



## Press Release

### RAI WAY APPROVES RESULTS OF THE FIRST HALF 2023

***Adjusted EBITDA up 16%; guidance for 2023 confirmed with increased comfort on achieving targets***

- **Key results for the half-year ended 30 June 2023 (vs. 30 June 2022):**
  - Core revenues of € 136.0m (+12.2%);
  - Adjusted EBITDA<sup>1</sup> of € 90.8m (+16,1%);
  - Operating profit (EBIT) of € 64.5m (+22.9%);
  - Net income of € 44.9m (+21.3%).
- **Capex<sup>2</sup> of € 17.9m (€ 26.2m at 30 June 2022)**
- **Net debt<sup>3</sup> of € 138.6m (compared to € 105.0m at 31 December 2022)**

Rome, 27 July 2023 – The Board of Directors of Rai Way S.p.A. (Rai Way) met today under the chairmanship of Giuseppe Pasciucco and examined and unanimously approved the Company's Financial Statements for the half-year ended 30 June 2023.

Roberto Cecatto, CEO of Rai Way stated: *"The performance is extremely positive, with a second quarter that confirmed the significant growth trends already observed in the first months of 2023. These results increase visibility and optimism on achieving targets for the year. At the same time, the Board is undertaking an in-depth review of the corporate*

---

<sup>1</sup> The Company assesses performance also 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:

. EBITDA (earnings before interest, taxes, depreciation and amortization): this is calculated as profit before income taxes, depreciation, amortization, write-downs and financial income and expenses.

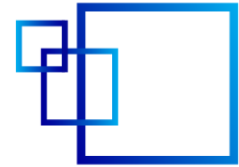
. Adjusted EBITDA: this is calculated as profit before income taxes, depreciation, amortization, write-downs, financial income and expenses and non-recurring expenses/income.

. Operating profit or EBIT (earnings before interest and taxes): this is calculated as profit before income taxes and before financial income and expenses.

. Net Debt: the format for the calculation of Net Debt is the one provided in paragraph 127 of CESR Recommendation 05-054b, which implements Regulation (EC) no. 809/2004.

<sup>2</sup> Excluding investments related to the application of new IFRS 16 Accounting Standard, equal to € 2.4m. Investments in 1H2023 include € 2.7m related to fiber IRU, reported under IFRS-16 financial liabilities in the financial statement.

<sup>3</sup> Net Debt including the effect of the application of the IFRS-16 accounting standard



*development initiatives, related fundamentals and evaluation in order to support the progressive execution, also in view of the definition of the capital allocation strategy of the next Industrial Plan."*

\*\*\*

### **Key Results at 30 June 2023**

The Company's **core revenues** amount to € 136.0 million for the semester ended 30 June 2023, an increase of 12.2% over € 121.2 million in the first semester 2022. Revenues attributable to RAI rise to € 114.9 million, while revenues from third-party customers amount to € 21.1 million posting a 26.8% increase. This trend mainly reflects indexation to inflation, the growing contribution of the new regional digital terrestrial networks and the positive dynamic of the hospitality business with fixed wireless and radio operators.

**Adjusted EBITDA** amounts to € 90.8 million, up 16.1% over € 78.2 million in the first half 2022, as a result of higher revenues and a cost increase that, net of non-core factors, remains moderate also thanks to lower energy consumption and the first (as only limited to the second quarter, having 2022 benefited until March from the fixed-price supply contract) effects of the drop in electricity tariffs. The margin on revenues reached 66.8% (64.5% in the first half 2022). Considering the impact of non-recurring expenses (€ 3.6 million in the first half 2023 while absent in the first half 2022), **EBITDA** amounts to € 87.2 million, representing an increase of 11.5% over € 78.2 million of the first half 2022.

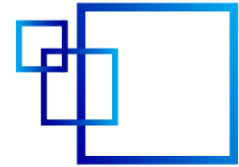
**Operating profit (EBIT)** amounts to € 64.5 million, 22.9% higher than the € 52.5 million in the first half 2022, also benefiting from the full depreciation of DVB-T transmission equipment.

