



Interim condensed financial
statements at 30 June 2023

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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
Managed and coordinated by RAI - Radiotelevisione Italiana S.p.A.
The Company does not have any branch offices.

Corporate Bodies and Committees ¹

Board of Directors

Chair

Giuseppe Pasciucco

Chief Executive Officer

Roberto Cecatto

Directors

Romano Ciccone
Alessandra Costanzo
Michela La Pietra
Barbara Morgante
Umberto Mosetti
Gian Luca Petrillo
Paola Tagliavini

Secretary of the Board

Giorgio Cogliati

Control, Risks and Sustainability Committee

Paola Tagliavini (Chair)
Alessandra Costanzo
Gian Luca Petrillo

Board of Statutory Auditors

Chair

Silvia Muzi

Standing Auditors

Massimo Porfiri
Barbara Zanardi

Alternate Auditors

Cristina Chiantia
Paolo Siniscalco

Auditing Company

EY S.p.A. ²

Remuneration and Appointments Committee

Umberto Mosetti (Chair)
Romano Ciccone
Barbara Morgante

¹ In office at the date of this Half-year 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 2022, published on the Company website (www.raiway.it).

² Audit assignment approved by the Rai Way Shareholders' Meeting on 27 April 2023.

Rai Way S.p.A.'s activities

Rai Way³ (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 to the final users within a geographical area and transmission capacity sales services;
- (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;

³ 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, were 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. In line with Consob Communication No. 0092543 of 3 December 2015, which implements the guidelines issued on 5 October 2015 by the European Securities and Markets Authority (ESMA) No. 2015/1415, the components of these indicators, relevant for the Company, are described below.

- 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 that provided for in paragraph 175 et seq. of the recommendations contained in the document prepared by ESMA, no. 32382-1138 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 June 2023 compared to the results at 30 June 2022.

In addition, figures are also provided for the Company's Net Financial Position and Net Invested Capital at 30 June 2023 compared to equivalent figures at the close of the previous financial year.

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

Main Indicators

	6 months	6 months		
(figures in millions of euro; %)	2023	2022	Delta	Change %
Key Income Statement Figures				
Core Revenues	136.0	121.2	14.7	12.2%
Other Revenues and income	0.3	0.3	(0.0)	N.M.
Other operating costs	(21.4)	(21.1)	(0.3)	(1.4%)
Personnel costs	(24.1)	(22.3)	(1.8)	(8.3%)
Adjusted EBITDA	90.8	78.2	12.6	16.1%
EBIT	64.5	52.5	12.0	22.9%
Net Income	44.9	37.0	7.9	21.3%
(figures in millions of euro; %)	2023	2022	Delta	Change %
Key Balance Statement Figures				
Capital expenditure	17.9	26.2	(8.3)	(31.8%)
of which maintenance	3.6	3.9	(0.4)	(9.6%)
(figures in millions of euro; %)	2023	2022	Delta	Change %
Net Invested Capital	285.7	281.2	4.5	1.6%
Shareholders' Equity	147.1	176.2	(29.1)	(16.5%)
Net Financial Debt	138.6	105.0	33.6	32.0%
Indicators				
Adjusted EBITDA / Core Revenues (%)	66.8%	64.5%	2.3%	3.5%
Net Income / Core Revenues (%)	33.0%	30.5%	2.5%	8.1%
Maintenance Capex/Core revenue (%)	2.6%	3.2%	(0.6%)	(19.4%)
Net financial debt/Adj EBITDA (%)	152.7%	134.3%	18.4%	13.7%

* the item "other operating costs" is calculated net of the electricity tax credit for companies non-energy users, amounting to € 1.2 million.

- Core Revenues amounted to € 136 million, up 12.2% compared to the values as at 30 June 2022.
- Adjusted EBITDA is equal to € 90.8 million and shows an increase of € 12.6 million compared to the 30 June 2022 value. The Company defines this measure as EBITDA adjusted for non-recurring expenses.
- The ratio between Adjusted EBITDA and core Revenues was 66.8% compared to 64.5% as at 30 June 2022.
- EBIT is equal to € 64.5 million, and shows an increase of € 12 million compared to the 30 June 2022 value.
- Net income was € 44.9 million, up 21.3% compared to 30 June 2022.
- Capital expenditure of € 17.9 million relates to the maintenance of network infrastructure and development projects.
- Net Invested Capital amounted to € 285.7 million, with Net Financial Debt of € 138.6 million and Shareholders' Equity of € 147.1 million.

Income Statement

A summary of the Company's income statement for the period ended 30 June 2023 and 30 June 2022 is set out in the following table:

(figures in millions of euro; %)	6 months	6 months		
	2023	2022	Delta	Change %
Revenues from RAI	114.9	104.6	10.3	9.8%
Revenues from third parties	21.1	16.6	4.5	26.8%
Core Revenues	136.0	121.2	14.7	12.2%
Other revenues and income	0.3	0.3	(0.0)	(1.4%)
Personnel costs	(24.1)	(22.3)	(1.8)	(8.3%)
Other operating costs	(21.4)	(21.1)	(0.3)	(1.4%)
Adjusted EBITDA	90.8	78.2	12.6	16.1%
<i>EBITDA Margin</i>	66.8%	64.5%	2.3%	3.5%
Adjustments	(3.6)	-	(3.6)	N.M.
EBITDA	87.2	78.2	9.0	11.5%
Amortisation/depreciation	(22.4)	(25.7)	3.3	12.8%
Bad Debt Provisions	(0.2)	-	(0.2)	N.M.
Provisions	-	0.0	(0.0)	(100%)
EBIT	64.5	52.5	12.0	22.9%
Net Financial Expenses	(1.8)	(0.9)	(0.9)	(103.5%)
Pre-Tax Profit	62.7	51.6	11.1	21.5%
Taxation	(17.9)	(14.6)	(3.2)	(22.1%)
Net Income	44.9	37.0	7.9	21.3%
<i>NET INCOME Margin</i>	33.0%	30.5%	2.5%	8.1%

Rai Way revenues came to € 136 million, an increase of € 14.7 million compared to the previous period (+12.2%).

