



# Interim Financial Report as at 30 September 2022

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## **Company name, share capital and registered office**

Company Name: Rai Way S.p.A.  
Share Capital: € 70,176,000 fully paid-up  
Registered Office: Via Teulada, 66 – 00195 Rome  
Tax and VAT code: 05820021003  
Company website: [www.raiway.it](http://www.raiway.it)  
Managed and coordinated by RAI - Radiotelevisione Italiana S.p.A.  
The Company does not have any branch offices.

## **Corporate Bodies and Committees <sup>1</sup>**

### Board of Directors

#### **Chairman**

Maurizio Rastrello

#### **Chief Executive Officer**

Aldo Mancino

#### **Directors**

Riccardo Delleani  
Annalisa Raffaella Donesana  
Roberta Enni  
Barbara Morgante  
Umberto Mosetti  
Donatella Sciuto  
Paola Tagliavini

#### **Secretary of the Board**

Giorgio Cogliati

### Board of Statutory Auditors

#### **Chairman**

Silvia Muzi

#### **Standing Auditors**

Massimo Porfiri  
Barbara Zanardi

#### **Substitute Auditors**

Cristina Chiantia  
Paolo Siniscalco

#### **Auditing Company**

PricewaterhouseCoopers S.p.A.

### **Control, Risks and Sustainability Committee and Appointments Committee**

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Paola Tagliavini (Chairman)  
Barbara Morgante  
Donatella Sciuto

### **Remuneration**

Riccardo Delleani (Chairman)  
Annalisa Raffaella Donesana  
Umberto Mosetti

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<sup>1</sup> In office at the date of this Interim Financial Report.

Information on the powers assigned within the Board of Directors and the Company's system of corporate governance in general can be found in the Corporate Governance and Ownership Structure Report relating to FY 2021, published on the Company website ([www.raiway.it](http://www.raiway.it)).

## **Rai Way S.p.A.'s activities**

Rai Way<sup>2</sup> (hereafter the Company) is a leading provider of integrated networks infrastructures and services for broadcasters, telecommunication operators, corporates and public administrations; the Company uses its own assets and its own competences to guarantee the public radio and television service and the transport and broadcast of television and radio content to its customers, in Italy and abroad, using its excellent wealth of technological, engineering and management know-how, in addition to its infrastructures.

Since 2014, Rai Way has been listed on the Electronic Stock Market (MTA) of Borsa Italiana following the Global Offering promoted by the Shareholder RAI, which allowed the Company to confirm its previously initiated opening to the market, reinforcing its image as an independent enterprise.

In carrying out its activities, Rai Way also operates in over 2,300 sites equipped with infrastructure and systems for transmitting and broadcasting television and radio signals throughout Italy, it has 21 local network centres and it avails itself of highly specialised workforce.

The services offered by the Company include:

- (i) Broadcasting services, meaning services for the terrestrial and satellite transmission of television and radio signals, through the network infrastructure, to the final users within a geographical area;
- (ii) Transmission services, for the transmission of radio and television signals via the dedicated network (radio links, satellite, fibre optic) and in particular the provision of Contribution Services, meaning one-directional transport services;

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<sup>2</sup> Rai Way has joined the simplification regime provided for by Arts. 70, paragraph 8, and 71, paragraph 1-bis, of Consob Regulation No. 11971 of 14 May 1999 and subsequent amendments and integrations (Consob Issuers Regulation), and, therefore, it does not need to meet the informational document publication obligations set forth for significant merger, spin-off, capital increase by means of the contribution of assets in kind, acquisition and disposal transactions.

(iii) Tower Rental services, meaning hosting of third party transmission and broadcasting equipment at Company's sites including, where required, maintenance services as well as other complementary activities;

(iv) Network Services consist of a vast range of heterogeneous services which the Company is able to provide in relation to electronic and telecommunications networks in general such as, for example, planning and consultancy services.

The services mentioned above are offered by Rai Way to different categories of customers: Broadcasters (a category that also includes local and national radio and television network operators and players, which includes RAI), telecommunication operators (mainly MNOs, or Mobile Network Operators), public administrations and corporates.

### **Main alternative performance measures**

The Company assesses performance on the basis of certain measures not considered by IFRS. Set out below is a description of the components of the indicators that are important for the Company as stated in Communication CESR/05-178b.

- Gross operating profit or EBITDA - earnings before interest, taxes, depreciation and amortisation: this is calculated as profit before income taxes, depreciation, amortisation, provisions, write-downs and financial income and expenses. EBITDA also excludes profits and losses from managing equity investments and securities, as well as gains and losses arising from the sale of equity investments, which are classified in the financial statements as "financial income and expenses".
- Adjusted EBITDA - earnings before interest, taxes, depreciation and amortisation: this is calculated as profit before income taxes, depreciation, amortisation, provisions, write-downs and financial income and expenses adjusted for non-recurring income/expenses.

- EBIT - earnings before interest and taxes: this is calculated as profit before income taxes and before financial income and expenses, without adjustment. EBIT also excludes profits and losses from managing equity investments and securities, as well as gains and losses arising from the sale of equity investments, which are classified in the financial statements as "financial income and expenses".
- Net Invested Capital: this is defined as the sum of Fixed Assets and Net Working Capital less Provisions.
- Net financial debt: the scheme for the calculation complies with the provisions of paragraph 175 et seq. of the recommendations contained in the document prepared by ESMA, no. 32-382-1138 dated 4 March 2021 (guidelines on disclosure requirements under EU Regulation 2017/1129, the "Prospectus Regulation").
- Capital expenditure: equal to the sum of the expenditure for the maintenance of the infrastructure of the Company's network (Maintenance Investments) and for the development/launch of new commercial initiatives (Development Investments). The item does not include the increases in financial fixed assets and in lease rights of use.

## **SUMMARISED ECONOMIC AND FINANCIAL DATA**

The following is a summary of the economic data of Rai Way at 30 September 2022 compared to the results at 30 September 2021.

In addition, figures are also provided for the Company's Net Financial Debt and Net Invested Capital at 30 September 2022 compared to equivalent figures at 31 December 2021.

For a better analysis of the data, the changes and percentages shown in the following tables are calculated using values expressed in Euro.

### Main Indicators

(figures in millions of euro; %)		9 months	9 months		
		2022	2021	Delta	Change %
<b>Key Income Statement Figures</b>					
Core Revenues		184.4	171.8	12.6	7.4%
Other Revenues and income		0.4	0.5	(0.2)	N.M.
Other operating costs		(37.3)	(30.6)	(6.6)	(21.6%)
Personnel costs		(31.8)	(31.7)	(0.2)	(0.5%)
Adjusted EBITDA		115.7	110.0	5.7	5.2%
EBIT		79.8	73.3	6.5	8.9%
Net Income		56.3	52.8	3.5	6.6%
(figures in millions of euro; %)		2022	2021	Delta	Change %
<b>Key Balance Statement Figures</b>					
Capital expenditure		41.9	54.4	(12.5)	(23.0%)
of which maintenance		6.9	8.9	(2.0)	(22.9%)
(figures in millions of euro; %)		2022	2021	Delta	Change %
Net Invested Capital		280.6	253.8	26.8	10.6%
Shareholders' Equity		158.4	165.9	(7.5)	(4.5%)
Net Financial Debt		122.2	87.9	34.3	39.0%
<b>Indicators</b>					
Adjusted EBITDA / Core Revenues (%)		62.7%	64.0%	(1.3%)	(2.0%)
Net Income / Core Revenues (%)		30.5%	30.7%	(0.2%)	(0.7%)
Maintenance Capex/Core revenue(%)		3.7%	5.2%	(1.5%)	(28.2%)
Net financial debt/Adj EBITDA (%)		105.6%	79.9%	25.7%	32.2%

\* other operating expenses are calculated net of the € 1.4 million tax credit on electricity for non-energy-intensive companies.

