Press Release

THE BOARD OF DIRECTORS APPROVES THE 2024-27 INDUSTRIAL PLAN AND THE DRAFT FINANCIAL STATEMENTS AT 31 DECEMBER 2023

Rai Way aims to enhance its role in media distribution and digital infrastructure: the traditional business continues to offer growth opportunities, where diversification will enable further development in the medium to long term. Growth by external lines as accelerator of the strategy

2023 Adjusted EBITDA increase (+19.4%) in line with guidance; recurring cash generation bolstered to 114 million; further growth expected for 2024

- **Key targets for 2027 at constant perimeter (CAGR 2023-27):**
  - **Core Revenues at € 316m (+3.8%), with a contribution from diversification initiatives expected above € 10m;**
  - **Adjusted EBITDA at € 207m (+3.5%). Run-rate contribution from diversification (beyond the plan horizon) expected to exceed € 15m;**
  - **Adjusted EBITDA margin of the traditional business (excluding diversification initiatives) improving to ca. 68%;**
  - **Net Profit at € 92m (+1.4%);**
  - **Recurring maintenance capex on Core revenues ratio stable at around 6.5%;**
  - **Development capex of approx. € 240m, of which ca. € 100 on traditional business and assets and ca. € 140m on diversification initiatives;**
  - **Recurring cash generation[1] (Free Cash Flow to Equity) at € 130m, up by 15% compared to 2023 level.**
- **Along with the organic development investments, the capital allocation envisages:**

[1] Recurring cash generation calculated as Adjusted EBITDA – Leases – Net Financial Charges (excluding lease component) – Normalised P&L Taxes – Recurring Maintenance Capex. Leases estimated as sum of leasing right of use depreciation (excl. dismantling) and financial charges on leasing contracts

- **continuity in the dividend policy substantially equal to 100% of the Net Income generated, for a total distribution over the plan period of approximately € 350m;**
- **commitment to pursue growth through external lines to reinforce and accelerate Plan goals.**

- **Key results for the year ended 31 December 2023 (vs 31 December 2022):**
  - **Core revenues of € 271.9m (+10.8%);**
  - **Adjusted EBITDA[2] of € 180.3m (+19.4%);**
  - **Operating Profit (EBIT) of € 126.0m (+21.3%);**
  - **Net Profit of € 86.7m (+17.7%);**
  - **Investments[3] in 2023 equal to € 62.2m (€ 80.2m in 2022), with an acceleration in the development component in the fourth quarter;**
  - **Recurring cash generation[1] in 2023 of € 114m, up by more than 20 million from 2022**
  - **Net Debt of € 104.9m (€ 105.0m in 2022).**
- **Proposed dividend of 32.22 €cent/share, for a total amount broadly in line with 2023 Net Income and a dividend yield equal to 6,7%[4]**
- **Proposed new authorization to the Shareholders' Meeting for the purchase and disposal of treasury shares**
- **Proposed a long-term incentive plan to the Shareholders' Meeting**

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[2] 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.
. 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.
[3] Excluding investments related to the application of new IFRS 16 Accounting Standard, equal to €4.7m in 2023. Investments in 2023 include € 4.8m related to fiber IRU, reported under IFRS-16 financial liabilities in the financial statement.
[4] Dividend yield based on the closing price recorded on 22 March 2024 on MTA Stock Exchange managed by Borsa Italiana (4.8 €/share)

Rome, 25 March 2024 – The Board of Directors of Rai Way S.p.A. (Rai Way), met today under the chairmanship of Giuseppe Pasciucco, examined and unanimously approved the Company's Industrial Plan 2024-2027 and the draft of the financial statements for the year ended 31 December 2023.

Roberto Cecatto, Chief Executive Officer of Rai Way, stated: "*The results for 2023 were fully aligned with forecasts, which had been progressively increased over the course of the year. Inflation indexation, the contribution of regional broadcast networks and careful cost control drove Adjusted EBITDA to growth of 19.4% and brought recurring cash generation to €114 million.*
And even more important, today we approved the Plan for the next 4 years. A clear industrial path that, in addition to taking advantage of opportunities in our traditional business areas, charts a path for an evolution of Rai Way's positioning that is synergistic with the Company's assets and expertise. The infrastructure we are deploying - modern, integrated and interconnected – is gathering interest from customers involved in the digital transition process.
We also believe that this Plan acts on the appropriate levers to unlock the real value of our Company. The benefits of the Plan will go beyond the growth estimated for 2027, ensuring long-term sustainability and development.
At the conclusion of the Plan, we are striving for a Rai Way that - while maintaining its own prerogatives - is bigger, more diversified, with better growth outlooks and more efficient.
The path and priorities are clear. While always maintaining operational and financial discipline, our focus and commitment now shifts to execution."