The activities carried out for the Rai Group resulted in revenues of € 114.9 million, with an increase of 9.8% compared to the same period of the previous year; the increase of € 10.3 million is due to the effects of the inflation indexing of network services, partially absorbed by the impacts of the termination of the medium wave radio service. With regard to commercial relations with other customers, revenues from third parties amounted to € 21.1 million, an increase of € 4.5 million (+26.8%) 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 € 24.1 million at 30 June 2023, an increase of € 1.8 million compared to the previous period due to one-off benefits recorded at 30 June 2022 and due to lower capitalisations on investment projects. The Company's workforce is 588 as at 30 June 2023.

"Other operating costs" – which consist of consumables, services and other costs net of non recurring items – amounted to € 21.4 million, up by € 0.3 million over the previous period. The increase in costs is mainly attributable to lower contingent assets compared to the previous year; there was an increase in service costs, mainly attributable to a 5G technology testing initiative, offset by a reduction in electricity costs net of the benefit of the related tax credit.

Adjusted EBITDA amounted to € 90.8 million, an increase of € 12.6 million compared to the value of € 78.2 million as at 30 June 2022, representing a margin of 66.8%.

<i>(figures in millions of euro; %)</i>	6 months	6 months		
	2023	2022	Delta	Change %
Adjusted EBITDA	90.8	78.2	12.6	16.1%
Non-recurring costs	(3.6)	-	(3.6)	N.M.
EBITDA	87.2	78.2	9.0	11.5%

In the first six months of 2023, there are non-recurring costs of € 3.6 million, mainly referring to a voluntary redundancy incentive initiative for the company's personnel and to the termination agreement between the company and the previous Chief Executive Officer.

The Operating Result, amounting to € 64.5 million, is € 12 million higher than in the same period of 2022 due to the effects described above and a reduction in amortisation of € 3.3 million.

As regards financial management, a net balance of € 1.8 million was recorded, with a deterioration of € 0.9 million compared to the previous period due to the increase in interest rates and the growth in financial debt.

Net profit amounted to € 44.9 million, an increase of € 7.9 million over the same period in 2022.

Capital expenditure and Other Investments

In the first six months of 2023, capital expenditure amounted to € 17.9 million (€ 26.2 million in 2022), of which € 3.6 million relating to the maintenance of the Company's network infrastructure (€ 3.9 million in 2022) and € 14.3 million to the development of new initiatives (€ 22.3 million in 2022).

(figures in millions of euro; %)	6 months	6 months	Delta	Change %
	2023	2022		
Maintenance Investments	3.6	3.9	(0.4)	(9.6%)
Development Investments	14.3	22.3	(8.0)	(35.7%)
Total Capital expenditure	17.9	26.2	(8.3)	(31.8%)
Investments for property leases and car fleet	2.4	5.5	(3.1)	(56.5%)

Development Investments mainly concerned the final activities related to the refarming process, the extension and improvement of television networks for the sale of transmission capacity in the local area in the technical areas where Rai Way was awarded the rights to use frequencies, the roll-out of a national fibre optic backbone infrastructure, and digital transformation projects.

Statement of financial position

(figures in millions of euro; %)	6 months	12 months	Delta	Change %
	2023	2022		
Net fixed assets	332.8	334.3	(1.6)	(0.5%)
Net Working Capital	(24.6)	(29.8)	5.2	17.5%
Provisions	(22.5)	(23.4)	0.9	3.9%
NET INVESTED CAPITAL	285.7	281.2	4.5	1.6%
Shareholders' Equity	147.1	176.2	(29.1)	(16.5%)
Net Financial Debt	138.6	105.0	33.6	32.0%
TOTAL FUNDING	285.7	281.2	4.5	1.6%

Net Invested Capital as at 30 June 2023 was € 285.7 million. Fixed assets also include the lease rights of use in application of the IFRS 16 accounting standard for € 32.8 million, net of the dismantling and restoration provision of € 1 million.

Net Financial Debt amounted to € 138.6 million, an increase of € 33.6 million compared to 31 December 2022. The item includes lease financial liabilities in application of the IFRS 16 accounting standard for a value of € 37.9 million. Please refer to the paragraph "Net Financial Debt" for additional details (note 17).

Human Resources and Organization

As at 30 June 2023, Rai Way had a workforce of 588 people employed on a permanent basis: 27 executives, 177 middle managers, 380 technicians or office staff and 4 workers.

The average number of employees was 585 in the first six months of 2023, while in the same period of 2022 it was 590.

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:

- Following the termination, with 31 December 2022, of the transitional period provided for by Article 44-bis, paragraph 2, of Decree-Law No. 76 of 16 July 2020, i.e. the two financial years following the 2020 financial year, the Company - pursuant to Article 2-ter of the Regulation adopted by Consob Resolution No. 11971 of 14 May 1999 ("Issuers' Regulation") - lost, as of 1 January 2023, the qualification of "SME" (Small and Medium Enterprise) pursuant to Article 1, paragraph 1, letter w-quater.1) of Legislative Decree No. 58 of 24 February 1998 ("TUF"). It is recalled that the loss of SME status by the Company entails, in particular, the application of the new threshold for the purposes of disclosure obligations of significant shareholdings, pursuant to Article 120 of the Consolidated Law on Finance, equal to 3% of the share capital. Therefore, shareholders holding shareholdings of more than 3% and less than 5% of the Company's capital at the date of this press release must notify Consob and the Company in accordance with and within the terms set forth in Articles 117, paragraph 2-bis, and 121, paragraph 3-bis, of the Issuers' Regulations;
- On 08 March 2023, the Board of Directors resolved to convene the Shareholders' Meeting for, among other things, the approval of the financial statements for the year ended 31 December 2022, on single call, on 27 April 2023;
- On 16 March 2023, the Board of Directors approved the draft financial statements for 2022, which closed with a profit of approximately € 73.7 million, and a proposal to distribute a dividend of € 0.2745 per share outstanding.