(\*) Data for the comparison of Net Invested Capital, Shareholders' Equity and Net Financial Debt are expressed as at 31 December 2021.

- Core Revenues amounted to € 184.4 million, up 7.4% compared to the values as at 30 September 2021.
- Adjusted EBITDA is equal to € 115.7 million and shows an increase of € 5.7 million compared to the 30 September 2021 value. The Company defines this measure as EBITDA adjusted for non-recurring expenses.
- Adjusted EBITDA on core Revenues ratio was 62.7% compared to 64.0% as at 30 September 2021.
- EBIT is equal to € 79.8 million, and shows an increase of € 6.5 million compared to the 30 September 2021 value.
- Net income was € 56.3 million, up 6.6% compared to 30 September 2021.



- Capital expenditure of € 41.9 million relates to development projects and the maintenance of network infrastructure.
- Net Invested Capital amounted to € 280.6 million, with Net Financial Debt of € 122.2 million and Shareholders' Equity of € 158.4 million.

A summary of the Company's income statement for the years ended 30 September 2022 and 30 September 2021 is set out in the following table:

#### Income Statement

(figures in millions of euro; %)	9 months	9 months	Delta	Change %
	2022	2021		
Revenues from RAI	158.8	148.4	10.5	7.0%
Revenues from third parties	25.6	23.4	2.2	9.4%
<b>Core Revenues</b>	<b>184.4</b>	<b>171.8</b>	<b>12.6</b>	<b>7.4%</b>
Other revenues and income	0.4	0.5	(0.2)	N.M.
Personnel costs	(31.8)	(31.7)	(0.2)	(0.5%)
Other operating costs	(37.3)	(30.6)	(6.6)	(21.6%)
<b>Adjusted EBITDA</b>	<b>115.7</b>	<b>110.0</b>	<b>5.7</b>	<b>5.2%</b>
EBITDA Margin	62.7%	64.0%	(1.3%)	(2.0%)
Adjustments	-	-	-	N.M.
<b>EBITDA</b>	<b>115.7</b>	<b>110.0</b>	<b>5.7</b>	<b>5.2%</b>
Amortisation/depreciation	(35.7)	(36.6)	0.9	2.5%
Bad Debt Provisions	(0.2)	(0.1)	(0.0)	(36.3%)
Provisions	0.0	0.1	(0.0)	(52.4%)
<b>EBIT</b>	<b>79.8</b>	<b>73.3</b>	<b>6.5</b>	<b>8.9%</b>
Net Financial Expenses	(1.3)	(1.1)	(0.2)	(18.8%)
<b>Pre-Tax Profit</b>	<b>78.5</b>	<b>72.2</b>	<b>6.3</b>	<b>8.7%</b>
Taxation	(22.2)	(19.4)	(2.8)	(14.5%)
<b>Net Income</b>	<b>56.3</b>	<b>52.8</b>	<b>3.5</b>	<b>6.6%</b>
NET INCOME Margin	30.5%	30.7%	(0.2%)	(0.7%)

Rai Way had revenues of € 184.4 million, an increase of € 12.6 million compared to the previous period (+7.4%).

The activities carried out for the Rai Group generated revenues of € 158.8 million, an increase of 7% compared to the same period of the previous year; the increase of € 10.5 million derived partly from the effects of inflation linking and partly from the increase in the consideration for network services set forth in the agreement finalised on 10 December 2019 with Rai relating to the refarming process and effective from 1 July 2021. With regard to commercial relations with other customers, revenues from third parties amounted to Euro 25.6 million, an increase of Euro 2.2 million compared to the same period of the previous year,

benefiting from the start-up of new local television broadcasting services in the Technical Areas where Rai Way was awarded the rights to use frequencies.

Personnel costs amounted to € 31.8 million as of 30 September 2022, down by € 0.2 million compared to the previous period. The Company's workforce is 586 as at 30 September 2022.

"Other operating costs" – which consist of consumables, services and other costs net of non recurring items – amounted to € 37.3 million, up by € 6.6 million over the previous period. The increase in costs is mainly due to the upward trend in electricity costs (up € 7.2 million), as a result of the increase in the price of the energy raw material component, partially absorbed by the reduction in consumption resulting from the use of new, more efficient equipment, by the concessions on the tariff components tied to general system charges and by the tax credit for non-energy-intensive companies.

Excluding electricity, other costs show a reduction of about € 0.6 million.

Adjusted EBITDA amounted to € 115.7 million, an increase of € 5.7 million compared to the value of € 110 million as at 30 September 2021, representing a margin of 62.7%.

The Operating Result of € 79.8 million was € 6.5 million higher than in the same period of the previous year due to the effects described previously and a reduction in depreciation and amortisation of € 0.9 million.

Financial expenses closed with a balance of € 1.3 million, an increase of € 0.2 million over the previous period due mainly to the increased financial debt.

Net income amounted to € 56.3 million, an increase of 6.6% compared to the same period in 2021 (€ 52.8 million).

#### Capital expenditure and Other Investments

During the first nine months of 2022, capital expenditure amounted to € 41.9 million (€ 54.4 million in the same period of 2021), of which € 35 million relating to

Development Investments (€ 45.5 million in 2021) and € 6.9 million to the maintenance of the Company's infrastructure network (€ 8.9 million in 2021).

(figures in millions of euro; %)	9 months	9 months	Delta	Change %
	2022	2021		
Maintenance Investments	6.9	8.9	(2.0)	(22.9%)
Development Investments	35.0	45.5	(10.5)	(23.0%)
Total Capital expenditure	41.9	54.4	(12.5)	(23.0%)
Real estate and vehicle lease investments (IFRS 16)	6.4	5.5	0.9	16.1%
Investments for opportunistic initiatives	-	1.1	(1.1)	(100.0%)

Development investments mainly concerned activities relating to the refarming process, for the release of the 700 MHz bandwidth and the transition to the DVB-T2 standard, which also include the development of the television networks for the launch of local broadcasting service in the technical areas where Rai Way has been assigned the rights to use the frequencies.

#### Statement of financial position

(figures in millions of euro; %)	9 months	12 months	Delta	Change %
	2022	2021		
Fixed Assets	308.4	294.6	13.8	4.7%
Net Working Capital	(4.2)	(14.4)	10.2	70.7%
Provisions	(23.6)	(26.5)	2.9	10.8%
<b>NET INVESTED CAPITAL</b>	<b>280.6</b>	<b>253.8</b>	<b>26.8</b>	<b>10.6%</b>
Shareholders' Equity	158.4	165.9	(7.5)	(4.5%)
Net Financial Debt	122.2	87.9	34.3	39.0%
<b>TOTAL FUNDING</b>	<b>280.6</b>	<b>253.8</b>	<b>26.8</b>	<b>10.6%</b>

Net Invested Capital as at 30 September 2022 was € 280.6 million. Fixed assets also include the lease rights of use in application of the IFRS 16 accounting standard for € 29.3 million, net of the dismantling and restoration provision of € 1.4 million.

