in Aireon Holdings LLC is measured at fair value with adjustments to fair value recorded in the profit and loss account. Further details are given at note 10. A discounted cashflow (DCF) model was used to determine the fair value of the investment. This valuation model considered the present value of expected future dividend payments from Aireon, discounted using a risk-adjusted discount rate. The critical assumptions and estimates used when determining the fair value are a discount rate of 17.3% and a growth rate of 2%. Expected timing of future dividend cashflows, after tax, is based on Aireon management's long-range forecast (January 2025). Some of the assumptions used in determining the fair value of this investment are based on unobservable inputs (Level 3).

23 Financial risk management

The Group's activities expose it to various financial risks, including market risk, credit risk, liquidity risk, and pension and investment risk. The Group's risk management policies aim to minimise the potential adverse effects on financial performance.

Market Risk

Market risk arises from changes in macroeconomic factors, including interest rates, inflation, and geopolitical developments which could impact revenue forecasts, discount rates, investment valuations and pension obligations. The Group monitors economic conditions and adjusts financial strategies accordingly.

Credit Risk

Credit risk arises from the potential default of counterparties, including trade receivables and accrued income, primarily from airline operators and other customers. The Group mitigates this risk through the legal mechanisms in place to secure payment, the profile of top customers being national and international airlines and the maintenance of provisions for doubtful debts. It also includes bank deposits and investments held with financial institutions, which the Group manages by diversifying deposits across reputable institutions and monitoring their credit ratings to mitigate counterparty default risk.

Liquidity Risk

Liquidity risk relates to the ability to meet financial obligations as they fall due. The Group manages this risk by maintaining sufficient cash reserves, including bank deposits held with financial institutions, monitoring cash flow forecasts to ensure adequate short-term and long-term liquidity, and securing appropriate credit facilities to support operational and capital expenditure requirements.

23 Financial Risk Management (continued)

Pension and Investment Risk

The Group operates defined benefit pension schemes, which are subject to investment risk, actuarial assumptions and changes in discount rates. The pension schemes' assets are invested in a diversified portfolio to mitigate risk, and funding levels are reviewed periodically in consultation with independent actuaries.

The directors regularly review the Group's financial risk exposures and ensure that appropriate risk management strategies are in place.

24 Post balance sheet events

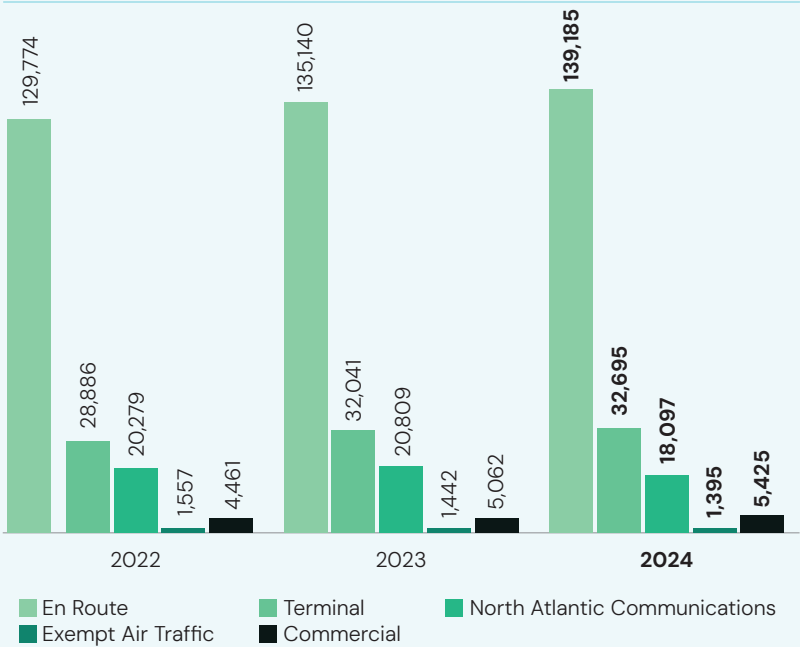
There were no significant events affecting the Company since 31 December 2024 which require adjustment to, or disclosure in, the financial statements.

25 Approval of the financial statements

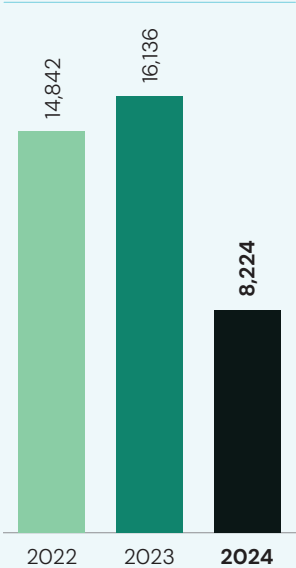
The financial statements were approved by the directors on 27 March 2025.