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Strategic guidelines of the 2024-27 Industrial Plan

Rai Way's 2024-27 Industrial Plan represents a concrete roadmap of initiatives aimed at strengthening the Company's industrial positioning as a **provider of media distribution services** and **integrated digital infrastructure**, maximizing the use of its assets.

By expanding content distribution and completing an integrated, modern infrastructure platform with a nationwide footprint to support the country's digital transition, planned investments will guarantee the company's **sustainable, future-proof growth**.
The initiatives also address the main **levers of value**: enhancing cash generation from current activities, returns and growth outlook from expansion into synergistic businesses, obtaining industrial benefits and size from external growth opportunities and improving returns thanks to a more efficient capital structure.

The plan is based on an analysis of the available asset portfolio and trends in the reference markets, which confirm the presence of further growth opportunities in traditional businesses and the strong rationale of the lines of development already pursued.
Specifically:

- In the **media** market, video consumption continues to rise.
  Despite the relentless spread of streaming platforms ("OTT") and mobile device use in recent years, which have mainly impacted Pay-TV, Digital Terrestrial, confirmed as the platform with the largest audience and advertising revenue, is proving its resilience. The long-term vision of the coexistence of different platforms is supported by the social role played and the constant presence in people's day-to-day lives, together with expectations of a slowdown in the growth of OTT platforms, which are closing in on a phase of greater maturity, the progressive evolution of the linear offer of broadcasters, and the efficiency of Digital Terrestrial for linear distribution typical of specific content types.
  With the successful completion of the refarming process, the market of network operators and broadcast infrastructure operators is showing substantial stability. At the same time, growing digital traffic drives demand for IP based content delivery services, including by relying on Content Delivery Networks (CDNs) in order to make content available to users more quickly and efficiently.
  The radio market is expected to grow steadily, with the increased availability of frequencies as a result of the refarming process, which supports expanded coverage of both national and local DAB networks.

- The **digital infrastructure** market is expected to grow thanks to new telecommunication networks and the increasing spread of digital services (such as the cloud, IoT, cybersecurity, AI and Big Data).

  As far as the tower segment is concerned, telco service operators are continuing to extend 5G networks, with macro coverage that is expected to reach suburban and rural areas after the more densely populated areas, and Fixed Wireless networks, also as part of the "1 Giga Italy Plan". Hospitality services will also benefit from demand from other types of customers, such as radio operators (e.g. for the above-mentioned extension of DAB coverage), IoT and ISPs. At the same time, the possible consolidation of mobile operators and/or their access networks could generate some pressure on volumes. From the perspective of tower operators, the established practice of asset separation by service companies continues to enable infrastructure and financial synergies. In addition, to support future growth, there is a push towards expanding the services offered, e.g. towards active components, and the infrastructure managed, towards new adjacent assets.

  As regards the data center segment, the exponential increase in data traffic, the widespread adoption of Cloud services and the rapid growth of new technologies/services with high computational capacity (AI, Big Data) require the development of modern infrastructure that can offer increasingly significant scalability, reliability and flexibility. Furthermore, companies' preference for keeping their servers and data close, coupled with the expected uptake of low latency and high reliability applications and services, will favor the deployment of distributed assets and architectures capable of ensuring proximity and minimal response times. In Italy, supply is still limited compared to the potential, and geographically concentrated in the northern regions.

In both markets, the plan includes a path to strengthen and optimise the traditional business and the deployment and marketing of new assets and services, which are already being developed.

In particular, the traditional business continues to offer development opportunities related to:

- the extension of telecommunications networks, mainly radio and mobile, with an impact on both the volume of media network management activities (for RAI and for third parties) and tower hosting;
- the improved utilization of corporate assets, including the transmission network consisting of 6,000 km of owned fibre-optic network, satellites and radio links, as well as the extensive land portfolio, e.g. through the construction of photovoltaic systems to generate electricity;
- a further improvement in operational efficiency, linked to the evolution of the site operating and maintenance model and the optimisation of the real estate footprint.