Net Financial Debt amounted to € 122.2 million, an increase of € 34.3 million compared to 31 December 2021. The item includes lease financial liabilities in application of the IFRS 16 accounting standard for a value of € 36.7 million. Please refer to the paragraph "Net Financial Debt" for additional details (note 17).

## **Human Resources and Organisation**

As at 30 September 2022, Rai Way had a workforce of 562 people employed on a permanent basis: 25 executives, 168 middle managers, 362 technicians or white-collar employees and 7 manual workers; considering the 24 workers on fixed-term contracts, the workforce reached a total of 586.

The average number of employees was 588 in the first three months of 2022, while in the same period of 2021 it was 593.

## **Relationships with RAI Group Companies**

Relationships mostly of a commercial nature were maintained with the Parent Company RAI - Radiotelevisione Italiana, while an intercompany current account agreement used for residual payments was financial in nature. Relationships with other companies of the RAI Group are exclusively of a commercial nature. Further details may be found in the section "Related Party Transactions" in the Notes to the financial statements.

## **Significant events**

The significant events were as follows:

- On 24 February 2022, Russia launched a military invasion of Ukraine, still ongoing, following which numerous countries, including those of the European Union, imposed the first economic and financial sanctions, leading to a situation of uncertainty - *inter alia* - at a macroeconomic level and regarding the costs of energy sources, although to date there is no evidence of any impact on the Company's business continuity.
- on 17 March 2022, the Board of Directors resolved to convene the Shareholders' Meeting to approve the annual report at 31 December 2021, at a single call on 27 April 2022; it duly approved the draft annual report for 2021, which closed with a profit of approximately € 65.4 million, and a proposal to distribute a dividend of € 0.2436 per share in circulation;

- on 19 March 2022, the Decree of the President of the Council of Ministers regarding the regulation of the reduction of RAI S.p.a.'s equity investment in RAI Way S.p.a. To 30% was published in the Official Journal , General Series no. 66;
- on 25 March 2022, the Chairman of the Board of Directors, Giuseppe Pasciucco, and the Director, Stefano Ciccotti, both resigned, with effect from the same date and for personal reasons, from their office as Directors of the Company and, for the former, also from the office of Chairman of the Board of Directors.
- On 27 April 2022, the Shareholders' Meeting, whose agenda had been supplemented by the Board of Directors with a resolution dated 4 May 2022 at the request of the shareholder RAI in consideration of the aforementioned resignations, resolved:
  - approved the Financial Statements of the Company as at 31 December 2021 and the distribution of a dividend as proposed by the Board of Directors;
  - approved the First Section (relating to the remuneration policy for 2022) and voted in favour of the second section (relating to compensation for 2021) of the Report on the remuneration policy and compensation paid, as prepared by the competent offices;
  - updated, upon justified proposal of the Board of Statutory Auditors, the economic conditions of the audit mandate to PricewaterhouseCoopers S.p.A. for FYs 2021 and 2022, in consideration of additional activities to be carried out by virtue of such mandate due to new regulatory provisions and updating of the audit standards;
  - approved the proposal of the Board of Directors authorising the purchase and disposal of treasury shares, previously revoking

the corresponding authorisation approved at the Meeting of 27 April 2021;

- following the proposal submitted by the majority Shareholder Rai - Radiotelevisione italiana Spa, appointed - as an integration of the Board of Directors and for a duration until the expiry of the latter (i.e. until the Shareholders' Meeting called to approve the Annual Report at 31 December 2022) - Roberta Enni and Maurizio Rastrello as Directors of the Company, and, therefore, the latter as Chairman of the Board of Directors.

### **Disclosures on the main risks and uncertainties faced by the Company**

The pursuit of the corporate mission and the Company's economic and financial position are affected by various potential risk factors and uncertainties.

A detailed analysis of risks was presented in the Rai Way 2021 Annual Report - Report on Operations "Risk Factors Relating to the Company") published on the Company's website to which reference is made.

### **Events subsequent to 30 September 2022**

There are no events to report.

### **Business outlook**

In light of the results of the first nine months, the Company expects for the financial year 2022:

- mid-single-digit revenue growth driven by *refarming* investments, both for RAI and third-party customers, and indexation to inflation;
- adjusted EBITDA growth was higher than the forecast communicated last July, partly due to lower electricity prices in the latter part of the year, the

benefits of government measures and cost containment actions undertaken;

- maintenance investments in line with the level envisaged in the 2020-23 Industrial Plan; development investments in line with 2021 due to the progress of refarming activities and the implementation of new services.

### **Management and coordination**

Rai Way is subject to management and coordination by RAI pursuant to Art. 2497 of the Italian Civil Code. Further details may be found in the 2021 Annual Report - Report on Operations, "Management and coordination" paragraph, published on the Company's website.

Rome, 10 November 2022

on behalf of the Board of Directors

The Chairman

Maurizio Rastrello

## Interim financial report as at 30 September 2022

### Financial statements

#### RAI WAY SPA INCOME STATEMENT (\*)

(Figures in Euro)	Note (**)	9 months as at	
		30/09/2022	30/09/2021
Revenues	5	184,394,394	171,753,049
Other revenues and income	6	1,769,274	533,691
Purchase of consumables	7	(989,341)	(987,816)
Cost of services (***)	7	(35,727,314)	(27,618,163)
Personnel costs (***)	7	(31,822,886)	(31,657,979)
Other costs	7	(1,944,706)	(2,037,379)
Write-downs of financial assets	7	(185,245)	(135,901)
Amortisation, depreciation and impairment	8	(35,686,321)	(36,582,904)
Provisions	8	25,694	54,000
<b>Operating profit</b>		<b>79,833,549</b>	<b>73,320,598</b>
Financial income	9	78,078	-
Financial expenses	9	(1,419,984)	(1,129,104)
<b>Total net financial income/(expenses)</b>		<b>(1,341,906)</b>	<b>(1,129,104)</b>
<b>Pre-tax profit</b>		<b>78,491,643</b>	<b>72,191,494</b>
Income taxes	10	(22,238,575)	(19,420,287)
<b>Period profit</b>		<b>56,253,068</b>	<b>52,771,207</b>

#### COMPREHENSIVE INCOME STATEMENT RAI WAY SPA (\*)

(Figures in Euro)	Note (**)	9 months as at	
		30/09/2022	30/09/2021
<b>Period profit</b>		<b>56,253,068</b>	<b>52,771,207</b>
<b>Items that will be recognised in the Income Statement</b>			
Profit/(loss) on cash flow hedges		763,464	-
Tax effect		(183,231)	-
<b>Items that will not be recognised in the Income Statement</b>			
Actuarial Profit / (Loss) for employee benefits		1,178,238	(28,377)
Tax effect		(282,777)	6,811
<b>Comprehensive profit for the period</b>		<b>57,728,762</b>	<b>52,749,640</b>

(\*) Schedule prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board and adopted by the European Union ("IFRS").