Summary information 2022-2024

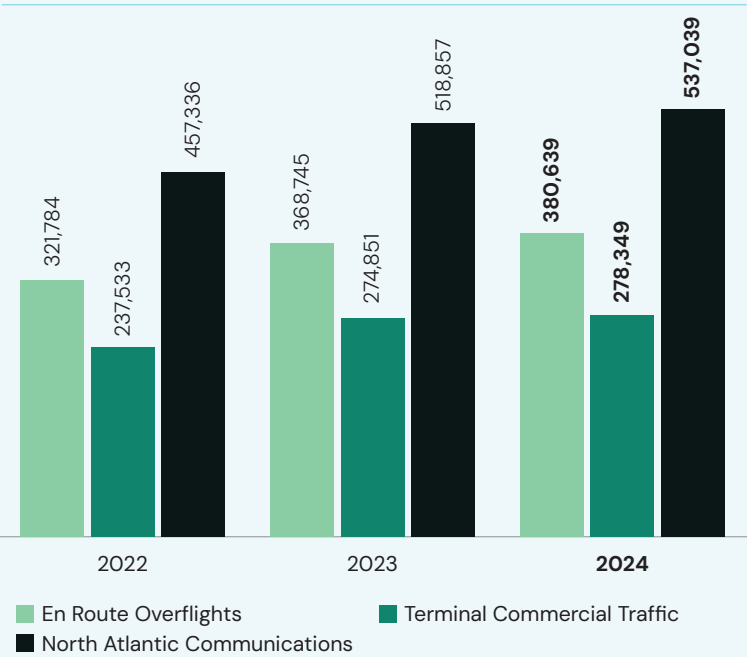
Turnover €'000



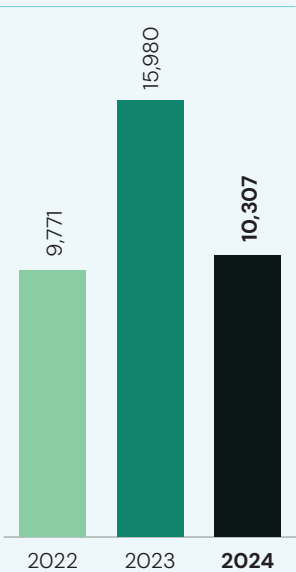
Operating Profit €'000



Air Traffic Activity



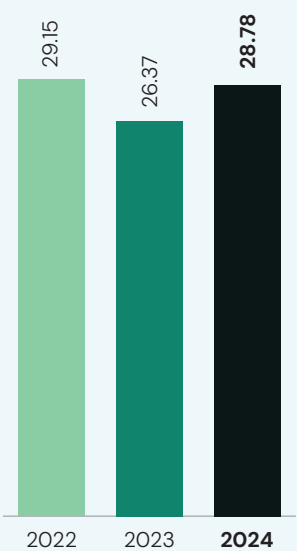
Profit after Tax €'000



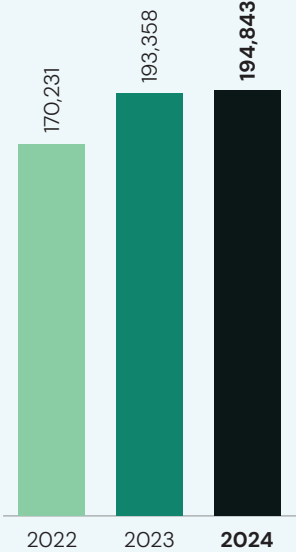
En Route Service Units ('000)



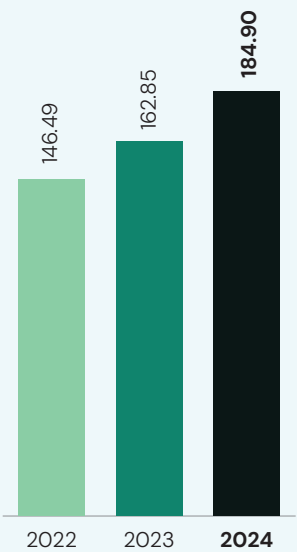
En Route Service Unit Rate (€)



Terminal Service Units



Terminal Unit Rate (€)





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