- On 27 April 2023, the Shareholders' Meeting, among other things:
 - approved the Financial Statements of the Company as at 31 December 2022 and the distribution of a dividend as proposed by the Board of Directors;
 - approved the First Section (relating to the remuneration policy for 2023) and voted favourably in support of the Second Section (relating to compensation for 2022) of the prepared Report on the remuneration policy and compensation paid;
 - 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 2022;
 - appointed for the years 2023-2025 (and therefore until the Shareholders' Meeting is called to approve the 2025 financial statements) the Board of Directors comprised of nine members: Giuseppe Pasciucco, appointed as Chair, Roberto Cecatto, Michela La Pietra, Paola Tagliavini, Barbara Morgante, Alessandra Costanzo, Gian Luca Petrillo, Romano Ciccone (taken from the majority list presented by RAI - Radiotelevisione italiana S.p.A) and Umberto Mosetti (taken from the minority list presented by some asset management);
 - approved, following the relevant reasoned proposal of the Board of Statutory Auditors, the appointment of the independent auditors EY S.p.A. for the financial years 2023 - 2031 and the determination of the relevant fee.
- On 28 April, the Board of Directors appointed:
 - Roberto Cecatto as new CEO and General Manager;
 - the Control and Risk and Sustainability Committee - which also acts as the Related Parties Committee - and the Remuneration and Appointments Committee, both of which are always composed solely of independent directors, with the following respective compositions

- Control, Risks and Sustainability Committee: Paola Tagliavini (Chair), Alessandra Costanzo and Gian Luca Petrillo;
 - Remuneration and Appointments Committee: Umberto Mosetti (Chair), Romano Ciccone and Barbara Morgante;
- following favorable opinion by the Statutory Auditors, Adalberto Pellegrino in the role already held by the latter as manager responsible for drafting corporate accounting documents, in accordance with art. 154-bis of Legislative Decree no. 58/1998, until the Shareholders' Meeting called to approve the Financial Statements as at 31 December 2025.
- On 23 June 2023, the Company signed an agreement with former Chief Executive Officer and General Manager Aldo Mancino regarding the consensual termination of the executive employment relationship and a non-competition agreement. The parties have agreed to mutually terminate the current management employment relationship as of 30 September 2023, the date until which Mr. Mancino will work with the company to ensure management fluidity, also in relation to specific projects, in the handover with the current CEO and General Manager, Roberto Cecatto. The Company recognised to Mr. Mancino, as a redundancy incentive, the sum of € 1,523,912 gross in addition to his legal entitlements. Mr. Mancino will continue to benefit from the 2021-2023 Share Plan approved by the Shareholders' Meeting of Rai Way on 27 April 2021, under the terms set forth by the provisions of the same Plan for good leaver hypotheses. Mr. Mancino also undertook, with a related agreement, non-competition obligations with the Company in the tower hosting sector (tower infrastructure) for radio and television broadcasting or in favour of companies or entities of any nature operating in the same sector, throughout Italy and for a duration of 13 months from the date of termination of the employment relationship. The covenant also provides for non-return obligations and penalties in the event of non-performance. The consideration paid by the Company to Mr. Mancino against the pact is € 250,000 gross.

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 2022 Annual Report - Report on Operations "Risk Factors Relating to the Company") published on the Company's website to which reference is made.

It should be noted that as of today, the conflict between Russia and Ukraine is still ongoing, as a result of which a situation of uncertainty has arisen - inter alia - on the macroeconomic level and on the costs of energy sources, although there is no impact on the Company's business continuity.

Events subsequent to 30 June 2023

There are no significant events to report.

Business outlook

The Company envisages the following for 2023:

- adjusted EBITDA growth rate in the mid-teens rate (based on current electricity price forecast for 2023);
- Maintenance investments in line with the previous year; development investments substantially in line with 2022 but with a different RAI-third-party mix.

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 2022 Annual Report

- Report on Operations, "Management and coordination" paragraph, published on the Company's website.

Rome, 27 July 2023

on behalf of the Board of Directors

The Chair

Giuseppe Pasciucco

Interim condensed financial statements at 30 June 2023

Financial statements

RAI WAY SPA INCOME STATEMENT (*)

(Figures in Euro)	Note (**)	6 months as at	
		30/06/2023	30/06/2022
Revenues	5	135,974,333	121,230,481
Other revenues and income	6	1,534,136	313,415
Purchase of consumables	7	(609,315)	(553,575)
Cost of services	7	(20,798,147)	19,219,106
Personnel costs	7	(27,544,315)	22,274,754
Other costs	7	(1,406,657)	(1,316,937)
Write-downs of financial assets	7	(244,423)	-
Amortisation, depreciation and impairment	8	(22,406,593)	25,708,946
Provisions	8	-	25,694
Operating profit		64,499,019	52,496,272
Financial income	9	179,603	64,689
Financial expenses	9	(1,934,154)	(926,699)
Total net financial income/(expenses)		(1,754,551)	(862,010)
Pre-tax profit		62,744,468	51,634,262
Income taxes	10	(17,873,148)	14,641,028
Period profits		44,871,320	36,993,234

RAI WAY SPA STATEMENT OF COMPREHENSIVE INCOME (*)

(Figures in Euro)	Note (**)	6 months as at	
		30/06/2023	30/06/2022
Period profits		44,871,320	36,993,234
Items that will be recognised in the Income Statement			
Profit/(loss) on cash flow hedges		(528,021)	390,157
Tax effect		126,725	(93,638)
Items that will not be recognised in the Income Statement			
Actuarial Profit / (Loss) for employee benefits		(11,731)	1,178,238
Tax effect		2,815	(282,777)
Comprehensive income for the period		44,461,108	38,185,214

(*) 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 FINANCIAL POSITION (*)

	Note	6 months as at	12 months as at
(Figures in Euro)	(**)	30/06/2023	31/12/2022
Non-current assets	11		
Tangible assets		278,228,903	280,773,127
Lease rights of use		33,789,261	33,434,083
Intangible assets		20,136,132	19,519,975
Deferred tax assets		3,040,206	1,764,013
Other non-current assets		917,459	947,641
Total non-current assets		336,111,961	336,438,839
Current assets	12		
Inventories		755,679	756,234
Trade receivables		75,239,759	66,221,818
Other current receivables and assets		3,680,635	2,461,007
Current financial assets		777,677	1,480,192
Cash and cash equivalents		5,365,658	35,183,995
Current tax receivables		62,196	62,196
Total current assets		85,881,604	106,165,442
Total assets		421,993,565	442,604,281
Shareholders' equity	13		
Share capital		70,176,000	70,176,000
Legal reserve		14,035,200	14,035,200
Other reserves		37,950,400	38,200,449
Retained profits		44,919,819	73,726,254
Treasury shares		(19,974,011)	(19,974,011)
Total shareholders' equity		147,107,408	176,163,892
Non-current liabilities	14		
Non-current lease liabilities		22,460,922	22,582,661
Employee benefits		9,888,300	10,000,616
Provisions for risks and charges		15,618,956	15,133,331
Other non-current payables and liabilities		309,091	327,273
Total non-current liabilities		48,277,269	48,043,881
Current liabilities	15		
Trade payables		44,825,746	60,471,655
Other debt and current liabilities		58,181,213	38,455,148
Current financial liabilities		106,803,053	101,544,042
Current lease liabilities		15,481,758	17,550,507
Current tax payables		1,317,118	375,156
Total current liabilities		226,608,888	218,396,508
Total liabilities and shareholders' equity		421,993,565	442,604,281