(\*\*) The notes refer only to the items commented upon in these explanatory Notes.

(\*\*\*) It should be noted that costs for safety, accident prevention and occupational hygiene charges in the amount of € 92,000, shown as of 30 September 2021 under personnel costs, have been reclassified under costs for services.



# RAI WAY STATEMENT OF FINANCIAL POSITION (\*)

(Figures in Euro)	Note (**)	9 months as at 30/09/2022	12 months as at 31/12/2021
<b>Non-current assets</b>	11		
Property, plant and equipment		260,469,895	244,458,555
Lease rights of use		30,684,149	31,547,869
Intangible assets		15,295,684	17,243,995
Non-current financial assets		836,706	218,903
Deferred tax assets		1,761,149	3,039,792
Other non-current assets		1,101,909	1,148,408
<b>Total non-current assets</b>		<b>310,149,492</b>	<b>297,657,522</b>
<b>Current assets</b>	12		
Inventories		787,038	790,113
Trade receivables		77,236,470	67,815,513
Other current receivables and assets		3,510,724	3,938,633
Current financial assets		557,830	537,115
Cash and cash equivalents		15,628,799	17,243,998
Current tax receivables		62,196	62,202
<b>Total current assets</b>		<b>97,783,057</b>	<b>90,387,574</b>
<b>Total assets</b>		<b>407,932,549</b>	<b>388,045,096</b>
<b>Shareholders' equity</b>	13		
Share capital		70,176,000	70,176,000
Legal reserve		14,035,200	14,035,200
Other reserves		37,986,224	37,265,839
Retained profits		56,186,025	64,413,559
Treasury shares		(19,974,011)	(19,974,011)
<b>Total shareholders' equity</b>		<b>158,409,438</b>	<b>165,916,587</b>
<b>Non-current liabilities</b>	14		
Non-current financial liabilities		101,000,000	69,000,000
Non-current lease liabilities		21,180,368	21,412,673
Employee benefits		10,277,905	12,263,375
Provisions for risks and charges		15,074,077	17,236,141
<b>Total non-current liabilities</b>		<b>147,532,350</b>	<b>119,912,189</b>
<b>Current liabilities</b>	15		
Trade payables		43,859,633	51,688,944
Other debt and current liabilities		40,084,390	35,206,434
Current financial liabilities		669,869	184,587
Current lease liabilities		15,512,807	15,056,763
Current tax payables		1,864,062	79,592
<b>Total current liabilities</b>		<b>101,990,761</b>	<b>102,216,320</b>
<b>Total liabilities and shareholders' equity</b>		<b>407,932,549</b>	<b>388,045,096</b>

(\*) Schedule prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board and adopted by the European Union ("IFRS").

(\*\*) The notes refer only to the items commented upon in these explanatory Notes.

**RAI WAY STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (\*)**

	Share capital	Legal reserve	Other reserves	Retained earnings	Treasury shares	Total
<i>(Figures in Euro)</i>						
<b>As at 01 January 2021</b>	<b>70,176,000</b>	<b>14,035,200</b>	<b>37,078,970</b>	<b>63,494,365</b>	<b>(19,974,011)</b>	<b>164,810,524</b>
Period profit				52,771,207		52,771,207
Actuarial profits and losses (**)				(21,567)		(21,567)
Distribution of dividends				(64,007,352)		(64,007,352)
Stock option plan reserves			140,152			140,152
<b>As at 30 September 2021</b>	<b>70,176,000</b>	<b>14,035,200</b>	<b>37,219,122</b>	<b>52,236,653</b>	<b>(19,974,011)</b>	<b>153,692,964</b>
Period profit				12,612,719		12,612,719
Actuarial profits and losses (**)				(435,813)		(435,813)
Stock option plan reserves			46,717			46,717
<b>As at 31 December 2021</b>	<b>70,176,000</b>	<b>14,035,200</b>	<b>37,265,839</b>	<b>64,413,559</b>	<b>(19,974,011)</b>	<b>165,916,587</b>
Period profit				56,253,068		56,253,068
Actuarial profits and losses (**)				895,461		895,461
Distribution of dividends				(65,376,063)		(65,376,063)
Cash flow hedge reserve (***)			580,233			580,233
Stock option plan reserves			140,152			140,152
<b>As at 30 September 2022</b>	<b>70,176,000</b>	<b>14,035,200</b>	<b>37,986,224</b>	<b>56,186,025</b>	<b>(19,974,011)</b>	<b>158,409,438</b>

(\*) Schedule prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board and adopted by the European Union ("IFRS").

(\*\*) These items are listed net of relative tax effects.

**RAI WAY CASH FLOW STATEMENT (\*)**

(Figures in Euro)	30/09/2022	30/09/2021
<b>Pre-tax profit</b>	<b>78,491,643</b>	<b>72,191,494</b>
Adjustments for:		
Amortisation, depreciation and impairment	35,871,566	36,718,805
Provisions and (releases of) personnel and other funds	305,717	865,804
Net financial (income)/expenses (**)	1,229,117	1,001,241
Other non-monetary items	234,732	78,589
<b>Cash-flows generated by operating activities before changes in net working capital</b>	<b>116,132,775</b>	<b>110,855,933</b>
Change in inventories	3,075	63,074
Change in trade receivables	(9,574,890)	(14,294,105)
Change in trade payables	(8,132,187)	(2,812,584)
Change in other assets	427,909	(180,042)
Change in other liabilities	8,192,243	4,729,970
Use of risk funds	(944,267)	(285,220)
Payment of employee benefits	(2,312,989)	(2,381,060)
Change in current tax receivables and payables	(110,246)	(46,647)
Paid taxes	(22,946,365)	(21,840,920)
<b>Net cash flow generated by operating activities</b>	<b>80,735,060</b>	<b>73,808,398</b>
Investments in property, plant and equipment	(40,719,426)	(53,088,814)
Disposals of property, plant and equipment	1,721	10,380
Investments in intangible assets	(1,170,721)	(1,419,245)
Purchase of business unit	-	(1,000,000)
Disposals of intangible assets	(0)	37
Change in non-current financial assets	144,002	144,002
Change in other non-current assets	46,499	46,286
<b>Net cash flow generated by investment activities</b>	<b>(41,697,925)</b>	<b>(55,307,354)</b>
Increase in medium/long-term loans	32,000,000	41,001,709
(Decrease) in medium/long-term loans	-	(90,014)
(Decrease)/increase in current financial liabilities	253,723	15,146,999
Repayments of lease liabilities	(6,858,286)	(7,656,650)
Change in current financial assets	(311,264)	65,064
Net interest expense for the period	(676,101)	(496,137)
Dividends paid	(65,060,406)	(63,997,198)
<b>Net cash flow generated by financing activities</b>	<b>(40,652,333)</b>	<b>(16,026,227)</b>
<b>Change in cash and cash equivalents</b>	<b>(1,615,199)</b>	<b>2,474,817</b>
Cash and cash equivalents at the beginning of the period	17,243,998	4,052,690
Cash and cash equivalents of newly consolidated companies	-	-
<b>Cash and cash equivalents at the end of the period</b>	<b>15,628,799</b>	<b>6,527,507</b>

(\*) Schedule prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board and adopted by the European Union ("IFRS").