With regard to **new assets and services** - which include a network of edge data centers under development in the main areas of the country, a hyperscale data center to be built in the Rome area and an edge CDN for the IP based delivery of content throughout the country - the priorities lie in the **speed and success of execution***:* indeed, over the plan horizon Rai Way will be focused on completing and marketing an integrated, modern digital infrastructure platform, scalable even beyond 2027, which will become a medium- to long-term growth engine.

Specifically, according to the plan:

- the first edge data centers covering the main areas of Central-Northern Italy (for about 1.6MW) will come into service as early as the second half of 2024, followed over the next two years by additional sites covering Central-Southern Italy (reaching a total capacity of about 3MW);
- the hyperscale data center (potentially 36MW) will make the first data rooms available (for about 4.4MW) within the plan horizon, also in light of the involvement of the relevant authorities with the recent initiation of the process for obtaining the necessary authorisations;
- on the CDN edge front, with the selection of technology partners and installations now complete, the trial phase is planned for the summer of 2024, with the ready-to-service version becoming available by the end of the same year.

At commercial level, the main target customers are managed directly with an internal sales force, while the SME pool will be reached mainly through indirect sales channels. The current priority lies in the engagement with potential anchor customers, also in order to improve the risk-return profile of initiatives, and in marketing agreements with indirect partners (such as, for example, system integrators), also in light of the interest garnered for edge data center offerings by regional SME/ICT customers.

In addition to the organic investment plan, the Company's financial flexibility will not only ensure continued adequate shareholder remuneration, but also to pursue **external growth** as a pillar of its strategy, both as a tool to achieve industrial synergies by boosting the efficiency and cash generation of its traditional business, and as an accelerator of the time-to-market of new initiatives (also in light of the trend in the data center segment of separation between service providers and infrastructure operators, which is already occurring in the tower segment).

Enabling elements of the Plan are organizational evolution, with the aim of facilitating the start-up of new businesses, as well as the digitization of systems and processes and consistency with specific sustainable development goals, further enhanced through the initiatives of the new Sustainability Plan 2024-27. This Plan, which will also address new topics such as circular economy and biodiversity, confirms the Carbon Neutrality target on scope 1+2 to 2025 and introduces new targets in terms of further emissions reduction, cybersecurity and training.

Economic and financial targets of the 2024-27 Industrial Plan

The Industrial Plan - based on a CPI[5] assumption of 0.7% in 2024 and of 1.5% in the following years - foresees total development investments on an organic basis[6] of €240 million, of which about €100 million relating to growth opportunities of the traditional business and roughly €140 million linked to the roll-out of diversification initiatives (assuming for 2027 the completion of the CDN, 10 edge data centres and the development of the first hyperscale data centre data hall for 4.4MW).

Focusing on the traditional business only, investments will fuel Adjusted EBITDA growth of about 13% over 2023 (€ +24 mln, 2023-27 CAGR +3.2%), with an improvement in margins of about 150 bps. Furthermore, considering maintenance investments that, net of certain non-

[5] Consumer Price Index. Each year's CPI value has an impact on revenues in the following year.
[6] Targets do not include the possible contribution from external growth

recurring activities, will remain stable at around 6,5% of revenues, recurring cash generation will reach €130 million in 2027, an increase of 15% compared to 2023.
Development investments relating to diversification initiatives are expected to provide an initial contribution in 2027 greater than €10 million at revenue level and a still marginal contribution in terms of EBITDA, reflecting the typical return profile of infrastructure initiatives. However, the run-rate EBITDA contribution is expected to exceed €15 million (assuming no additional investment), with strong scalability primarily connected to progressive further development of the hyperscale data center.

Overall, including both the traditional business and diversification initiatives, for the 2027 financial year the Industrial Plan expects:

- **Core revenues** at €316 million, with a CAGR in 2023-27 of 3.8%, due to the contribution of inflation and the above-mentioned development initiatives;
- **Adjusted EBITDA** at €207 million (2023-27 CAGR of +3.5%), with a margin on revenue of over 65% (around 68% excluding the dilutive effect of the diversification initiative ramp-up phase);
- **Net profit** at €92 million (2023-27 CAGR of +1.4%), with the increase in EBITDA partially offset by higher depreciation and amortization due to development investments and higher financial expenses.
- **Net Debt** at €286 million, as a result of recurring cash generation, development investment plan and the assumed dividend distribution to shareholders, with **leverage** expected to increase on an organic basis to about 1.4x in terms of Net Debt/Adjusted EBITDA.