(*) 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 profits earnings	Treasury shares	Total
<i>(Figures in Euro)</i>						
As at 01 January 2022	70,176,000	14,035,200	37,265,839	64,413,559	(19,974,011)	165,916,587
Period profits				36,993,234		36,993,234
Actuarial profits and losses (**)				895,461		895,461
Distribution of dividends				(65,376,063)		(65,376,063)
Cash flow hedge reserve (***)			296,519			296,519
Stock option plan reserves			93,435			93,435
As at 30 June 2022	70,176,000	14,035,200	37,655,793	36,926,191	(19,974,011)	138,819,173
Period profits				36,696,716		36,696,716
Actuarial profits and losses (**)				103,347		103,347
Cash flow hedge reserve (***)			371,222			371,222
Stock option plan reserves			173,434			173,434
As at 31 December 2022	70,176,000	14,035,200	38,200,449	73,726,254	(19,974,011)	176,163,892
Period profits				44,871,320		44,871,320
Actuarial profits and losses (**)				(8,916)		(8,916)
Distribution of dividends				(73,668,839)		(73,668,839)
Cash flow hedge reserve (***)			(401,296)			(401,296)
Stock option plan reserves			151,247			151,247
As at 30 June 2023	70,176,000	14,035,200	37,950,400	44,919,819	(19,974,011)	147,107,408

(*) 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 STATEMENT OF CASH FLOWS (*)

(Figures in Euro)	30/06/2023	30/06/2022
Pre-tax profit	62,744,468	51,634,262
Adjustments for:		
Amortisation, depreciation and impairment	22,651,016	25,708,946
Provisions and (releases of) personnel and other funds	1,821,621	(602,572)
Net financial (income)/expenses (**)	1,684,236	786,681
Other non-monetary items	226,117	179,874
Cash-flows generated by operating activities before changes in net working capital	89,127,458	77,707,191
Change in inventories	555	2,444
Change in trade receivables	(9,262,365)	(518,863)
Change in trade payables	(15,664,231)	(12,254,595)
Change in other assets	(1,219,628)	1,805,470
Change in other liabilities	3,924,757	3,432,975
Use of risk funds	(352,616)	(883,366)
Payment of employee benefits	(1,344,979)	(1,668,455)
Change in current tax receivables and payables	(2,195,791)	(59,541)
Paid taxes	-	(1,681,925)
Net cash flow generated by operating activities	63,013,160	65,881,335
Investments in property, plant and equipment	(12,436,445)	(25,535,603)
Disposals of property, plant and equipment	-	1,721
Investments in intangible assets	(2,757,685)	(700,697)
Change in non-current financial assets	-	95,474
Change in other non-current assets	14,633	30,873
Net cash flow generated by investment activities	(15,179,497)	(26,108,232)
Increase in medium/long-term loans	-	32,000,000
(Decrease) in medium/long-term loans	-	-
(Decrease)/increase in current financial liabilities	4,720,295	165,217
Repayments of lease liabilities	(7,805,528)	(5,733,678)
Change in current financial assets	21,648	(184,548)
Net interest expense for the period	(919,576)	(516,157)
Dividends paid	(73,668,839)	(65,051,975)
Net cash flow generated by financing activities	(77,652,000)	(39,321,140)
Change in cash and cash equivalents	(29,818,337)	451,963
Cash and cash equivalents at the beginning of the period	35,183,995	17,243,998
Cash and cash equivalents of newly consolidated companies	-	-
Cash and cash equivalents at the end of the period	5,365,658	17,695,961

(*) 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.

(***) It should be noted that as of 30 June 2023, the Company had utilised for an amount of € 5,000 thousand the Revolving Credit Line of the Medium-Term Facilities Agreement entered into in October 2020 and expiring in October 2023. For this reason, this utilisation has been included in current financial liabilities.

Explanatory notes to the interim condensed financial statements at 30 June 2023

Introduction (note 1)

The interim condensed financial statements at 30 June 2023, comprising the Statement of financial position, the Income Statement, the Statement of Comprehensive Income, the Statement of Cash Flows, the Statement of Changes in Shareholders' Equity, and these Explanatory notes, has been prepared in accordance with Art. 154-ter of Italian Legislative Decree 58/1998 and subsequent amendments, as well as with the Issuers Regulation issued by Consob.

The interim condensed financial statements at 30 June 2023 has been prepared in accordance with IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB).

The interim condensed financial statements at 30 June 2023 was approved on 27 July 2023 by the Board of Directors, which authorized its publication.

The structure and content of the accounting statements in the interim condensed financial statements at 30 June 2023 and the related compulsory schedules conform to those prepared for the annual financial statements. Where applicable, the same criteria and standards applied to the financial statements at 31 December 2022 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 is accounted for in accordance with IFRS 2.

The above-mentioned standard states that share subscription and purchase options granted by the Company to employees and directors give rise to the recognition of an expense recognized in personnel costs with a corresponding

increase in shareholders' equity. Specifically, options to subscribe to and purchase shares are measured at their *fair value* at the grant date, amortized over the vesting period. Changes in *fair value* after the assignment date do not affect the initial measurement. At the end of each financial year, an estimate of the number of rights that will accrue until maturity is updated. The change in the estimate is recognized as an adjustment to shareholders' equity with a balancing entry to personnel costs.

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 statements must be read together with the financial statements at 31 December 2020.

This interim financial statements presents comparative figures from the latest financial statements of Rai Way at 31 December 2022 with regard to the financial position, and from the latest interim financial statements of Rai Way at 30 June 2022 with regard to the income statement and statement of cash flows.