(\*\*) Note that the item Net financial income/expenses excludes financial expenses relative to the Dismantling and restoration provision, as they are not considered to be financial in nature.

## **Notes to the Interim Financial Report as at 30 September 2022**

### **Introduction (note 1)**

The Interim financial report as at 30 September 2022, consisting of a Balance Sheet, an Income Statement, a Comprehensive Income Statement, a Cash Flow Statement, a Statement of Changes in Shareholders' Equity, and these Notes, has been prepared on a voluntary basis in accordance with Art. 82-ter of the Issuers' Regulation, adopted by Consob Resolution no. 11971 of 14 May 1999 as subsequently amended and supplemented. The Interim financial report as at 30 September 2022 has been prepared in accordance with IAS 34 – Interim financial reporting, issued by the International Accounting Standards Board (IASB).

The Interim financial report as at 30 September 2022 was approved on 10 November 2022 by the Board of Directors, which authorized its publication.

The structure and content of the accounting statements in the Interim financial report as at 30 September 2022 and the related compulsory schedules conform to those prepared for the Annual report. Where applicable, the same criteria and standards applied to the financial statements at 31 December 2021 were used to prepare this report.

Following the approval by the Shareholders' Meeting of 27 April 2021 of a long-term incentive plan, pursuant to Art. 114-bis of Legislative Decree No. 58/1998, having as its object the free assignment of ordinary shares of Rai Way S.p.a. upon the achievement of certain performance targets, the Company began to recognise additional benefits to strategic managers through participation in the share capital. The aforementioned plan continues to be accounted for in FY 2022 in accordance with IFRS 2.

The Notes were drawn up in accordance with the minimum contents required by IAS 34 – Interim financial report, and with the instructions issued by Consob in Communication No. 6064293 of 28 July 2006. In accordance with IAS 34, the Notes are presented in summary form and do not include all of the information required in the annual financial statements; they refer exclusively to components

which, due to amount, composition, or transactions, are essential for purposes of understanding the Company's economic and financial position. Therefore, this Interim Financial Report must be read together with the financial statements at 31 December 2021.

The Interim financial report presents a comparison with data from the last Financial Statements of Rai Way as at 31 December 2021 with regard to the balance sheet, and with data from the Interim financial report of Rai Way as at 30 September 2021 with regard to the income statement and cash flow statement.

The preparation of the Interim financial report as at 30 September 2022 required the use of estimates by the directors: the main areas in which significant evaluations and assumptions were conducted, and those with significant effects on the periodic situations presented, are reported below in the Notes as at 30 September 2022. Some of the measurement processes, especially the most complex ones, such as the determination of impairment of non-current assets, are generally conducted in a complete manner only when preparing the annual financial statements, except when there are indicators that demand an immediate update of estimates.

#### **Amendments and interpretations of current standards, effective as at 1 January 2022 (note 2)**

With regard to application of current accounting standards and recently issued ones, please refer to the Rai Way 2021 Annual Report – Notes to the financial statements, "Summary of accounting standards" paragraph published on the Company's website.

With regard to Accounting standards approved but not yet applicable or not yet approved by the European Union, please refer to the description provided in the specific paragraph of the Notes to the financial statements as at 31 December 2021.

In addition, it should be noted that, with Regulation No. 2022/357 issued by the European Commission on 2 March 2022, the documents 'Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies' and 'Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates' were endorsed.

The aim of the first document is to develop guidance and examples to assist entities in applying a judgement of materiality in accounting policy disclosures. In fact, the amendments to IFRS Practice Statement 2 provide guidance on how to apply the concept of materiality to accounting policy disclosures.

The second document clarifies how to distinguish changes in accounting policies from changes in accounting estimates. The distinction is relevant because changes in accounting policies from changes in accounting estimates are applied prospectively to future transactions and other future events, whereas changes in accounting policies are generally also applied retrospectively to past transactions and other past events.

The amendments are effective for financial years beginning on or after 1 January 2023.

The Company has assessed that these changes will have no significant impacts on the financial statements.

### **Segment information (note 3)**

The segment information, to which the reader is referred, was set out in the 2021 Annual Report ("Reference market" paragraph) published on the Company's website.

### **Seasonality of the reference business (note 4)**

There are no significant seasonality factors that affect the Company's results.

## Notes on the main changes in the Income Statement

### Revenues (note 5)

9 months		
(in thousand of euro)	2022	2021
Revenues from RAI Group (*)	158,818	148,366
Revenues from third parties	25,576	23,387
- Hospitality fees for equipment and apparatus	20,995	21,454
- Other	4,581	1,933
<b>Total revenues of sales and performances</b>	<b>184,394</b>	<b>171,753</b>

(\*) Revenues are shown net of marginal costs of € 13,879 thousand (€ 14,022 thousand at 30/09/2021).

The item "Revenues", which includes revenues for the period attributable to the provision of services falling within the normal business activity, recorded an increase of € 12,641 thousand compared to the same period of 2021, going from € 171,753 thousand at 30 September 2021 to € 184,394 thousand at 30 September 2022.

"Revenues from RAI Group" amounted to € 158,818 thousand, equal to 86.1% of total Revenues as at 30 September 2022 and increased by € 10,452 thousand compared to the same period in 2021. This increase derives from the effects of inflation linking and the increase in the consideration provided for in the agreement finalised on 10 December 2019 with Rai relating to the refarming process and effective as of 1 July 2021.

"Revenues from third parties" mainly includes revenues from (i) *Tower Rental services*, (ii) *broadcasting services*, (iii) *transmission services*, and (iv) *network services*, which the Company provided to third parties other than RAI. These revenues were up by € 2,189 thousand with respect to the same period of last year.

### **Other revenues and income (note 6)**

The income statement item "Other revenues and income" amounted to € 1,769 thousand in the first nine months of 2022 and compared to 30 September 2021 (€ 534 thousand) shows an increase of € 1,235 thousand mainly due to the recognition of the tax credit on the energy component purchased and actually used during the third quarter of the year (see Aid bis Decree) partially offset by the decrease in Other income.

### **Costs (note 7)**

The item "Purchase of consumables and goods", which includes the purchase of technical materials for the warehouse, and fuels for generators and heating, amounted to € 989 thousand as at 30 September 2022, in line with the values of the previous year.

"Costs of services" amounted to € 35,727 thousand at 30 September 2022 and increased by € 8,109 thousand compared to 30 September 2021 (€ 27,618 thousand). The increase was mainly due to higher costs for utilities (electricity), partly offset by the reduction in expenditure on Other Services. It should be pointed out that the increase in energy costs, due to the rise in the unit prices of said energy, was partly mitigated by the effect of the benefit of the concessions on the tariff components linked to the general electricity system charges and the reduction in electricity consumption deriving from the use of new, more efficient equipment and the new network configuration. In addition, the item "Other revenues and income" includes € 1,402 thousand of tax credit introduced by Decree Law No. 115 of 9 August 2022 ("Aiuti Bis" decree) to cope with the increase in the aforementioned electricity costs.