**Net income** amounts to € 44.9 million, an increase of 21.3% compared to the figure for the first half 2022, when it stood at € 37.0 million.

**Capex<sup>4</sup>** amount to € 17.9 million at 30 June 2023, of which € 14.3 million relate to development (€ 26.2 million in the first half of 2022, of which € 22.3 million of development

---

<sup>4</sup> Excluding component related to IFRS-16 Leasing. Investments in 1H2023 include € 2.7m related to fiber IRU, reported under IFRS-16 financial liabilities in the financial statement.



activities). Development initiatives include lower rearing-related activities, now nearing completion, and increasing investment in infrastructure expansion projects.

**Net invested capital**<sup>5</sup> amounts to € 285.7 million, with **net debt** closing at € 138.6 million (including the impact from the application of the IFRS-16 accounting standard for € 37.9 million) compared to € 105.0 million at 31 December 2022 showing - net of dividend payments and development investments - a strong and rising recurring cash generation.

## Outlook

Considering the results for the first six months, the Company confirms its targets for 2023. In particular, Rai Way expects:

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

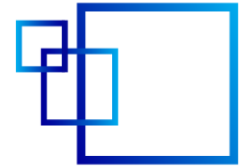
## Admission to trading on the IDEM and dividends

In accordance with the requirements of the Instructions to the Rules of the Markets Organized and Managed by Borsa Italiana S.p.A. (Section IA.2.1, Article IA.2.1.3), it is hereby announced that the month scheduled for the payment of any dividend relating to the fiscal year ending December 31, 2023 is May 2024.

It is noted that no decision has been made regarding the possible distribution of the dividend and its payment, which is left solely to the Shareholders' Meeting to be convened to approve the financial statements for the year ending December 31, 2023, nor on the Company's dividend policy. This communication is made solely to comply with the requirements of Borsa Italiana S.p.A. and the latter does not assume any forecasting value regarding the distribution of the aforementioned dividends or those of future fiscal years.

---

<sup>5</sup> Net invested capital is calculated as the sum of fixed capital, working capital and non-current financial assets



\*\*\*

*Rai Way announces that today, Wednesday 27 July 2023 at 4:30pm CET, the results of the first half 2023 will be presented to the financial community via conference call.*

*The presentation supporting the conference call will be made available in advance on the Company's website [www.raiway.it](http://www.raiway.it), in the Investor Relations section.*

*To take part in the conference call:*

*Italy: +39 02 8020911 - UK: +44 1 212818004 - USA: +1 718 7058796*

*Alternatively, please register [here](#) to receive the weblink to the event directly in your inbox and Outlook Calendar.*

*The replay of the conference call will be available after the end of the event in the Investor Relations - Events kit section of the website [www.raiway.it](http://www.raiway.it).*

\*\*\*

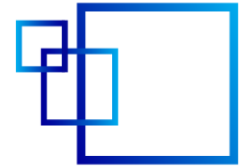
The manager in charge of preparing the corporate accounting documents, Adalberto Pellegrino, declares, pursuant to article 154-bis of the Consolidated Finance Law (TUF), that the accounting information in this release corresponds to the underlying accounting documents, books and entries.

\*\*\*

**Disclaimer**

This release contains forward-looking statements on the future events and results of Rai Way that are based on current expectations, estimates and forecasts about the sector in which Rai Way operates and on management's current opinions. By their nature these items contain an element of risk and uncertainty as they depend on the occurrence of future events. The actual results could differ, even materially, from those stated for a variety of reasons such as: global economic conditions, the effect of competition and political, economic and regulatory developments in Italy.