The preparation of the interim financial statements at 30 June 2023 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 at 30 June 2023. 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 existing standards effective from 1 January 2023 and accounting standards approved and not yet applicable and accounting standards not yet approved (Note 2)

With regard to application of current accounting standards and recently issued ones, please refer to the Rai Way 2022 Annual Report – Notes to the financial statements, "Summary of accounting standards" paragraph published on the Company's website, with the exception of the adoption of the new standards and amendments in force since 1 January 2023. The Company has not proceeded with early adoption of any new standards, interpretations or amendments issued but not yet effective.

Several amendments apply for the first time in 2023, but did not have an impact on Rai Way's half-year financial statements:

- IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts, a new accounting standard for insurance contracts that considers recognition and measurement, presentation and disclosure. IFRS 17 replaces IFRS 4 Insurance Contracts issued in 2005. IFRS 17 applies to all types of insurance contracts (e.g. life, non-life, direct insurance and reinsurance), regardless of the type of entity that issues them, as well as to certain guarantees and financial instruments with discretionary investment features; some exceptions apply with respect to scope. The overall objective of IFRS 17 is to provide a more useful and consistent accounting model for insurance contracts for insurers. In contrast to the requirements of IFRS 4, which are largely based on the maintenance of previous local accounting standards, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. IFRS 17 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct investment features (the variable commission approach)
- A simplified approach (the premium allocation approach) mainly for short-term contracts.

The amendments had no impact on the interim condensed financial statements.

- *Definition of Accounting Estimates - Amendments to IAS 8*

The amendments to IAS 8 clarify the distinction between changes in accounting estimates, changes in accounting standards and error correction. They also clarify how entities use valuation techniques and inputs to develop accounting estimates.

The amendments had no impact on the interim condensed financial statements.

- *Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2*

The amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements provide guidance and examples to assist entities in applying materiality judgements to accounting standard disclosures. The amendments aim to help entities provide more useful accounting standard disclosures by replacing the requirement for entities to disclose their 'significant' accounting standards with a requirement to disclose their 'material' accounting standards and by adding guidance on how entities apply the concept of materiality in making accounting standard disclosure decisions.

The amendments had no impact on the interim condensed financial statements.

- *Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12*

The amendments to IAS 12 Income Taxes narrow the scope of the exception to initial recognition so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities. The amendments had no impact on the interim condensed financial statements.

With regard to Accounting standards 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 2022.

In addition, the following amendments should be noted: "Amendments to IAS 12 Income taxes: International Tax Reform - Pillar Two Model Rules: issued by the IASB on 23 May 2023.

Whereas in December 2021, the Organisation for Economic Co-operation and Development (OECD) published the rules of the International Tax Reform Model (so-called Pillar II) that individual jurisdictions must convert into national tax rules in order to ensure that large corporations are subject to a minimum tax rate of 15% (so-called Global minimum tax), the amendments introduced by the document issued by the IASB state:

- a temporary exception to the accounting of deferred taxes resulting from the application of the global minimum tax in individual jurisdictions; and
- targeted disclosure requirements to help investors better understand the company's exposure to income taxes resulting from the reform, particularly before the implementing legislation comes into force.

Companies may immediately benefit from the temporary exception, but are required to provide the information to investors for annual financial years beginning on or after 1 January 2023.

- *"Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures Supplier Finance Arrangements"* issued by the IASB on 25 May 2023.

The amendments introduce the obligation to provide specific disclosure on Supplier Finance Arrangements (SFA), i.e. those transactions in which:

- a lender pays the amounts that a company owes to its suppliers:
 - a) on the due date of the invoices
 - b) or on a date prior to their due date.
- the company repays the lender:

- in case a) according to the terms and conditions of the agreements at a date subsequent to the date on which the suppliers are paid;
- in case b) on the due date of the invoices

In case a) the Company obtains a deferred payment of its payables to suppliers, in case b) it is the suppliers who benefit from an advance payment.

The amendments respond to investors' need for more information on SFA in order to better understand the effects of these transactions on liabilities, cash flows and liquidity risks.

The information requested concerns:

- the terms and conditions of the SFA;
- the book value of the financial liabilities arising from these transactions and the rows in the financial statements in which they are recognised;
- the value of the financial liabilities referred to in the previous point for which suppliers have already received payment;
- the range of payments by due date for both financial liabilities that are part of SFA and comparable trade payables that are not part of such agreements;
- non-monetary changes in the carrying amounts of financial liabilities arising from SFA;
- the way SFA are accessed and the concentration of liquidity risk with lenders.

The Company is currently analysing the above standards and assessing the effect on its interim financial statements.

Segment information (note 3)

The Company has identified only one operating segment, for which information on operations is prepared and made available to the Board of Directors on a periodic basis for the above-mentioned purposes, considering the business conducted by Rai Way as a single group of activities; accordingly no disclosures by operating segment are provided in the financial statements.

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)

(in thousand of euro)	6 mesi	
	2023	2022
Revenues from Rai Group (*)	114,901	104,614
Revenues from third parties	21,073	16,616
- Hospitality fees for equipment and apparatus	15,331	14,116
- Other	5,742	2,500
Total revenues of sales and performances	135,974	121,230

(*) Revenues are shown net of marginal costs of € 8,623 (€ 9,077 thousand at 30/06/2022).

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 € 14,744 thousand compared to the same period of 2022, from € 121,230 thousand at 30 June 2022 to € 135,974 thousand at 30 June 2023.

"Revenues from RAI Group" amounted to € 114,901 thousand, equal to 84.5% of total Revenues as at 30 June 2023 and increased by € 10,287 thousand compared to the same period in 2022. This increase stems from the effects of indexation to inflation of the remuneration of the relevant service contract.

"Revenues from RAI Group" derive from Supply Contracts for turnkey services with the Parent Company relate to the performance of all activities necessary to guarantee transmission and broadcasting, in Italy and abroad, of the radio and

television signals relating to Rai's audio and visual contents and the ordinary fulfilment of obligations pertaining to the Concessionary of the public radio and television service. Under the scope of the Contract are also included "Evolutionary Services", meaning extension of already operational services, and "New Services", which refer instead to services relating to completely new standards/technologies, not yet known or expected today.

The nature of the obligation assumed, which is satisfied over time, involves the recognition of relative accrued revenues through the period in which the obligation was fulfilled.

"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. It should be noted that these revenues are recognised from the moment the customer obtains access to the sites where the plants and equipment are to be located and are recognised on a linear basis throughout the entire duration of the hosting agreement, regardless, therefore, of the time distribution of the consideration.