It should be noted that costs related to safety, accident prevention and occupational hygiene charges in the amount of € 92,000, shown as of 30 September 2021 under personnel costs, have been reclassified under service costs.



The income statement item "Personnel costs" amounted to € 31,823 thousand, an increase of € 165 thousand compared to 30 September 2021 (€ 31,658 thousand). The Company's average headcount increased from 593 average resources as of 30 September 2021 to 588 average resources as of 30 September 2022. Capitalised personnel costs amounted to € 2,960 thousand as at 30 September 2022 (€ 3,843 thousand as at 30 September 2021).

"Other costs" amounted to € 1,945 thousand, marking a decrease of € 92 thousand compared to 30 September 2021 (€ 2,037 thousand), mainly attributable to lower local taxes on production and on consumption.

#### **Amortisation/depreciation, Other write-downs and Provisions (note 8)**

"Amortisation, Depreciation, and other Write-downs" amounted to € 35,686 thousand as at 30 September 2022 (€ 36,583 thousand as at 30 September 2021). This item posted an increase of € 897 thousand with respect to the same period in the previous year.

The item "Provisions" as of 30 September 2022 showed a negative balance (positive income component) of € 26 thousand, referring to the release of a portion of the provision for dismantling and restoration, while as of 30 September 2021 it showed a negative balance of € 54 thousand.

#### **Financial Income and Expenses (note 9)**

"Financial income" showed a balance of € 78 thousand at 30 September 2022. In the same period of the previous year it had a negative balance of € 9 thousand.

"Financial expenses" amounted to € 1,420 thousand, an increase of € 300 thousand compared to the same period last year (€ 1,120 thousand at 30 September 2021), mainly due to the charges related to the loan agreement signed on 29 October 2020 with Mediobanca -Banca di Credito Finanziario S.p.A., Banca Nazionale del Lavoro S.p.A., Unicredit S.p.A. and Cassa depositi e prestiti S.p.A..

### **Income Tax (note 10)**

The item breaks down as follows:

9 months		
<b>(in thousand of euro)</b>	<b>2022</b>	<b>2021</b>
Current taxes	21,410	19,780
Deferred taxes	813	564
Substitute taxes	47	47
Taxes relating to previous financial years	(31)	(971)
<b>Total</b>	<b>22,239</b>	<b>19,420</b>

"Current taxes" amounted to € 21,410 thousand, showing an increase on the previous period of € 1,630 thousand, due mainly to higher earnings before income tax.

This item consists of:

- IRES (corporate income tax) of € 17,880 thousand;
- IRAP (regional business tax) of € 3,530 thousand.

Deferred taxes show a positive balance of € 813 thousand with an increase of € 249 thousand compared to 30 September 2021, mainly due to the reduction of taxed provisions accrued for the renewal of the labour contract and the bonus system and for actuarial valuations related to the TFR (severance indemnity) provision.

Deferred taxes consist of:

- Prepaid taxes of € 842 thousand;
- Deferred tax liabilities of € (29) thousand.

"Taxes relating to previous years" show a negative balance (positive income component) equal to € 31 thousand, with a decrease of € 940 compared to previous period which included the benefit in relation to the provisions of Decree law of 22 March 2021 (the Support Decree), in relation to the tax relief measure

on IRAP (regional business tax) provided by the Relaunch Decree to which the Company had previously adhered.

## **Notes on principal changes in the Balance Sheet**

### **Non-Current Assets (note 11)**

"Property, plant and equipment" amounted to € 260,470 thousand as at 30 September 2022, with an increase of € 16,011 thousand compared to 31 December 2021, due essentially to investments made in the first nine months of the year (€ 40,719 thousand), partially offset by depreciation for the period (€ 24,605 thousand).

"Lease rights of use", recognised from FY 2019 due to the adoption of IFRS 16, amounted to € 30,684 thousand as at 30 September 2022 (€ 31,548 thousand as at 31 December 2021), an decrease of € 864 thousand due to the effect of amortisation/depreciation for the period (€ 7,954 thousand), partially offset by new investments for € 7,218 thousand.

"Intangible assets" amounted to € 15,296 thousand, a decrease of € 1,948 thousand compared to 31 December 2021, due to amortisation/depreciation of € 3,126 thousand, partially offset by investments for € 1,171 thousand.

Non-current financial assets amounted to € 837 thousand, up by € 618 thousand compared to 31 December 2021, mainly due to the effect of the increase in the hedging derivative entered into at the end of December 2021.

Deferred tax assets amounted to € 1,761 thousand at 30 September 2022, down by € 1,279 thousand compared to 31 December 2021.

"Other non-current assets" amounted to € 1,102 thousand at 30 September 2022 and decreased by € 47 thousand compared with the values of the previous financial year. The amount relates for € 359 thousand to guarantee deposits receivable and for € 743 thousand to the advance payment of the substitute tax deriving from the tax enfranchisement of the merger deficit generated by the merger by incorporation of the company Sud Engineering, which took place with

effect from 22 June 2017. It should be noted that the Company has opted for the ordinary regime, pursuant to Art. 176, paragraph 2-ter, of the T.U.I.R. (Income Tax Consolidation Act) and that the accounting model adopted is that relating to the recognition of the substitute tax as an advance on current taxes.

### **Current Assets (note 12)**

"Inventory" amounted to € 787 thousand, a slight decrease with respect to the value at 31 December 2021.

Inventories include contract work in progress and stocks and spare parts for the maintenance and use of technical business assets.

"Trade receivables", amounting to € 77,236 thousand, increased by € 9,420 thousand compared to 31 December 2021 and are detailed as follows:

	As at 30 September	As at 31 December
<i>(in thousand of euro)</i>	<b>2022</b>	<b>2021</b>
Receivables from RAI	61,189	57,024
Receivables from customers and other Group companies	19,029	13,589
Provision for bad and doubtful debts	(2,982)	(2,797)
<b>Total Trade receivables</b>	<b>77,236</b>	<b>67,816</b>

"Other current receivables and assets" amounted to € 3,511 thousand as at 30 September 2022, down € 428 thousand compared to 31 December 2021 mainly due to lower receivables from the Parent Company due to tax consolidation, partially offset by the recovery of the IRES (corporate income tax) credit claimed as a refund for IRAP (regional production tax) deductibility and accrued income and prepayments.

As at 30 September 2022, "Current financial assets" amounted to € 558 thousand, an increase of € 21 thousand from the prior year.

"Cash and cash equivalents" amounted to € 15,629 thousand at 30 September 2022, a decrease of € 1,615 thousand compared to 31 December 2021 (€ 17,244

thousand). This decrease is mainly due to cash flows generated by financial and investment activities offset by cash flows generated by operating activities.

Current income tax credits amounted to € 62 thousand as at 30 September 2022 and were unchanged from the previous year. The value refers to the recognition of substitute tax paid on the merger surplus, as reported above in the section on "Other non-current assets".

### **Shareholders' Equity (note 13)**

At 30 September 2022, the Company's Shareholders' equity amounted to € 158,409 thousand, a decrease of € 7,507 thousand compared to 31 December 2021 (€ 165,917 thousand), mainly due to the distribution of dividends in the second quarter of 2022, partially offset by the result for the period.