The **dividend policy** underpinning the plan is stable and consistent with Rai Way's equity story, with a pay-out substantially equal to 100% of Net Profit, for a cumulated distribution to shareholders of approximately €350 million over the plan period, equivalent to a 6,7% yield on the current market capitalisation[7].

The limited debt over the plan period guarantees - compared to a level deemed

[7] Market capitalisation calculated on the basis of the closing price of March 22, 2024 recorded on the Mercato Telematico Azionario managed by Borsa Italiana (4.8 €/ share)

sustainable and reasonable in a range of between 3x and 4x of EBITDA (also based on market conditions) - the possibility of having access to additional resources to support external expansion according to the strategic rationale underlying the Plan.

Key results at 31 December 2023

The 2022 results reflect the effects of the development initiatives in the TV broadcasting business and cost control, which drive the positive performance of revenues, Adjusted EBITDA and recurring cash generation.

At operating level, in addition to traditional broadcasting and tower hosting activities - which continue to benefit from favorable dynamics of business growth with Fixed Wireless customers and radio operators - the expansion of Rai Way's digital infrastructure continued, following the analysis and support of the Board of Directors, with progress in the implementation of the first edge data centers and the Content Delivery Network, as well as progress in the authorization process for the hyperscale data center in the Rome area, with the recent start of the so called "Conferenza Preliminare dei Servizi". The roll-out of the proprietary national fiber backbone has also been completed.

In terms of financial management, in October the Company finalized with a pool of financial institutions a new medium-long-term (3-year) **loan agreement** for a maximum amount of € 185 million, which will help ensure financial flexibility to support the investments envisaged in the 2024-2027 Industrial Plan.

On the **sustainability** front, in 2023 the Company completed most of the initiatives included in the 2021-23 Plan, such as tightening its oversight on inclusion and diversity (by obtaining certification for gender equality) and further reinforcing the engagement process with suppliers. As a proof of the significant achievements, it should be noted that Rai Way has further improved its Carbon Disclosure Project rating by achieving a score of A- Leadership.

The Company's **core revenues** amount to € 271.9 million for the year ended 31 December 2023, an increase of 10.8% over € 245.4 million reported in 2022 (or 11.7% when excluding the one-off benefit of € 2.0 million recorded in 2022). Revenues from RAI rise to € 230.2 million, while revenues from Third-party customers amount to € 41.8 million posting a 19.6% increase. These trends mainly reflect the 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 € 180.3 million, up 19.4% over € 151.0 million in 2022, thanks to higher revenues and lower costs following the significant drop in electricity tariffs, the reduced energy consumption and the control over other expenses. The margin on revenues reached 66.3% (61,5% in 2022). Considering the impact of non-recurring expenses (€ 5.3 million in 2023 while absent in 2022), **EBITDA** amounts to € 174.9 million, representing an increase of 15.8% over € 151.0 million of 2022.

Operating profit (EBIT) amounts to € 126.0 million, rising 21.3% over € 103.8 million in 2022, despite higher depreciation and provisions.

Net income amounts to € 86.7 million, an increase of 17.7% compared to the figure for 2022, when it stood at € 73.7 million.

Capex[8] amount to € 62.2 million at 31 December 2023, of which € 46.3 million relate to development activities (€ 80.2 million in 2022, of which € 62.8 million in development activities). Compared to the previous year, capex figure includes lower refarming-related activities and increasing investment in infrastructure expansion projects.

Net invested capital[9] amounts to € 293.5 million, with **net debt** of € 104.9 million (including the impact from the application of the IFRS-16 accounting standard for € 37.8 million) compared to € 105.0 million at 31 December 2022. Excluding development investments and dividend payments, recurring cash generation[10] rise to € 114 million compared to € 93 million in 2022.