These revenues showed a balance of € 21,073 thousand, up by € 4,457 thousand compared to the same period of last year, benefiting from the start-up of new services for the sale of transmission capacity in the local area in the technical areas where Rai Way was assigned the rights to use frequencies.

Other revenues and income (note 6)

The income statement item "Other revenues and income" amounted to € 1,534 thousand in the first 6 months of 2023 and compared to 30 June 2022 (€ 313 thousand) shows an increase of € 1,221 thousand mainly due to the recognition of the tax credit on the energy component purchased and actually used during the first half of the year (see Aiuti bis Decree) and the contribution for damages.

Costs (note 7)

The item "Costs for the purchase of consumables and goods", which includes the purchase costs of technical materials for the warehouse, fuel and combustibles for generator sets and heating, amounted to € 609 thousand as at 30 June 2023, a slight increase compared to the values of last year.

"Costs of services" amounted to € 20,798 thousand at 30 June 2023 and increased by € 1,579 thousand compared to 30 June 2022 (€ 19,219 thousand). The increase was mainly due to higher costs for external services, mainly in connection with a 5G technology testing project, as well as higher costs for consultancy, training and travel. It should be noted that energy costs are substantially in line with 2022 values, also due to the reduction in electricity consumption resulting from the use of new, more efficient transmission equipment and the new network configuration, and do not include the benefit of the tax credit recognised in the item "Other revenues and income".

The income statement item "Personnel costs" amounted to € 27,544 thousand, an increase of € 5,269 thousand compared to 30 June 2022 (€ 22,275 thousand), mainly due to a voluntary redundancy incentive initiative for the company's personnel and the agreement to terminate the company's relationship with the previous CEO; capitalised personnel costs amounted to € 1,720 thousand at 30 June 2023 (€ 2,103 thousand at 30 June 2022) and decreased by € 383 thousand. It is also noted that the Company's average headcount went from 590 resources as of 30 June 2022 to 585 resources as of 30 June 2023.

The item "Other costs" amounted to € 1,407 thousand and increased by € 90 thousand compared to 30 June 2022 (€ 1,317 thousand).

"Write-downs of financial assets" amounted to € 244 thousand at 30 June 2023 and refers to bad debts provisions. At 30 June 2022, this item had a balance of 0.

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

"Amortisation, Depreciation, and other Write-downs" amounted to € 22,407 thousand as at 30 June 2023 (€ 25,709 thousand as at 30 June 2022). Compared

to the same period of the previous year, the item recorded a decrease of € 3,302 thousand, mainly due to the completion of the depreciation process of the assets related to the transmission equipment installed as part of the transition from the analogue to the digital television system in DVB-T technology.

The item "Provisions: as at 30 June 2023 shows a balance of zero.

Financial Income and Expenses (note 9)

"Financial income" showed a balance of € 180 thousand at 30 June 2023. In the same period of the previous year, it had a balance of € 0.7 thousand.

"Financial expenses" amounted to € 1,934 thousand, an increase of € 1,007 thousand compared to the same period last year (€ 927 thousand at 30 June 2022), mainly due to higher 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. mainly due to the increase in interest rates.

Income Tax (note 10)

The item breaks down as follows:

(in thousands of Euro)	6 months	
	2023	2022
Current taxes	18,940	14,105
Deferred taxes	(1,147)	536
Substitute taxes	31	31
Taxes relating to previous financial years	49	(31)
Total	17,873	14,641

"Current taxes" amounted to € 18,940 thousand, showing an increase on the previous period of € 4,835 thousand, mainly driven by higher earnings before income tax.

This item consists of:

- IRES (corporate income tax) of € 15,810 thousand;
- IRAP (regional business tax) of € 3,130 thousand

Deferred taxes showed a negative net balance of € 1,147 thousand, with a decrease of € 1,683 thousand over 30 June 2022.

Deferred taxes consist of:

- deferred tax assets of € (1,128) thousand;
- deferred tax liabilities of € (19) thousand.

It should also be noted that in relation to the amendments introduced to IAS 12 concerning the accounting of deferred taxes on contracts covered by IFRS 16, the related tax effects are not material, and therefore the impacts related to deferred taxation have not been recorded.

The following table provides a reconciliation between the theoretical tax charge and the effective tax charge for the periods ended 30 June 2023 and 2022.

<i>(in thousands of Euro)</i>	6 months			
	2023		2022	
Pre-tax profit	62,744		51,634	
Theoretical taxes	15,059	24.0%	12,392	24.0%
Substitute taxes	31		31	
Taxes relating to previous financial years	49		(31)	
Permanent differences	(396)		(76)	
IRAP	3,130		2,325	
Total	17,873	28.5%	14,641	28.4%

Notes on principal changes in the Balance Sheet

Non-Current Assets (note 11)

Property, plant and equipment amounted to € 278,229 thousand at 30 June 2022, a decrease of € 2,544 thousand compared to 31 December 2022, mainly due to

depreciation for the period (€ 14,906 thousand), which was partially offset by capital expenditure made during the first six months of the year (€ 12,436 thousand).

"Lease rights of use", recognised from FY 2019 due to the adoption of IFRS 16, amounted to € 33,789 thousand as at 30 June 2023 (€ 33,434 thousand as at 31 December 2022), an increase of € 355 thousand following the effect of new investments for € 5,868 thousand, partly offset by period amortisation/depreciation for € 5,359 thousand.

Intangible assets amounted to € 20,136 thousand, an increase of € 616 thousand compared to 31 December 2022, due to investments of € 2,758 thousand, partially offset by amortisation for € 2,142 thousand.

It should be noted that, also for the first half of 2023, the analysis of internal and external indicators did not reveal any elements that would put at risk the recoverability of the values of tangible and intangible assets as shown in the 2022 Financial Statements.

The figures for the items illustrated above are summarised below:

	31/12/2022	Changes in the year			30/06/2023
	Book value	Increases and capitalisations	Divestments/Disposals Net/Terminated	Ordinary amortisation/depreciation	Book value
Property, plant and equipment	280,773	12,436	(75)	(14,906)	278,229
Lease rights of use	33,434	5,868	(154)	(5,359)	33,789
Intangible assets	19,520	2,758	-	(2,142)	20,136

Deferred tax assets amounted to € 3,040 thousand at 30 June 2023, up by € 1,276 thousand compared to 31 December 2022.