### **Non-current liabilities (note 14)**

The item "Non-current financial liabilities" amounted to € 101,000 thousand as at 30 September 2022, an increase of € 32,000 thousand compared to the value as at 31 December 2021, due to the use of the Term Credit Line of of the loan signed on 29 October 2020 with a pool of financial institutions consisting of Mediobanca - Banca di Credito Finanziario S.p.A., Banca Nazionale del Lavoro S.p.A., Unicredit S.p.A. and Cassa depositi e prestiti S.p.A.. This credit line was mainly used to meet investment needs in the first nine months of 2022.

"Non-current lease liabilities" totalled € 21,180 thousand, down € 232 thousand compared to 31 December 2021 (€ 21,413 thousand).

"Employee benefits" amounting to € 10,278 thousand, decreased by € 1,985 thousand compared to 31 December 2021 (€ 12,263 thousand), due to the updating of the discount rates and the reduction in the workforce.

The item "Provisions for risks and charges", equal to € 15,074 thousand, decreased by € 2,162 thousand compared to 31 December 2021 (€ 17,236

thousand), mainly due to use and transfer to payables of the provision for fees accrued.

The timing of disbursements for the item "Provision for risks and charges" cannot be estimated with any certainty as they mainly depend on the timing of judicial proceedings and strategic and/or legislative decisions, which are currently not predictable.

### **Current liabilities (note 15)**

"Trade payables", which amounted to € 43,860 thousand, can be broken down as follows:

	As at 30 September	As at 31 December
<i>(in thousand of euro)</i>	<b>2022</b>	<b>2021</b>
Payables to suppliers	41,060	49,108
Payables to Parent Company	2,800	2,569
Payables due to other RAI Group Companies	-	12
<b>Total Trade payables</b>	<b>43,860</b>	<b>51,689</b>

The item "Other current payables and liabilities" was equal to € 40,084 thousand as at 30 September 2022, up by € 4,878 thousand with respect to the values at the end of 2021. The increase was mainly due to higher accrued expenses and deferred income partially offset by lower payables to the Parent Company for tax consolidation.

"Current financial liabilities" amounted to € 670 thousand at 30 September 2022, an increase of € 485 thousand compared to 31 December 2021 (€ 185 thousand).

The item "Current lease liabilities" amounted to € 15,513 thousand, up by € 456 thousand compared to 31 December 2021 (€ 15,057 thousand) due to the combined effect of the renewals and the payments made during the period.

At 30 September 2022, "Current tax payables" amounted to € 1,864 thousand, an increase of € 1,784 thousand compared to 31 December 2021 (€ 80 thousand) due to the payable to tax authorities for IRAP accrued during the current period.

### Earnings per Share (note 16)

The following table shows the calculation of basic and diluted earnings per share in the reference period.

	As at 30 September	As at 30 September
<i>(in thousand of euro, unless otherwise indicated)</i>	2022	2021
Profit for the year	56,253	52,771
Number of ordinary shares outstanding	268,374,644	268,374,644
<b>Earnings per share in Euro</b>	<b>0.21</b>	<b>0.20</b>

Diluted earnings per share is the same as basic earnings per share, because there were no dilutive elements at the reference date of this Report.

### Net financial debt (note 17)

The following is the Net Financial Debt of the Company, determined in accordance with the provisions of paragraph 175 et seq. of the recommendations contained in the document prepared by ESMA, No. 32-382-1138 dated 4 March 2021 (guidelines on disclosure requirements under EU Regulation 2017/1129, the "Prospectus Regulation").

	As at 30 September 2022	As at 31 December 2021
<i>(in thousand of euro)</i>		
A. Cash and cash equivalents	15,629	17,244
B. Cash equivalents	-	-
C. Other current financial assets	558	537
<b>D. Cash and cash equivalents (A) + (B) + (C)</b>	<b>16,187</b>	<b>17,781</b>
E. Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	16,183	15,154
F. Current portion of non-current financial debt	-	87
<b>G. Current financial debt (E + F)</b>	<b>16,183</b>	<b>15,241</b>

<b>H. Net current financial debt (G - D)</b>	<b>(4)</b>	<b>(2,540)</b>
I. Non-current financial debt (excluding current portion and debt instruments)	122,180	90,413
J. Debt instruments	-	-
K. Trade payables and other non-current payables	-	-
<b>L. Non-current financial debt (I + J + K)</b>	<b>122,180</b>	<b>90,413</b>
<b>M. Total financial debt (H + L)</b>	<b>122,176</b>	<b>87,873</b>
Excluded effects of IFRS 16-Lease liabilities:	<b>36,693</b>	<b>36,469</b>
<b>Q. ESMA net financial debt net of IFRS 16</b>	<b>85,483</b>	<b>51,404</b>

With reference to the loan stipulated on 29 October 2020, as of 30 September 2022, draw-downs were made on the term line for € 101 million, while the revolving line, equal to € 50 million, has not been used. Therefore, € 69 million remain available to the Company to finance short-term and/or medium/long-term requirements.

Lastly, it should be noted that, based on future projections for the next 12 months, the Company will be able to meet its commitments thanks to the estimated cash flow generation and the aforementioned financial resources.

### **Commitments and guarantees (note 18)**

Commitments, referring only to technical investments, amounted to € 45.6 million as at 30 September 2022 (€ 35.5 million as at 31 December 2021).

At 30 September 2022, guarantees amounted to € 85.1 million (€ 83.7 million at 31 December 2021) and mainly regard personal guarantees received for the obligations of other parties and guarantees of third parties pledged for the Company's obligations for liabilities and payables.

### **Transactions deriving from abnormal and/or unusual operations (note 19)**

Pursuant to Consob Communication no. DEM 6064293 of 28 July 2006, during the first nine months of 2022, the Company was not party to any abnormal and/or unusual operations as defined in that communication.



## **Other Information (note 20)**

### *Contingent Liabilities*

The amounts recognised in this Interim Report on Operations as provisions for risks and charges represent the Company's best estimate of the outcome of the pending disputes and have been calculated by taking into account the opinions of the external legal counsels assisting the Company.

The Company is party to certain legal disputes pending before Regional Administrative Courts relating to the use of radio and television signal transmission frequencies. All disputes are constantly monitored by the Company's legal department, which to this purpose engages the support of leading law firms specialising in administrative disputes. Again, in relation to administrative disputes, the Company is involved in a dispute relating to a selection procedure appeal pursuant to Arts. 4 and 15 of Italian Legislative Decree 50/2016.

Rai Way is also a party to a number of lawsuits of a civil and tax nature relating to the correct quantification of the fee due for the occupation of public space of installations owned by the Company.

With regard to the aforementioned lawsuits, although it is arguing its case in the applicable courts, assisted in this by leading specialised law firms, also taking into account the professional opinions formulated by these firms concerning the expected outcome of the pending disputes, the Company has not recognised in the provisions for risks and charges in its financial statements, the amounts claimed, since it considers it possible, but not probable, that it will be required to pay, should it lose the cases.

The Company is also party to a very limited number of lawsuits brought by employees and former employees in relation to alleged faulty application of the current regulations governing employee agreements. The amounts recognised in this Interim report to cover the risk of losing the litigation have been calculated by the Company by estimating, on the basis of the professional assessment of

the external lawyers representing the Company in court, the probable cost to be borne by Rai Way, taking into consideration the present stage of the litigation.