[8] Excluding investments related to the application of new IFRS 16 Accounting Standard. Investments in 2023 include € 4.7m related to fiber IRU, reported under IFRS-16 financial liabilities in the financial statement
[9] Net invested capital is calculated as the sum of fixed capital, working capital and non-current financial assets
[10] Recurring cash generation calculated as Adjusted EBITDA – Leases – Net Financial Charges (excluding lease component) – Normalised P&L Taxes – Recurring Maintenance Capex. Leases estimated as sum of leasing right of use depreciation (excl. dismantling) and financial charges on leasing contracts

Proposal for the allocation of profit for the year

The Board of Directors of Rai Way adopted a resolution at today's meeting to propose to the Shareholders' Meeting - scheduled for April 29, 2024 in single call - the allocation of the net income for 2023 to dividend to Shareholders for an amount of approx. € 86.5 million and to "Retained earnings reserve" for an amount of approx. € 0.3 million. Consequently, the proposal envisages - taking into account the 3,625,356 treasury shares in portfolio whose right to dividend is attributed proportionally to the other shares[11] - the payment of a total gross dividend of € 0,3222 per each outstanding ordinary share[12], to be paid on 22 May 2024 and with record date (the date which determines the Shareholders entitled to receive the dividend) set at 21 May 2024, with the share going ex-dividend on 20 May 2024 on detachment of coupon no. 10.

Outlook

In accordance with the evolution of strategic initiatives assumed in the Industrial Plan, for fiscal year 2024 the Company expects:

- further growth in Adjusted EBITDA, despite the start-up costs of diversification initiatives and the lack of incentives on energy tariffs;
- maintenance investments higher than the previous year; development investments substantially in line with 2023.

Proposal to the Shareholders' meeting to authorize the purchase and disposal of treasury shares following the revocation of the previous authorization

The Board of Directors has resolved to propose to the above mentioned Shareholders' Meeting - following the revocation of the authorization approved on April 27, 2023 - to reauthorize the purchase, for the period of eighteen months following the date of the

[11] Pursuant to art. 2357-ter of the Italian Civil law

[12] Possible changes in the number of treasury shares in the portfolio at the time of distribution of the dividend will not affect the amount of the unit dividend, but only the total amount, with an increase or decrease of the amount allocated to the retained profits

Shareholders' Meeting approval and on one or more tranches and also through intermediaries, of treasury shares up to a maximum number of shares not exceeding 10% of the *pro tempore* share capital, at a price that shall be neither lower nor higher by more than 20% of the official stock exchange price recorded by Borsa Italiana S.p.A. in the session preceding each individual transaction or in the session preceding the date of the announcement of the transaction - depending on the technical procedures identified by the Board of Directors - by any of the means permitted by applicable rules (laws or regulations, national or European) in force with respect to the subject matter, excluding the faculty of purchasing treasury shares through the purchase and sale of derivative instruments traded on regulated markets that entail the physical delivery of the underlying shares, which purchase may be, possibly, carried out also according to applicable market practices permitted by Consob.

All the above in order to enable the Company to continue to have at its disposal an important instrument of flexibility, which might be used for:

- investing liquidity in the medium and long term, or for purposes of optimizing the structure of the share capital or in any case for taking advantage of market opportunities;

- limiting, in accordance with the provisions in force, unusual movements in quotations and regularizing trends in trading and prices in situations of temporary distortions due to an excess of volatility or a low level of trading liquidity;

- creating a portfolio of treasury shares that can then be deployed for uses deemed to be the interest of the Company, including the servicing of stock incentive plans or the issuing of bonus shares to shareholders.

Simultaneously, the proposal will also be made – again, following the revocation of the authorization already approved by the Shareholders' Meeting of April 27, 2023 – to authorize, without time limit, the disposal also through intermediaries, of treasury shares purchased according to the above terms, or already held by the Company, even before having fully exercised the authorization to purchase referred above, at a price or, in any case, in accordance with criteria and conditions established by the Board of Directors, having regard to the procedures actually deployed, the trend in share prices in the period preceding the transaction and the best interest of the Company, in accordance with the purposes (including those set out above) and in any means permitted by applicable laws or regulations, national or European, in force with respect to the subject matter. Shares serving equity incentive plans will be granted in the manner and under the terms set forth in the regulations of the related plans. For further information, reference should be made to the Report of the Board of Directors on the authorization proposal, which will be published in accordance with the prescribed procedures (including by publication on the Company's website www.raiway.it, under section Governance/Shareholders' Meeting/Ordinary Shareholders' Meeting 2024/Documentation) and within the prescribed time periods.

Proposal to the Shareholders' Meeting of a long-term incentive plan

The Board of Directors approved, on the proposal of the Remuneration and Appointments Committee, a long-term incentive plan involving ordinary shares of Rai Way (the "**Shares**") called the "2024-2026 Share Incentive Plan" (the "**Plan**"), to be submitted for approval to the Shareholders' Meeting of 29 April 2024. The Plan is intended as an incentive tool for management while at the same time contributing to the pursuit of the priority objective of creating value for shareholders over the long term, as well as reinforcing the retention policies of management holding positions of greater importance and therefore more directly responsible for Company results.