"Other non-current assets" amounted to € 917 thousand at 30 June 2023 and decreased by € 30 thousand compared with the values of the previous financial year. The amount relates for € 221 thousand to guarantee deposits receivable and for € 696 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 € 756 thousand, in line with the values of the previous year.

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

Trade receivables, in the amount of € 75,240 thousand, increased by € 9,018 thousand compared to 31 December 2022 due to higher receivables from RAI and third-party customers also determined by the growth in turnover:

	As at 30 June	As at 31 December
<i>(in thousands of Euro)</i>	2023	2022
Receivables from RAI	63,853	58,194
Receivables from customers and other Group companies	14,629	11,026
Provision for bad and doubtful debts	(3,242)	(2,998)
Total Trade receivables	75,240	66,222

At 30 June 2023, "Other current receivables and assets" amounted to € 3,681 thousand, an increase of € 1,220 thousand compared to 31 December 2022 due mainly to higher accrued income and prepayments partially offset by a decline in tax credits. These include the tax credit on the energy component purchased and actually used.

As at 30 June 2023, "Current financial assets" amounted to € 778 thousand, a decrease of € 702 thousand from the prior year.

"Cash and cash equivalents" amounted to € 5,366 thousand at 30 June 2023, a decrease of € 29,818 thousand compared to 31 December 2022 (€ 35,184 thousand). This decrease is mainly due to the payment of dividends partially offset by the cash flows generated by operating activities.

Current income tax credits amounted to € 62 thousand as at 30 June 2023 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 June 2023, the Company's "Shareholders' equity" amounted to € 147,107 thousand, a decrease of € 29,057 thousand compared to 31 December 2022 (€ 176,164 thousand), determined by the distribution of dividends in the second quarter of 2023 and the profit for the first six months of 2023.

Non-current liabilities (note 14)

"Non-current lease liabilities" totalled € 22,461 thousand, down € 122 thousand compared to 31 December 2022.

"Employee benefits" amounting to € 9,888 thousand, decreased by € 113 thousand compared to 31 December 2022 (€ 10,001 thousand).

The item "Provisions for risks and charges", equal to € 15,619 thousand, increased by € 485 thousand compared to 31 December 2022 (€ 15,134 thousand), mainly due to the effect of allocations to the provision for accrued fees partially offset by the uses of the provisions for charges.

Changes in this item may be analysed as follows:

<i>(in thousands of Euro)</i>	Balances as at 1 January 2023	Provisions	Utilisation	Balances as at 30 June 2023
Civil and administrative disputes	707	-	(12)	695
Amounts accrued	2,193	768	(54)	2,907
Other provisions for risks and charges	1,224	-	(287)	937

Provision for decommissioning and restoration	11,010	70		11,080
Total provisions for risks and charges	15,134	838	(353)	15,619

Other non-current payables and liabilities amounted to € 309 thousand and consisted entirely of trade payables due in more than 12 months, down € 18 thousand compared to the value as at 31 December 2022.

Current liabilities (note 15)

"Trade payables", which amounted to € 44,826 thousand, can be broken down as follows:

	At 30 June	As at 31 December
(in thousands of Euro)	2023	2022
Payables to suppliers	41,080	56,679
Payables to Parent Company	3,746	3,793
Payables due to other RAI Group Companies	-	
Total Trade payables	44,826	60,472

The item "Other current payables and liabilities" was equal to € 58,181 thousand as at 30 June 2023, up by € 19,726 thousand with respect to the values at the end of 2022. The increase was mainly due to higher payables to the parent company for IRES for the period and higher payables to personnel.

"Current financial liabilities" amounted to € 106,803 thousand at 30 June 2023, an increase of € 5,259 thousand compared to 31 December 2022. The amount mainly includes the uses of the Term Credit Line 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.. It should be noted that the Company has

initiated procedures with some banks to acquire new sources of financing, which will be defined before the expiry of the previously indicated financing.

The item "Current lease liabilities" amounted to € 15,482 thousand, down by € 2,069 thousand compared to 31 December 2022 (€ 17,551 thousand) due to the combined effect of the renewals and the payments made during the period.

"Current tax payables" amounted to € 1,317 thousand as at 30 June 2023, an increase of € 942 thousand compared to 31 December 2022 (€ 375 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.

	At 30 June	At 30 June
<i>(in thousand of euro, unless otherwise indicated)</i>	2023	2022
Net profit	44,871	36,993
Number of ordinary shares outstanding	268,374,644	268,374,644
Earnings per share (basic and diluted) in Euro	0.17	0.14

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").

<i>(in thousands of Euro)</i>	At 30 June 2023	As at 31 December 2022
A. Cash and cash equivalents	5,366	35,184
B. Cash equivalents	-	-
C. Other current financial assets	778	1,480
D. Cash and cash equivalents (A) + (B) + (C)	6,144	36,664
E. Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	16,285	18,095
F. Current portion of non-current financial debt	106,000	101,000
G. Current financial debt (E + F)	122,285	119,095
H. Net current financial debt (G - D)	116,141	82,431
I. Non-current financial debt (excluding current portion and debt instruments)	22,461	22,583
J. Debt instruments	-	-
K. Trade payables and other non-current payables	-	-
L. Non-current financial debt (I + J + K)	22,461	22,583
M. Total financial debt (H + L)	138,602	105,014
Excluding the effects of IFRS 16 - Lease liabilities:	37,943	40,133
Q. ESMA net financial debt net of IFRS 16	100,659	64,881

With reference to the loan stipulated on 29 October 2020, the term line has been drawn down for € 101 million, while the revolving line of € 50 million has been used as at 30 June 2023 for € 5 million. Therefore, € 64 million remains available to the Company to finance short-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 cash generation, the aforementioned financial resources and new debit lines.

It should be noted that the Company has initiated procedures with some banks to acquire new sources of financing, which will be defined before the expiry of the previously indicated financing.

Commitments and guarantees (note 18)

Commitments referring only to technical investments amount to € 44.7 million at 30 June 2023: as at 31 December 2022, they amounted to € 42.1 million.