In order to provide supplementary information on the matters discussed above, it should be stated that, in carrying out its ordinary operations, the Company avails itself of the hosting services of third parties to position its installations on the land, buildings or structures of such parties. Taking into account that such hospitality is ordinarily formalized through contracts or similar legal instruments (but not limited to: transfers of surface rights, concessions of public spaces, etc.), the Company may have to incur costs for the removal of network infrastructures in the event that the contractual relationships with the third party hosts are not renewed or expire. A number of specific disputes are currently in progress on this matter, which could lead to the determination of these costs, at present not quantifiable, in the near future. The Company accordingly believes that the possibility exists that it may in the future have to incur costs to satisfy the claims it has received, and in this respect has created a provision for site decommissioning and restoration in the financial statements for this purpose.

If the circumstances discussed above should change in the future, with the likelihood of the Company having to incur costs that exceed the amount recognised in the financial statements becoming probable, all the necessary measures will be taken to protect the Company's interests and adequately portray the changed situation in the financial statements.

### Related Party Transactions<sup>3</sup>

Details of the transactions the Company carried out with related parties for the period ended 30 September 2022 are provided in the following; related parties are identified on the basis of IAS 24 Related Party Disclosures. The company Rai Way carries out transactions mainly of a commercial and financial nature with the following Related Parties:

- RAI (hereinafter the "Parent Company");
- key management ("Senior Management");
- other subsidiaries of Rai and/or companies in which the Parent Company has an interest ("Other related parties").

Related party transactions are conducted under normal market conditions.

The following table sets out details of the Company's statement of financial position items with regard to related parties as at 30 September 2022 and 31 December 2021:

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<sup>3</sup> In compliance with the provisions of IAS 24, paragraph 25, Rai Way is exempted from the disclosures specified in paragraph 18 (according to which the Company must indicate the nature of the related party transaction, besides providing the information on these transactions and the outstanding balances, including commitments, needed by the users of the financial statements to understand the potential effects of these transactions on the separate Financial Statements) in the case of relations with another entity that is a related party because the same governing entity has the control, the joint control or a significant influence both on the entity that prepares the financial statements and on the other entity.

**Related party transactions (Statement of financial position)**

<i>(in thousand of euro)</i>	Parent Company	Senior Management	Other related parties	Total
<b>Lease rights of use</b>				
As at 30 September 2022	9,516		13	9,529
As at 31 December 2021	12,371		-	12,371
<b>Non-current financial assets</b>				
As at 30 September 2022	-		-	-
As at 31 December 2021	-		-	-
<b>Current financial assets</b>				
As at 30 September 2022	364			364
As at 31 December 2021	345		-	345
<b>Current trade receivables</b>				
As at 30 September 2022	61,189		312	61,501
As at 31 December 2021	57,024		306	57,330
<b>Other current receivables and assets</b>				
As at 30 September 2022	-			-
As at 31 December 2021	2,874		-	2,874
<b>Non-current lease liabilities</b>				
As at 30 September 2022	5,861		11	5,872
As at 31 December 2021	8,753		-	8,753
<b>Current financial liabilities</b>				
As at 30 September 2022	-		-	-
As at 31 December 2021	-		-	-
<b>Current lease liabilities</b>				
As at 30 September 2022	7,502		-	7,502
As at 31 December 2021	7,631		-	7,631
<b>Trade payables</b>				
As at 30 September 2022	2,800		-	2,800
As at 31 December 2021	2,569		12	2,581
<b>Other debt and current liabilities</b>				
As at 30 September 2022	18,942	177	1,002	20,121
As at 31 December 2021	22,077	218	157	22,452
<b>Employee benefits</b>				
As at 30 September 2022			126	126
As at 31 December 2021	-	135	124	259

The following table sets out details of the Company's income statement items with regard to related parties as at 30 September 2022 and 30 September 2021:

#### Related party transactions (Economic)

<i>(in thousand of euro)</i>	Parent Company	Senior Management	Other related parties	Total
<b>Revenues (*)</b>				
As at 30 September 2022	<b>171,759</b>		<b>937</b>	172,697
As at 30 September 2021	161,426		961	162,387
<b>Other revenues and income</b>				
As at 30 September 2022	-		-	-
As at 30 September 2021	5		-	5
<b>Purchase of consumables</b>				
As at 30 September 2022	-		-	-
As at 30 September 2021	-		-	-
<b>Cost of services</b>				
As at 30 September 2022	<b>4,821</b>			4,821
As at 30 September 2021	4,964		-	4,964
<b>Personnel costs</b>				
As at 30 September 2022	<b>(48)</b>	2,192	<b>549</b>	2,692
As at 30 September 2021	(29)	2,238	537	2,746
<b>Other costs</b>				
As at 30 September 2022	<b>48</b>			48
As at 30 September 2021	18		-	18
<b>Right of use amortisation/depreciation</b>				
As at 30 September 2022	<b>2,855</b>		<b>9</b>	2,864
As at 30 September 2021	2,855		9	2,864
<b>Financial income</b>				
As at 30 September 2022	-		-	-
As at 30 September 2021	-		-	-
<b>Financial expenses</b>				
As at 30 September 2022	<b>102</b>			102
As at 30 September 2021	135		-	135

(\*) The amounts include the marginal costs towards the Parent for € 13,203 thousand and (€ 13,346 thousand at 30/09/2021) and Other related parties for € 676 thousand (€ 676 thousand at 30/09/2021)

#### Parent Company

The relations with the Parent Company, RAI, at 30 September 2022, mainly regard the Service Contract renegotiated on 31 July 2014 and amended in December 2019 in certain contractual terms and conditions, which relates to the provision of new integrated network services by the Company, the RAI supply agreement (regarding personnel administration, general services, IT systems, administration and treasury and the research and technological innovation centre), the lease

and supply contract of connected services by RAI, the domestic tax consolidation, the VAT legislation consolidation and an agreement for an intercompany current account agreement used to deal with residual payments.

#### Senior Management

"Key management personnel" means key executives who have the power and direct and indirect responsibility for planning, managing and controlling the Company's activities, and among others includes the members of the Companies' Board of Directors.

#### Other Related Parties

The Company has dealings of a commercial nature with other Related Parties and in particular with:

- Rai Com S.p.A., to which the Company provides transmission services;
- San Marino RTV which provides transmission services and receives transmission services from Rai Way;
- Supplementary pension funds for employees and executives.

Rome, 10 November 2022

on behalf of the Board of Directors

The Chairman

Maurizio Rastrello

**Declaration pursuant to Art. 154-bis, paragraph 5 of Legislative Decree No. 58/1998**

The manager in charge of preparing the corporate accounting documents of Rai Way S.p.A., Adalberto Pellegrino, declares, pursuant to Art. 154- bis, paragraph 2 of the Consolidated Finance Act, that the accounting information contained in this Interim financial report as at 30 September 2022 corresponds to the supporting documentation, accounting books, and records.

Rome, 10 November 2022

**Adalberto Pellegrino**

The Manager in charge of preparing  
the corporate accounting documents