The Plan is addressed to the CEO and General Manager, Executives with Strategic Responsibilities of the Company, and eventually other executives of the Company or of its subsidiaries pursuant to Article 2359 of the Italian Civil Code or directors with delegated powers of the latter who will be identified by the Board of Directors among the persons holding relevant functions, taking into account the responsibilities deriving from the role covered in relation to the achievement of the performance objectives envisaged under the Plan.

The purpose of the Plan is to grant, free of charge, rights which - subject to the occurrence of the conditions set forth in the Plan itself - allow the beneficiaries to receive free of charge a certain number of Shares, to be calculated on the basis of the level of achievement of certain performance targets. Specifically, it is envisaged that, in the event of approval of the Plan by the Shareholders' Meeting, (i) the first allocations of rights will take place by June 30, 2024, provided that any further allocations will have to occur by no later than September 30, 2025, and (ii) the Shares to which the Plan should entitle upon fulfillment of the conditions set forth therein shall be granted, for 50%, in 2027, i.e., in the year following the end of a three-year vesting period, subsequent to the approval of the financial statements as of December 31, 2026, and, for the remaining 50%, after two years from the first said grant. The Plan will be serviced by Shares already in the Company's portfolio or subsequently purchased. For any further information, however, please refer to the information document prepared about the Plan pursuant to the applicable regulatory provisions and which will be published in accordance with the applicable procedures (including publication on the Company's website www.raiway.it, under section Governance/Shareholders' Meeting/Ordinary Shareholders' Meeting 2024/Documentation) and within the prescribed terms.

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Rai Way announces that tomorrow, Tuesday 26 March 2024 at 2:00pm CET, the 2024-27 Industrial Plan and the results for 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, in the Investor Relations section.

To take part in the conference call:

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

You can also 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.

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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.

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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 is a digital infrastructure operator and media service provider for content distribution.
It is the sole operator of the broadcasting and transmission networks that carry the signals of RAI, Italy's public service concessionaire.
Listed since 2014 on Euronext Milan, Rai Way has a widespread presence throughout Italy with about 600 employees between its headquarters in Rome and 21 regional offices, more than 2,300 telecommunications towers, a transmission network in radio links, satellite systems and about 6,000 km of proprietary fiber optics and 2 control centers.
Its infrastructure, the excellence of its technological and engineering know-how and the high level of expertise of its people make Rai Way the ideal partner for companies seeking integrated solutions for the development of their network and for the management and transmission of data and signals.

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2022FY Income Statement

(€m; %)	4Q22	4Q23	FY22	FY23
Core revenues	**61,1**	**67,8**	**245,4**	**271,9**
Other revenues and income [1]	1,4	0,5	3,1	2,1
Purchase of consumables	(0,5)	(0,4)	(1,5)	(1,3)
Cost of services	(13,3)	(13,4)	(49,0)	(43,8)
Personnel costs	(11,9)	(13,8)	(43,7)	(51,4)
Other costs	(1,4)	(0,6)	(3,4)	(2,7)
Opex	**(27,0)**	**(28,2)**	**(97,5)**	**(99,1)**
Depreciation, amortization and write-downs	(11,4)	(13,0)	(47,2)	(47,3)
Provisions	(0,0)	(1,7)	0,0	(1,7)
Operating profit (EBIT)	**24,0**	**25,5**	**103,8**	**126,0**
Net financial income (expenses)	(0,7)	(1,6)	(2,1)	(4,5)
Profit before income taxes	**23,3**	**23,9**	**101,8**	**121,5**
Income taxes	(5,8)	(7,0)	(28,1)	(34,8)
Net Income	**17,4**	**16,9**	**73,7**	**86,7**

	4Q22	4Q23	FY22	FY23
EBITDA	**35,4**	**40,2**	**151,0**	**174,9**
EBITDA margin	*57,9%*	*59,2%*	*61,5%*	*64,3%*
Non recurring costs	-	(1,7)	-	(5,3)
Adjusted EBITDA	**35,4**	**41,9**	**151,0**	**180,3**
Adjusted EBITDA margin	*57,9%*	*61,8%*	*61,5%*	*66,3%*