At 30 June 2023, they amounted to € 75.9 million (€ 88.3 million as at 31 December 2022) 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 six months of 2023, 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 recognized in this half-yearly report 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 the support of 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 recognized 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 the half-year financial report to provide against 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. 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 Transactions⁴

Details of the transactions the Company carried out with related parties for the period ended 30 June 2023 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, financial and social security nature with the following Related Parties:

- RAI (hereinafter the "Parent Company");
- key management ("Senior Management");
- other subsidiaries/associates 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 June 2023 and 31 December 2022:

⁴ 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 thousands of Euro)</i>	Parent Company	Senior Management	Other related parties	Total
Lease rights of use				
As at 30 June 2023	6,688	-	4	6,692
As at 31 December 2022	8,564	-	11	8,575
Non-current financial assets				
As at 30 June 2023	-	-	-	-
As at 31 December 2022	-	-	-	-
Current financial assets				
As at 30 June 2023	182	-	-	182
As at 31 December 2022	376	-	-	376
Current trade receivables				
As at 30 June 2023	63,853	-	-	63,853
As at 31 December 2022	58,194	-	104	58,298
Other current receivables and assets				
As at 30 June 2023	-	-	-	-
As at 31 December 2022	91	-	-	91
Non-current lease liabilities				
As at 30 June 2023	2,943	-	-	2,943
As at 31 December 2022	4,891	-	-	4,891
Current financial liabilities				
As at 30 June 2023	-	-	-	-
As at 31 December 2022	-	-	-	-
Current lease liabilities				
As at 30 June 2023	6,761	-	-	6,761
As at 31 December 2022	8,500	-	12	8,512
Trade payables				
As at 30 June 2023	3,746	-	-	3,746
As at 31 December 2022	3,793	-	- 12	3,781
Other debt and current liabilities				
As at 30 June 2023	40,253	74	820	41,147
As at 31 December 2022	23,709	265	182	24,156
Employee benefits				
As at 30 June 2023	-	345	125	470
As at 31 December 2022	-	120	126	246

The following table sets out details of the Company's income statement items with regard to related parties as at 30 June 2023 and 30 June 2022:

Related party transactions (Economic)

(in thousands of Euro)	Parent Company	Senior Management	Other related parties	Total
Revenues (*)				
As at 30 June 2023	123,524	-		123,524
As at 30 June 2022	113,066	625		113,691
Other revenues and income				
As at 30 June 2023		-	-	-
As at 30 June 2022	-	-	-	-
Purchase of consumables				
As at 30 June 2023	-	-	-	-
As at 30 June 2022	-	-	-	-
Cost of services				
As at 30 June 2023	3,293	-	-	3,293
As at 30 June 2022	3,248	-	-	3,248
Personnel costs				
As at 30 June 2023	- 47	1,589	414	1,956
As at 30 June 2022	- 30	1,270	402	1,642
Other costs				
As at 30 June 2023	118	-	-	118
As at 30 June 2022	33	-	-	33
Right of use amortisation/depreciation				
As at 30 June 2023	1,911	-	7	1,918
As at 30 June 2022	1,903	-	6	1,909
Financial income				
As at 30 June 2023	3	-	-	3
As at 30 June 2022	-	-	-	-
Financial expenses				
As at 30 June 2023	49	-	-	49
As at 30 June 2022	71	-	-	71

(*) The amounts are shown gross of marginal costs to the Parent Company for € 4,100 thousand (€ 4,254 thousand as at 31/03/2022).

Parent Company

The relations with the Parent Company, RAI, at 30 June 2023, 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 and social security nature with other Related Parties and in particular with:

- San Marino RTV which provides transmission services and receives transmission services from Rai Way;
- Supplementary pension funds for employees and executives.

Events subsequent to 30 June 2023

Please refer to the same paragraph in the Report on Operations.

Rome, 27 July 2023

on behalf of the Board of Directors

The Chair

Giuseppe Pasciucco

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

The undersigned Roberto Cecatto as Chief Executive Officer and Adalberto Pellegrino as Manager in charge of preparing the corporate accounting documents of Rai Way S.p.A. certify the following, taking into account the provisions of Article 154-bis, paragraphs 3 and 4 of Legislative Decree No. 58 of 24 February 1998:

- the adequacy in relation to the characteristics of the business and
- the effective application of the administrative and accounting procedures for the preparation of the Half-yearly financial report at 30 June 2023.

The assessment of the adequacy of the administrative and accounting procedures for the preparation of the Half-yearly financial report at 30 June 2023 was performed on the basis of the process defined by Rai Way S.p.A., taking as reference the criteria established in the model *"Internal Controls – Integrated Framework"* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also certify that:

- the Half-year financial report of Rai Way S.p.A. at 30 June 2023:
 - a. has been prepared in accordance with the applicable international accounting standards adopted by the European Union pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002;
 - b. corresponds to the balances on the books of account and the accounting entries;
 - c. gives a true and fair view of the financial position, results of operations and cash flows of the issuer;

- the report on operations includes a reliable analysis of the performance and results for the period as well as the issuer' s position, together with a description of the main risks and uncertainties to which it is exposed.

Rome, 27 July 2023

Roberto Cecatto

Adalberto Pellegrino

Chief Executive Officer Manager responsible for preparing the financial reports and corporate accounting documents



Rai Way S.p.A.

Review report on the interim condensed financial
statements as of June 30, 2023

(Translation from the original Italian text)

Review report on the interim condensed financial statements (Translation from the original Italian text)

To the Shareholders of
Rai Way S.p.A.

Introduction

We have reviewed the interim condensed financial statements, comprising the statement of financial position, the income statement, the statement of comprehensive income, the statement of changes in shareholders' equity and the statement of cash flows and the related explanatory notes of Rai Way S.p.A. as of June 30, 2023. The Directors of Rai Way S.p.A. are responsible for the preparation of the interim condensed financial statements in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

We conducted our review in accordance with review standards recommended by Consob (the Italian Stock Exchange Regulatory Agency) in its Resolution no. 10867 of July 31, 1997. A review of interim condensed financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the interim condensed financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed financial statements of Rai Way S.p.A. as of June 30, 2023 are not prepared, in all material respects, in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Other matters

The financial statements for the year ended December 31, 2022 and the interim condensed financial statements for the half-year period ended June 30, 2022 have been respectively audited and reviewed by another auditor who expressed an unqualified opinion on the financial statements on April 5, 2023 and expressed an unqualified conclusion on the interim condensed financial statements on July 29, 2022.

Rome, July 28, 2023

EY S.p.A.

Signed by: Filippo Maria Aleandri, Statutory Auditor

This report has been translated into the English language solely for the convenience of international readers