### **Rai Way S.p.A.**

*Rai Way manages and develops the terrestrial broadcast infrastructure which carries the television and radio signals of RAI, Italy's national public broadcasting company, and provides services to its business customers. Rai Way has an extensive experience and technological, engineering and organizational know-how in the Italian media and broadcast infrastructure market. Such a unique expertise, together with the skills and ongoing training of its around 600 employees, makes Rai Way an ideal partner for any companies and entities seeking for integrated solutions to develop their network and transmit their signals. Rai Way operates throughout the national territory and can rely on its headquarters in Rome, 20 local network centers and more than 2,300 sites across Italy.*

### **For more information:**

*Rai Way S.p.A.*

#### **Investor Relations**

Ph. +39 06 33173973

+39 06 33174815

[investor.relations@raiway.it](mailto:investor.relations@raiway.it)

*Image Building*

#### **Media Relations**

Claudia Caracausi

Mob. +39 338 447 6613

[raiway@imagebuilding.it](mailto:raiway@imagebuilding.it)



## Income Statement

(€m; %)	2Q22	2Q23	1H22	1H23
<b>Core revenues</b>	<b>61,1</b>	<b>68,1</b>	<b>121,2</b>	<b>136,0</b>
Other revenues and income <sup>1</sup>	0,3	0,6	0,3	1,5
Purchase of consumables	(0,2)	(0,3)	(0,6)	(0,6)
Cost of services	(10,8)	(9,9)	(19,2)	(20,8)
Personnel costs	(11,1)	(15,0)	(22,3)	(27,5)
Other costs	(0,7)	(0,8)	(1,3)	(1,4)
<b>Opex</b>	<b>(22,8)</b>	<b>(26,0)</b>	<b>(43,4)</b>	<b>(50,4)</b>
Depreciation, amortization and write-downs	(12,9)	(11,6)	(25,7)	(22,7)
Provisions	0,0	-	0,0	-
<b>Operating profit (EBIT)</b>	<b>25,8</b>	<b>31,1</b>	<b>52,5</b>	<b>64,5</b>
Net financial income (expenses)	(0,4)	(1,0)	(0,9)	(1,8)
<b>Profit before income taxes</b>	<b>25,4</b>	<b>30,1</b>	<b>51,6</b>	<b>62,7</b>
Income taxes	(7,2)	(8,7)	(14,6)	(17,9)
<b>Net Income</b>	<b>18,2</b>	<b>21,4</b>	<b>37,0</b>	<b>44,9</b>
<b>EBITDA</b>	<b>38,6</b>	<b>42,7</b>	<b>78,2</b>	<b>87,2</b>
<i>EBITDA margin</i>	63,2%	62,7%	64,5%	64,1%
Non recurring costs	-	(3,6)	-	(3,6)
<b>Adjusted EBITDA</b>	<b>38,6</b>	<b>46,3</b>	<b>78,2</b>	<b>90,8</b>
<i>Adjusted EBITDA margin</i>	63,2%	68,0%	64,5%	66,8%

1) Other Revenues and income include tax credits related to electricity expenses



## Balance Sheet

(€m)	2022FY	1H2023
<b>Non current assets</b>		
Tangible assets	280,8	278,2
Rights of use for leasing	33,4	33,8
Intangible assets	19,5	20,1
Financial assets, holdings and other non-current assets	0,9	0,9
Deferred tax assets	1,8	3,0
<b>Total non-current assets</b>	<b>336,4</b>	<b>336,1</b>
<b>Current assets</b>		
Inventories	0,8	0,8
Trade receivables	66,2	75,2
Other current receivables and assets	2,5	3,7
Current financial assets	1,5	0,8
Cash and cash equivalents	35,2	5,4
Current tax receivables	0,1	0,1
<b>Total current assets</b>	<b>106,2</b>	<b>85,9</b>
<b>TOTAL ASSETS</b>	<b>442,6</b>	<b>422,0</b>
<b>Shareholders' Equity</b>		
Share capital	70,2	70,2
Legal reserves	14,0	14,0
Other reserves	38,2	38,0
Retained earnings	73,7	44,9
Treasury shares	(20,0)	(20,0)
<b>Total shareholders' equity</b>	<b>176,2</b>	<b>147,1</b>
<b>Non-current liabilities</b>		
Non-current leasing liabilities	22,6	22,5
Employee benefits	10,0	9,9
Provisions for risks and charges	15,1	15,6
Other non-current liabilities	0,3	0,3
<b>Total non-current liabilities</b>	<b>48,0</b>	<b>48,3</b>
<b>Current liabilities</b>		
Trade payables	60,5	44,8
Other debt and current liabilities	38,5	58,2
Current financial liabilities	101,5	106,8
Current leasing liabilities	17,6	15,5
Current tax payables	0,4	1,3
<b>Total current liabilities</b>	<b>218,4</b>	<b>226,6</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>442,6</b>	<b>422,0</b>