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

2022FY Balance Sheet

(€m)	2022FY	2023FY
Non current assets		
Tangible assets	280,8	297,4
Rights of use for leasing	33,4	33,0
Intangible assets	19,5	24,7
Financial assets, holdings and other non-current assets	0,9	0,9
Deferred tax assets	1,8	2,9
Total non-current assets	**336,4**	**359,0**
Current assets		
Inventories	0,8	0,8
Trade receivables	66,2	74,8
Other current receivables and assets	2,5	1,4
Current financial assets	1,5	0,3
Cash and cash equivalents	35,2	34,1
Current tax receivables	0,1	0,1
Total current assets	**106,2**	**111,3**
TOTAL ASSETS	**442,6**	**470,3**
Shareholders' Equity		
Share capital	70,2	70,2
Legal reserves	14,0	14,0
Other reserves	38,2	37,7
Retained earnings	73,7	86,7
Treasury shares	(20,0)	(20,0)
Total shareholders' equity	**176,2**	**188,7**
Non-current liabilities		
Non-current financial liabilities	-	100,4
Non-current leasing liabilities	22,6	17,5
Employee benefits	10,0	8,9
Provisions for risks and charges	15,1	17,9
Other non-current liabilities	0,3	0,3
Total non-current liabilities	**48,0**	**145,0**
Current liabilities		
Trade payables	60,5	65,0
Other debt and current liabilities	38,5	48,9
Current financial liabilities	101,5	1,1
Current leasing liabilities	17,6	20,2
Current tax payables	0,4	1,4
Total current liabilities	**218,4**	**136,6**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**442,6**	**470,3**

2022FY Cash Flow Statement

(€m)	4Q2022	4Q2023	FY2022	FY2023
Profit before income taxes	**23,3**	**23,9**	**101,8**	**121,5**
Depreciation, amortization and write-downs	11,4	13,0	47,2	47,3
Provisions and (releases of) personnel and other funds	2,5	5,9	2,8	7,0
Net financial (income)/expenses	0,7	1,5	1,9	4,3
Other non-cash items	0,9	0,0	1,1	0,4
Net operating CF before change in WC	**38,7**	**44,3**	**154,8**	**180,4**
Change in inventories	0,0	-	0,0	0,0
Change in trade receivables	10,8	5,3	1,3	(9,1)
Change in trade payables	17,2	28,2	9,1	4,5
Change in other assets	0,3	2,4	0,8	1,1
Change in other liabilities	(6,4)	15,4	1,8	3,6
Use of funds	(1,9)	(1,6)	(2,9)	(2,2)
Payment of employee benefits	(0,8)	(1,9)	(3,1)	(3,6)
Change in tax receivables and payables	(0,8)	(0,1)	(0,9)	(2,3)
Taxes paid	(1,0)	(25,5)	(23,9)	(25,5)
Net cash flow generated by operating activities	**56,3**	**66,7**	**137,0**	**146,9**
Investment in tangible assets	(28,1)	(27,0)	(68,9)	(47,4)
Disposals of tangible assets	0,0	-	0,0	-
Investment in intangible assets	(5,6)	(5,7)	(6,7)	(10,0)
Disposals of intangible assets	0,0	-	0,0	-
Change in other non-current assets	0,2	0,0	0,2	0,0
Change in non-current financial assets	(0,1)	-	-	-
Net cash flow generated by investment activities	**(33,7)**	**(32,7)**	**(75,4)**	**(57,4)**
(Decrease)/increase in medium/long-term loans	(32,0)	100,4	-	100,4
(Decrease)/increase in current financial liabilities	31,7	(105,1)	31,9	(101,4)
(Decrease)/increase in IFRS 16 financial liabilities	(2,1)	(4,6)	(9,0)	(13,4)
Change in current financial assets	0,0	0,5	(0,3)	0,1
Net Interest paid	(0,4)	(1,6)	(1,1)	(2,6)
Dividends paid	(0,2)	(0,2)	(65,2)	(73,8)
Net cash flow generated by financing activities	**(3,0)**	**(10,6)**	**(43,7)**	**(90,7)**
Change in cash and cash equivalent	**19,6**	**23,4**	**17,9**	**(1,1)**
Cash and cash equivalent (beginning of period)	15,6	10,7	17,2	35,2
Cash and cash equivalent (end of period)	35,2	34,1	35,2	34,1