## Cash Flow Statement

(€m)	2Q2022	2Q2023	1H2022	1H2023
<b>Profit before income taxes</b>	<b>25,4</b>	<b>30,1</b>	<b>51,6</b>	<b>62,7</b>
Depreciation, amortization and write-downs	12,9	11,6	25,7	22,7
Provisions and (releases of) personnel and other funds	(1,0)	0,9	(0,6)	1,8
Net financial (income)/expenses	0,4	1,0	0,8	1,7
Other non-cash items	0,1	0,2	0,2	0,2
<b>Net operating CF before change in WC</b>	<b>37,7</b>	<b>43,7</b>	<b>77,7</b>	<b>89,1</b>
Change in inventories	0,0	-	0,0	0,0
Change in trade receivables	7,6	9,4	(0,5)	(9,3)
Change in trade payables	(5,1)	(5,7)	(12,3)	(15,7)
Change in other assets	0,7	1,0	1,8	(1,2)
Change in other liabilities	(3,4)	(3,9)	3,4	3,9
Use of funds	(0,8)	(0,2)	(0,9)	(0,4)
Payment of employee benefits	(0,7)	(0,8)	(1,7)	(1,3)
Change in tax receivables and payables	(0,0)	(2,2)	(0,1)	(2,2)
Taxes paid	(1,7)	-	(1,7)	-
<b>Net cash flow generated by operating activities</b>	<b>34,3</b>	<b>41,3</b>	<b>65,9</b>	<b>63,0</b>
Investment in tangible assets	(16,4)	(7,6)	(25,5)	(12,4)
Disposals of tangible assets	0,0	-	0,0	-
Investment in intangible assets	(0,6)	(1,5)	(0,7)	(2,8)
Change in other non-current assets	0,0	0,0	0,0	0,0
Change in non-current financial assets	0,0	-	0,1	-
<b>Net cash flow generated by investment activities</b>	<b>(16,9)</b>	<b>(9,1)</b>	<b>(26,1)</b>	<b>(15,2)</b>
(Decrease)/increase in medium/long-term loans	32,0	-	32,0	-
(Decrease)/increase in current financial liabilities	0,2	4,7	0,2	4,7
(Decrease)/increase in IFRS 16 financial liabilities	(2,3)	(5,3)	(5,7)	(7,8)
Change in current financial assets	(0,1)	(0,2)	(0,2)	0,0
Net Interest paid	(0,3)	(0,8)	(0,5)	(0,9)
Dividends paid	(65,1)	(73,5)	(65,1)	(73,7)
<b>Net cash flow generated by financing activities</b>	<b>(35,7)</b>	<b>(75,1)</b>	<b>(39,3)</b>	<b>(77,7)</b>
<b>Change in cash and cash equivalent</b>	<b>(18,3)</b>	<b>(43,0)</b>	<b>0,5</b>	<b>(29,8)</b>
Cash and cash equivalent (beginning of period)	36,0	48,3	17,2	35,2
Cash and cash equivalent (end of period)	17,7	5,4	17,7	5,4